



# Northern Directions

A monthly update from Northern Health to stakeholders across the North  
Volume 1 • Number 1 • September 2003

## From Northern Health Board Chair Harry Gairns...

On behalf of Northern Health's Board, I would like to welcome municipalities and regional districts from across our region to this week's Union of BC Municipalities convention in Vancouver.

I would also like to introduce you to **Northern Directions**, our new monthly newsletter intended to provide more information to our stakeholders about activities within Northern Health.

We wish you all the best in your discussions at this important meeting. Our CEO Malcolm Maxwell and I look forward to meeting with you, your councils, and administrative staff when we are able to attend in person on Thursday. A scheduled Board meeting on Monday prevented us from making the trip earlier.

In our nearly two years in operation, Northern Health has been able to largely maintain services in local communities. While we have been dealing with significant financial challenges, we have had success in doing so largely through producing administrative savings and other operational efficiencies.

There is no doubt the 2003-2004 fiscal year will have some significant challenges. As we'll discuss later in this edition, we have estimated several

millions of dollars in additional cost pressures such as higher wages, higher-than-expected cost of living agreement increases, and increasing supply costs.

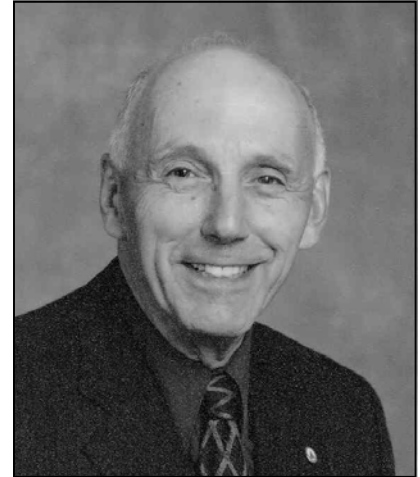
Through this fiscal year, our goal is to put as much of our budget as possible towards direct care for our patients, clients, and residents. But to do so, we have to find savings internally.

We have been investigating ways in which we can deliver our services more efficiently, and some of that has included examining the private provision of some services. However, we have been working with our unions to determine other viable options and will continue to do so.

Over the next 18 months, we will have several exciting developments. Our new Patient Care Addition at Prince George Regional Hospital is now open, with further renovations taking place through the facility. We have also opened a permanent Magnetic Resonance Imager in Prince George, which will provide state-of-the-art diagnostic imaging for the entire north.

Those developments will be closely linked with the Northern Medical Program, an important initiative to help provide further stability in physician retention throughout our region.

In partnership with the Provincial



Health Services Authority, we are beginning an expansion of specialized mental health services in the Northwest by building the new Seven Sisters facility in Terrace. On the home and community care front, we are undertaking a process to add more Independent Living units across the region, to provide seniors the housing and supports they need to maintain their independence.

There are many other developments we'll be bringing to your attention in future editions of this newsletter. In the meantime, we look forward to continuing to build on-going relations with our communities and stakeholders across the region.

Thank you.



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# Budget 2003/2004: dealing with our cost pressures

## The big picture:

- Total Projected Revenue for 2003-2004: \$423,866,000
- Total Expenses for 2003-2004: \$427,632,000
- Total Surplus (Deficit) for 2003-2004: (\$3,799,000)

Northern Health is required to balance its budget over the fiscal years 2002-2003 and 2003-2004.

The surplus from 2002-2003 will be used to offset the projected deficit in 2003-2004.

## The challenges:

Nearly \$25,000,000 in extra costs are projected in 2003-2004, including:

- Higher energy costs
  - Increasing prices for drugs and supplies
  - Increases in wages under collective agreements
  - Higher-than-expected cost-of-living allowance increases under collective agreements
- New funding under the federal-provincial agreement totals \$5,800,000.

## Some of our initiatives

To deal with our cost pressures in this fiscal year, we are taking the following steps:

- Working with our labour groups to

find ways of dealing with higher costs, while exploring Alternate Service Delivery of non-patient services

- Striving to reduce sick time by better supporting staff as they return to their jobs
- Implementing a co-ordinated strategy for Workplace Health and Safety, to better protect our staff while preventing costly injuries
- Integrating and co-locating services to increase client access, while producing organizational efficiencies
- Consolidating and rationalizing telecommunications services

Operating Expenses and Year End Forecast by Program Period 5 Year to Date ended August 14, 2003 (figures in thousands \$)	Year to Date			Annual Budget	Year end forecast	Variance
	Budget	Actual	Variance			
<b>REVENUE</b>						
MoH Revenue	129,197	128,580	(616)	345,674	344,174	(1,500)
Other Revenue	28,935	29,928	993	78,159	77,259	(900)
<b>TOTAL REVENUES</b>	<b>158,132</b>	<b>158,509</b>	<b>377</b>	<b>423,833</b>	<b>421,433</b>	<b>(2,400)</b>
<b>EXPENSES</b>						
Acute Service	60,091	62,165	(2,075)	161,511	166,203	(4,692)
Home and Community	23,307	23,980	(673)	61,376	63,676	(2,300)
Community Programs	21,501	20,122	1,380	58,241	58,241	(0)
Support Services	17,247	17,415	(167)	45,087	45,087	0
Physicians	13,565	12,127	1,438	35,741	34,241	1,500
Regional Service	12,430	12,500	(70)	35,810	35,085	725
Undistributed	8,962	9,936	(974)	25,014	25,014	(0)
Contingent Expense				4,852	0	4,852
<b>TOTAL EXPENSES</b>	<b>157,103</b>	<b>158,244</b>	<b>(1,141)</b>	<b>427,632</b>	<b>427,547</b>	<b>85</b>
<b>TOTAL SURPLUS/ (DEFICIT)</b>	<b>1,029</b>	<b>265</b>	<b>(764)</b>	<b>(3,799)</b>	<b>(6,114)</b>	<b>(2,315)</b>

## Quick budget facts...

- **Our year-to-date surplus is about \$265,000**
  - We projected a year-to-date surplus of \$1 million
- **Our budget deficit projected for the 2003-2004 fiscal year is \$3.79 million**
  - This means if we continue along our current spending patterns, our budget deficit could be \$6.1 million, almost \$2.3 million higher than budgeted
- **Northern Health intends to meet its projection of a \$3.79 million deficit**
  - We will do so by examining potential cost-reduction initiatives
- **This year's deficit will be off-set by the roughly \$3.79 million surplus accumulated in 2002-2003**
  - Our performance agreement with the Province of British Columbia requires us to balance our budget over a two-year term, providing the flexibility to use last year's surplus against this year's deficit



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# Northern physician recruitment progress

## **PHYSICIAN RECRUITMENT**

### **PROCESS:**

In Spring 2003, The Regional Medical Advisory Committee (RMAC) reviewed a draft Recruitment Process document for physician recruitment activity relating to Northern Health. This process is being revised and formally distributed to physicians as a resource, general guideline, and for discussion and further input.

Its purpose is to provide direction to physicians involved in addressing practice needs/shortages. Also, it facilitates the initial step of identifying physician needs that impact organizational resources.

The initial Northern Health Physician Resource Plan has been developed and approved by RMAC. This plan guides all current physician recruitment activity.

The process to identify new and emerging priorities is underway, which includes the Northern Medical Program.

New Physician Recruitment Liaison, Dr. Anthony Eckersley, has been an effective addition to the physician recruitment team (also including Cheryl Soucie and Chris Vardacostas). Dr. Eckersley provides part time services (Ooe day per week).

Dr. Eckersley has begun facilitating recruitment activity with a few specific physician groups, and we are anticipating future meetings with physicians throughout Northern Health.

### **PROGRESS**

Over a dozen physicians have been recruited and arrived in the North so far this year. More than a dozen others are on their way – either by

changing status from locum to permanent, or pending arrival. (This figure may exclude rural General Practice long-term locums and some GP's in private practice)

**Prince George Regional Hospital:** Specialists have been successfully recruited in Orthopaedics, Internal Medicine, Pathology, and Radiology (part time/locum). We also have physicians arriving over the coming months in Obstetrics/Gynaecology, Emergency, Paediatrics, Pathology, Plastic Surgery (6 month locum), Anaesthesia (3 month locum), General Practice, and Urology (One month locum, considering long term stay). We are re-doubling our recruitment efforts in Obstetrics/Gynaecology.

**Mackenzie:** New GP arriving in October.

**Dawson Creek:** A GP that previously provided locum services has now committed to long-term practice.

**Internal Medicine:** Specialists have been successfully recruited to Fort St. John, Terrace, Quesnel, and Prince George this year.

**General Practice:** Many candidates are at various stages of the application process in applying for positions in communities throughout Northern Health.

**Three interview visits are planned this fall/winter in Pediatrics and Internal Medicine (2) in Prince George.** There were several visits over the summer in Prince George, as well as one in **Dawson Creek (Obstetrics)**. Regional visits for General Practice are arranged as locums.

**Recruitment priorities – January**

**2003:** Many of the positions identified as urgent at the beginning of the year have now either been filled, have current candidates being considered, or are under review.

**PGRH Specialist positions –** At least one candidate is being considered in every priority specialty. A few exceptions include Radiology and Anaesthesia where additional recruitment measures are being implemented as identified above to attract qualified candidates.

**Queen Charlotte Islands – Masset:** One part-time physician has returned, while another will return part time in December. A few other candidates being considered.

**Northwest General Surgery: Smithers –** Locum arrangement are established until end of 2004. **Kitimat –** 2 to 3 expressions of interest. A few candidates with Health Match BC.

Many candidate applications are currently being processed by Health Match BC for many of Northern Health's current vacancies.

### **ON-GOING ACTIVITY**

Northern Health's recruitment department is conducting a number of activities to attract new physicians to the region, including:

- Advertising in respected medical publications;
- Publicizing positions through relevant websites;
- Attending medical conferences;
- Recruitment through existing residency programs; and
- Working with Health Match BC to identify candidates.



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# An update on major projects across the North...

This week, departments and patients have begun moving into the new Patient Care Addition at Prince George Regional Hospital.

This state-of-the-art new building is part of a \$50 million expansion and revitalization to Northern BC's largest acute care hospital.

The project is funded 60-40 between the Government of British Columbia and the Fraser Fort George Regional Hospital District.



Northern patients now have access to significantly improved diagnostic imaging, following the official opening of the new permanent Magnetic Resonance Imager at Prince George Regional Hospital.

The new device replaces a mobile MRI that traveled between Kelowna, Kamloops, and Prince George.

The \$3.44 million project included contributions from the Government of British Columbia (\$2.06 million), the Spirit of the North Healthcare Foundation (\$1 million), and the Fraser Fort George Regional Hospital District (\$377,000).



In Vanderhoof, the new complex care/continuing care facility that will replace the existing Omineca Lodge is well into the architectural planning stage.

This fifty bed facility will serve the entire Omineca area for residential care beds. The facility will be built on existing Northern Health property connecting to St. John Hospital.

The present plan is to tender the

project early in the new year with a view to begin construction once sufficient frost is out of the ground. Construction will take approximately one year.

The project will take on a residential appearance while at the same time taking advantage of existing mechanical systems and services of St. John Hospital. In addition the co-location will allow for a more integrated approach to the provision of health services.

The BC Ministry of Health is providing \$5.7 million to build the Omineca Lodge replacement. The Stuart-Nechako Regional Hospital District is providing \$1.25 million to the project. Northern Health will provide on-going operational dollars for the facility.



Northern Health will use \$500,000 in funding from the BC Ministry of Health to help prepare health facilities across the Northwest Health Services Delivery Area to withstand an earthquake.

The money will go towards non-structural upgrades in health facilities. Some of those upgrades can include stabilizing natural gas lines so they can withstand an earthquake, securing boilers and hot water systems in mechanical rooms, and securing lights and electrical systems.



Planning continues towards the launch of construction on the new Seven Sisters Adult Residential Mental Health Facility to serve the Northwest.

The new 20 bed, \$2.5 million specialized residence in Terrace will

care for Northwest patients with mental illnesses who would have previously received care at Riverview Hospital in Coquitlam.

The project is a three-way partnership between the Government of British Columbia, the Provincial Health Services Authority, and Northern Health.

## Northern Health quick successes

Northern Health has created a single, five-year contract for its Home Oxygen Program that will save 18 per cent off of the previous multiple contracts.

The new contract is valued at \$7.1 million over five years... nearly \$1.3 million less expensive than previous arrangements.



Northern Health expects to save \$500,000 a year by consolidating document management services throughout the region.

Some of the goals under the new contract with XBS (Xerox) will include a focus on document management throughout the region, office technology for the entire region, our printing services, and printing graphic procurement.



Competitive pricing on propane supply and storage at the Stikine Health Centre in Dease Lake is also producing savings. New arrangements will save nearly \$4,000 a year.



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# Key contacts across the Northern Health region...

**Northern Health Board members and staff are always available to answer your questions and provide you with the information you need.**

Our Health Services Administrators and Chief Operating Officers are our key liaisons to our communities on operational issues, and are always happy to speak with you.

## **The Health Services Administrators in your area are:**

- Jennifer Kennedy, Prince Rupert/Queen Charlotte Islands: (250) 624-2171, [jennifer.kennedy@northernhealth.ca](mailto:jennifer.kennedy@northernhealth.ca)
- Cholly Boland, Terrace/Kitimat: (250) 635-2211 or (250) 632-2121, [cholly.boland@northernhealth.ca](mailto:cholly.boland@northernhealth.ca)
- Paul Vieira, Hazelton/Smithers/Houston: (250) 847-7877, [paul.vieira@northernhealth.ca](mailto:paul.vieira@northernhealth.ca)
- Ray Scott, Lakes/Omineca: (250) 567-2211 extension 14, [ray.scott@northernhealth.ca](mailto:ray.scott@northernhealth.ca)
- John Knoch, Quesnel: (250) 992-0617, [john.knoch@northernhealth.ca](mailto:john.knoch@northernhealth.ca)
- Charles Taylor, Robson Valley: (250) 569-2251, [charles.taylor@northernhealth.ca](mailto:charles.taylor@northernhealth.ca)
- Gayle Anton, Mackenzie: (250) 997-3263, [gayle.anton@northernhealth.ca](mailto:gayle.anton@northernhealth.ca)
- Bryan Redford, Northeast: (250) 774-6916, [bryan.redford@northernhealth.ca](mailto:bryan.redford@northernhealth.ca)

We are currently in the midst of hiring a new Health Services

Administrator for Prince George, and will keep you informed.

We also have three Chief Operating Officers, who are responsible for the co-ordination of health services delivery in each of our three Health Service Delivery Areas:

## **Your Chief Operating Officers are:**

- Suzanne Johnston, Northwest: (250) 624-2171, [suzanne.johnston@northernhealth.ca](mailto:suzanne.johnston@northernhealth.ca)
- Michael McMillan, Northern Interior: (250) 565-2000, [michael.mcmillan@northernhealth.ca](mailto:michael.mcmillan@northernhealth.ca)
- Andrew Neuner, Northeast: (250) 262-5200, [andrew.neuner@northernhealth.ca](mailto:andrew.neuner@northernhealth.ca)

**If you have questions of a more regional nature**, you are always welcome to call Northern Health's main administration office at 565-2649. Board Chair Harry Gairns and CEO Malcolm Maxwell can also be reached through this number.

**For representatives of Aboriginal communities across the region**, Director of Aboriginal Health Katharina Patterson is available to provide any information you may need. She can be reached by calling (250) 565-2949, or e-mailing [katharina.patterson@northernhealth.ca](mailto:katharina.patterson@northernhealth.ca)

**For any other needs**, Director of Communications Mark Karjaluto can provide information to you or refer your request to the most appropriate party. Mark's number is (250) 565-2694, or e-mail [mark.karjaluto@northernhealth.ca](mailto:mark.karjaluto@northernhealth.ca)

## Northern Health seeks new Board members from Northeast and Northwest

We are currently seeking two qualified individuals (one each from the Northwest and Northeast service delivery areas) to sit as members of the Northern Health Authority Board of Directors.

As a member of the board, you will contribute your professional knowledge and governance experience to policy formation, decision-making and oversight.

Full information and application details are available at [www.northernhealth.ca](http://www.northernhealth.ca) or by calling the Board Resourcing and Development Office at (604) 844-1980.

Applications will be accepted until October 15, 2003.

## About Northern Directions...

Northern Directions is a monthly update from Northern Health.

If you have any questions or comments about the material you've seen in this edition of Northern Directions, please contact Mark Karjaluto, Director of Communications, at (250) 565-2694 or e-mail [mark.karjaluto@northernhealth.ca](mailto:mark.karjaluto@northernhealth.ca).

If there is a subject you would like us to focus on in a future edition of Northern Directions, feel free to call or e-mail us.



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