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MEDIA RELEASE

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SMGH Balances the Books

The Middlesex Hospital Alliance (MHA) board of directors at the May monthly board meeting passed a motion to sign off on a balanced budget for Strathroy Middlesex General Hospital (SMGH) for 09/10. “The administration, physicians and staff deserve congratulations for their collaborative efforts in the transformation at SMGH, all while maintaining services,” Ineke Haan, chair of the MHA board of directors, says.

A key factor in SMGH balancing the budget was the tremendous work undertaken to reorganize physical space in the hospital on the 2nd floor and consolidate beds with those from the 4th floor, while maintaining Obstetrics. Additionally, very recent news that the South West Local Health Integration Network (SW LHIN) would be providing SMGH with approximately \$514,000 of one-time money to assist with these restructuring costs, tipped the scales.

“With this one-time restructuring money to cover our restructuring costs, and some assumptions on our part around expenses and incomes, such as orthopaedic numbers being met, the SMGH can submit a balanced budget for 09/10,” Paul Long, Chief Financial Officer for MHA, says.

“The recent SWLHIN approval of \$514,019 in one-time funding to assist in supporting the severance costs associated with the external review process was key in resolving the outstanding financial challenges,” Long says.

The board also reviewed the recent meeting held between Minister of Health and Long-Term Care (MOHLTC) David Caplan, and the MHA board executive. The board leaders were invited by Maria Van Bommel, M.P.P. Lambton-Kent-Middlesex, to a private meeting with Minister Caplan prior to his speaking engagement at the Strathroy & District Chamber of Commerce luncheon. Representatives of the SW LHIN were also present.

At the private meeting, Minister Caplan was particularly interested in the External Review Report which was accepted by SW LHIN this past March. The MHA board representatives explained to the Minister that while the External Review recommended a phase out of Obstetric Services, collaborative efforts at MHA developed a different cost-saving restructuring strategy, with no cuts to OB services.

Ineke Haan, board chair, suggested that restructuring dollars to cover the one-time expenses of this cost-saving transformation would assist with the SMGH being able to balance its budget in 09/10. (The SW LHIN confirmed restructuring funding of \$514,000 the next day).

Nancy Maltby-Webster, Chief Operating Officer, spoke to the Minister Caplan about the successful MHA Hips & Knees joint replacement program at SMGH (later, in his speech to the Chamber, Caplan referenced the program as a “centre of excellence”). Maltby-Webster explained that SMGH receives “wait time” funding, determined annually, for the Hips & Knees program, and that type of funding causes a certain amount of stress, in not knowing if the program will go forward each year. Maltby-Webster requested that the Minister consider base funding to stabilize the very successful program.

“The Minister was very attentive to our requests and stated that all of the LHINs would be bringing their priority requests for funding consideration to him,” Haan says.

In other orthopaedic news, the board heard that Dr. Rajgopal, the newest addition to the MHA orthopaedic team, would be holding outpatient clinics and starting surgery by July 1, 2009.

In closing, the board was reminded of the public Annual General Meeting of the MHA and its Foundations on June 9, 2009 at 6:00 p.m., being held at the Trillium Village Auditorium. This year’s guest speaker is Paul Thewissen, Counselor for Health, Welfare & Sports, from the Royal Netherlands Embassy in Washington DC, addressing the topic Health Care Success, the Dutch Way.