



January 16, 2017

**File: H-MP-NIHP**

Chair and Directors  
Comox Strathcona Regional Hospital District board

**Re: Island Health – deficit forecast**

Attached is a CBC news article regarding Island Health projecting a deficit of up to \$12M after the busy holiday season which could potentially affect patient services. This should be concerning to the Comox Strathcona Regional Hospital District, as it involves the North Island hospitals projects opening / implementation.

I respectfully request the board's consideration of the following:

THAT Comox Strathcona Regional Hospital District (CSRHD) staff be directed to contact Island Health to determine what programs and confirm the number of beds that will be in operation when the new Campbell River and Comox Valley hospitals are officially opened;

AND FURTHER THAT staff report back to the February 2017 CSRHD board meeting.

Respectfully,

***R. Kishi***

Roger Kishi  
Alternate Director

Enclosure: CBC news article regarding Island Health projecting a deficit

# Island Health projects up to \$12M deficit after busy holiday season

NDP released leaked internal memo, says it's concerned potential cuts could affect patient service

By Richard Zussman and Rhianna Schmunk, [CBC News](#) Posted: Jan 14, 2017 2:19 PM PT Last Updated: Jan 14, 2017 2:19 PM PT

The Vancouver Island Health Authority (VIHA) is forecasting a year-end deficit of between \$10 and \$12 million, according to an internal memo leaked Friday.

In the notice — obtained and released by the B.C. NDP — authority president Dr. Brendan Carr said the deficit was caused by "unusual seasonal pressures" as well as one-time startup costs brought on by North Island hospitals.

The memo also noted increased expenses associated with long-term disability treatment.

Under legislation, the authority isn't allowed to run a deficit, which Carr said puts the provider in a "difficult" situation.

"[This] requires everyone pulling together in the last quarter to reduce expenditures where possible, while not jeopardizing the excellent care provided every day," the president wrote in the memo, adding that the budget must be balanced by the end of March.

The provincial NDP has raised concerns that belt-tightening will affect patient service.

Health critic Judy Darcy said those worries stem from the fact that one of the biggest drivers of the heightened costs, according to the notice, was overtime expenses.

"It is inevitable that that means cuts to patient care," Darcy said. "The overwhelming amount of money in health care budgets goes to staffing and staffing is top of the list for cost reductions in this memo."

VIHA has released a statement since the leak, stressing that the notice doesn't say patient care services will be reduced.

In the release, the authority outlines steps it plans to take to lower costs. Some measures include cutting down on administrative travel, reducing office supply purchases and curbing cellphone use.

The authority is also looking at reducing overtime, although it insists this won't hurt patient care.

Darcy, however, is skeptical of the plan.

"You can't find this much savings by dealing with stuff like office supplies and travel, it's simply not there," she said.

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