

Interior Health Program Update

Presentation to North Okanagan Columbia Shuswap RHD

Yvonne Taylor

Health Services Administrator North Okanagan Community



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Opportunities Continue

- * Reduce facility-based utilization by shifting care to the community and improve access to primary care
- * Further investment in Mental Health and Substance Use (MHSU) to reduce readmission rates
- * Continued focus on access and flow through our hospitals to reduce Alternate Level of Care (ALC) rates

Primary Care & Community Care

- * Working in partnership with the Collaborative Services Committee (CSC) & Shuswap North Okanagan Division of Family Practice
 - * Salmon Arm Seniors Health and Wellness Clinic
 - * Vernon Main Street Clinic
- * Working in partnership with Revelstoke Chapter, Rural Remove Division of Family Practice
 - * Revelstoke Seniors Health and Wellness Clinic

Questions?



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Interior Health Capital Update & 2018/19 Funding Request

Presentation to North Okanagan Columbia Shuswap RHD

Dan Goughnour

Director Business Support

March 27, 2018



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Major Capital Projects Update

Project Name/Phase Name	% Complete Status			Substantial Complete Date (Mth/Yr)	Total Complete Date (Mth/Yr)	On Time	On Budget	Other Issues	Project Budget	Actual Cost (as of Jan 18)
	Program	Design	Const.							
QVH Helipad	100%	100%	92%	Jan-18	May-18	Y	Y	N	\$ 547,095	\$ 414,248
VJH MI Redesign Planning	100%	N/A	N/A	Aug-16	Mar-17	Y	Y	N	\$ 150,000	\$ 69,142
VJH Inpatient Psychiatry Redevelopment Planning	100%	N/A	N/A	Aug-16	Mar-17	Y	Y	N	\$ 150,000	\$ 41,395
VJH General Radiographic System	N/A	100%	100%	Jul-17	Oct-17	Y	Y	N	\$ 617,000	\$ 511,151
BSP Walk-In Cooler/Freezer	N/A	100%	0%	Apr-18	May-18	Y	Y	N	\$ 135,000	\$ 7
SLH Sterilizer - Low Temperature VHP	N/A	N/A	0%	Feb-18	Mar-18	Y	Y	N	\$ 159,000	-
VJH Integrated Chemistry/Immunochemistry Analyzer	0%	0%	0%	May-18	Jul-18	Y	Y	N	\$ 322,000	-
VJH HVAC Upgrade	N/A	10%	0%	Mar-18	May-18	Y	Y	N	\$ 600,000	\$ 1,380
VJH MRI	100%	75%	0%	Mar-19	Sep-19	Y	Y	N	\$ 7,100,000	\$ 1,225,902

Major Capital Projects Update - Highlights

* **QVH Helipad**

- * Project nearing completion
- * Transport Canada certification remaining
- * Once approved, can begin accepting aircraft at hospital

* **VJH MRI**

- * Project progressing on track
- * Continuing to monitor costs and risk of escalation as renovations proceed
- * At this point, no concerns to report

2018/19 Capital Funding Request

Full list included in agenda package – highlights include:

- * **Shuswap Lake General Hospital Medstations replacement**

- * replace all Pyxis 3500 drug dispensing units with Omnicell G4 platform

- * **Queen Victoria Hospital Anesthesia Machine replacement**

- * Replacing 2007 model at end of service

- * **Shuswap Lake General Hospital Emergency Department Electronic Medical Summary**

- * Eliminate paper-based documentation in Emergency Department
- * Interface with family physician electronic medical record

2018/19 Capital Funding Request

- * **Regional** – Various IMIT Initiatives
 - * Advance the IH digital platform and associated infrastructure to support primary and community care transformation
 - * Linking providers and facilitating enhanced team-based care
 - * Extending MyHealthPortal features and capabilities
 - * Cost impact distributed based on PEOPLE 2017 BC Population statistics. NOCSRHD share = 17%

Looking Forward – Funding Estimates

Anticipated Funding from Ministry of Health to Interior Health	2018/19	2019/20	2020/21	Three-year Total
(millions)	(notional)	(notional)	(notional)	(notional)
Available Funding for planning purposes only	\$ 28.0	\$ 29.6	\$ 32.0	\$ 89.6

North Okanagan Columbia Shuswap (NOCS)	2018/19	2019/20	2020/21	Three-year Total
(millions)		(notional)	(notional)	(notional)
Total of all Capital Requests Identified for the next three years				\$ 119.0
Approximate Funding from all Sources for NOCS (Ministry, RHD, Equity, Foundation, etc.)	\$ 6.8	\$ 10.0	\$ 7.5	\$ 24.3
Anticipated Regional Hospital District Funding Requirements for planning purposes only	\$ 2.7	\$ 4.0	\$ 3.0	\$ 9.7

- * Top line is IH total notional capital funding amount from MoH
- * Use for planning, but not confirmed
- * Final amounts depend on capital funding provided to MoH out of provincial budget
- * Estimates quite volatile and used for planning purposes only

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- * Bottom section specific to NOCSRHD
- * Three year total of **ALL** requests is \$119M
 - * Greater than total estimated MoH funding for all of IH
- * Based on historical allocations of funding from all sources, estimate of \$24.3M would be funded (20%)
- * Anticipated RHD funding \$9.7M over three years
- * Includes **Routine Capital Investments Only**

Looking Forward – Priority Investments

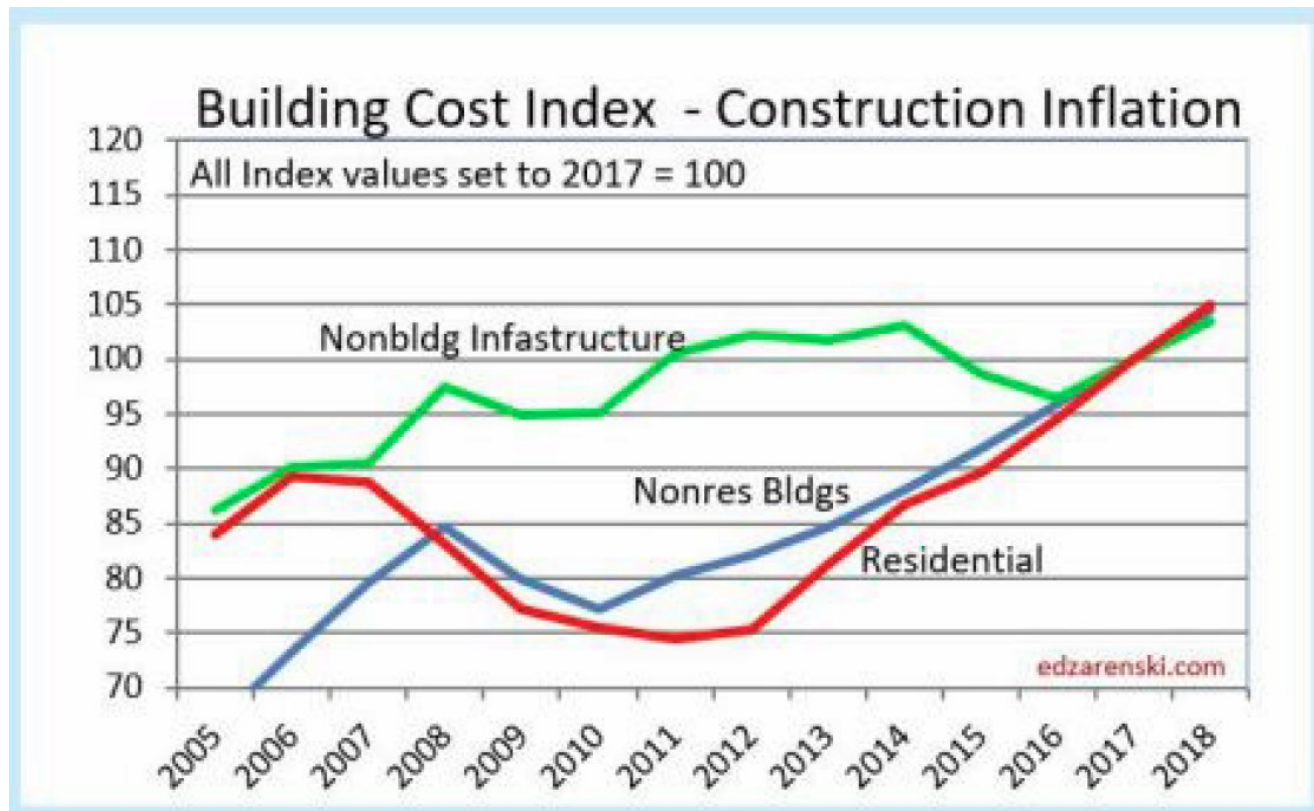
- * Major projects that require MoH approval – granted outside regular capital budget cycle (ex.VJH MRI)
 - * Construction projects over \$2M that are driven by the program, rather than infrastructure needs
 - * New Information Management Information Technology projects over \$5M
 - * New major diagnostic equipment regardless of value
- * Split into “A” and “B” Priorities
 - * “B” items considered lower priority, but can escalate if urgency of need increases
- * *Full listing included in agenda package*

Looking Forward – VJH Inpatient Psychiatry

- * Discussion around VJH Inpatient Psychiatry picking up steam
- * Currently reviewing several options for redevelopment
- * Will be presenting to IH board on recommended development approach
- * Upon approval, IH will formally request MoH approval to prepare a Business Plan
- * Business Plan will,
 - * Refine sizing of the new inpatient unit
 - * Determine if any co-location of other appropriate service
 - * Detailed costing
 - * Procurement recommendation

Construction Cost Escalation

- * **Cost escalation** – changes in cost or price of specific goods or services in a given economy over a period



Escalation Key Drivers/Takeaways

- * Drivers:

- * Disasters (hurricanes, floods, fires)
- * Trade Scarcity
- * Exchange Rate

- * Takeaways:

- * Cost estimates for IH projects assume some level of escalation, but difficult to be 100% accurate
 - * Risk of exceeding budget
 - * Options are to secure additional funding or make modifications to original plans
- * History tells us there will be a correction
- * Correlation between volatility and location

Follow-Up from Previous Meeting

- * VJH MRI – managing cost fluctuations
 - * 10% contingency on cost of construction
 - * Inflation impact – difficult to build into contingency
 - * Negotiate with vendor to provide inflation relief
 - * Inflation driven budget pressure, look at changes to equipment options, space design, etc.
 - * Reduce costs on projects rather than spend to budget
 - * Spending project surpluses require approval from Ministry and funding partners

Follow-Up from Previous Meeting

- * TELUS connectivity in rural areas
 - * Cellphone service – Highway 6
 - * IH doesn't have jurisdiction, so unfortunately can't speak to TELUS' plans to improve
 - * Enhanced Broadband Expansion
 - * TELUS has been conducting due diligence with Federal Ministry of Innovation, Science and Economic Development
 - * Latest round of work resulted in TELUS to increase its commitment by \$28M in total across proposals
 - * Increase targeted for “partially served” communities
 - * No commitment yet from Federal Ministry, but continuing to work through process

Questions?



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Thank you for your continued
support!



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