



Mr. Charles Hamilton, Chief Administrative Officer
North Okanagan / Columbia Shuswap
Regional Hospital District
Box 978, 781 Marine Park Drive NE
Salmon Arm, BC V1E 4P1

February 14, 2018

Dear Mr. Hamilton:

RE: CAPITAL FUNDING REQUEST FOR THE 2018/19 FISCAL YEAR

Please accept this annual funding request letter for consideration and approval. Regional Hospital Districts (RHDs) enable Interior Health (IH) to continue to provide high quality health-care services to our patients, clients and residents by funding prioritized capital items. IH is truly grateful for the support the RHDs provide.

For the 2018/19 fiscal year we are requesting funding for the following projects and equipment:

1. Construction Projects Over \$100,000

a. Autopsy Suite/Morgue Update - Planning at Vernon Jubilee Hospital, Vernon

For the past few years, the morgue at this site has not been able to contend with the volume. This situation has resulted in transport of human remains from Vernon to other IH hospital morgues located in other areas. A capital planning project is required to determine the feasibility for options to expand the size of the Vernon Jubilee Hospital's morgue in order to rectify this situation.

b. Inpatient Psychiatry Redevelopment - Planning at Vernon Jubilee Hospital, Vernon

The Vernon Jubilee Hospital Inpatient Psychiatric Unit (IPU) provides acute inpatient mental health services for residents who live in the North Okanagan, Shuswap and Revelstoke regions. The existing IPU is located in a 1958-era hospital building and extremely outdated with design and layout issues that impede patient recovery and pose significant safety risks. We are well underway with developing several capital project conceptual options for which your RHD already approved 40% funding in the amount of \$60,000 on Bylaw #62. With pressures on both primary and community care we are expanding this planning to explore more options that may leverage other programs and services or procurement methods.

2. Construction Projects under \$100,000

a. Parking Lot Lighting Upgrade at Queen Victoria Hospital, Revelstoke

This project is to retrofit existing lighting to LED and add additional light standards around the perimeter of two parking lots at this site to improve lighting and distribution for staff, patients and visitors. This project has been identified as a top priority and therefore this project has already commenced in this year.

b. Domestic Hot Water Boiler Upgrade (x2) at Noric House, Vernon

This project will encompass the installation and connection of two dedicated Domestic Hot Water (DHW) boilers which are over 30 years old and at the end of their life cycle and constantly requiring repairs. Stacks will have to be rerouted to an exterior wall and new pumps installed.

c. Access Control System Upgrade at Vernon Jubilee Hospital, Vernon

Hardware that is vital to the ongoing operation of the primary access control platform IH uses for staff access and production of Photo ID is coming to the end of support in 2020. This hardware requires upgrading across our facilities and the entire replacement project will be phased in over three years. This system is integral to the safety and security of our staff, patients and buildings and therefore in fall 2017/18 two panels at this site were selected as the first phase of this multi-site, multi-year transition.

d. Water Softener (x2) at Pleasant Valley Manor, Armstrong

The basic function of a water softener involves replacing the calcium and magnesium ions in water with sodium ions. Hard water problems are resolved by sodium ions because they do not have the adverse effects that calcium and magnesium ions have. Hard water elements do not react well with soap and form deposits on pipes and appliances. This project will encompass the installation of new water softeners to alleviate these hard water issues and high turbidity that Armstrong is subject to two to three times a year.

3. IH-Wide Information Management Information Technology (IMIT)

In alignment with its IMIT strategy, IH is committed to taking a large leap to advance its digital platform and infrastructure to support health service operations, enable key strategies, improve quality and patient safety, and incorporate innovation to improve effectiveness and efficiency. As emphasis continues on primary and community care transformation, the IH digital platform will support exchange of information between providers to support both team-based and continuity of care. This also includes extending MyHeathPortal features and capabilities for patients to be more involved in their care. The digital platform will also focus on more advanced analytics to assist with planning, decision making and every day management functions.

This IMIT project is an IH-wide initiative costing approximately \$19 million. The project's benefits are distributed equally across IH regions; therefore the cost allocation to each of the seven RHDs is based upon population using the PEOPLE 2017, BC Statistics. The North Okanagan Columbia Shuswap RHD's percentage ratio is approximately 17%. Claims on this project will be calculated using this percentage for the actual cost distribution.

4. IMIT over \$100,000

a. Electronic Emergency Department (ED) Medical Summary at Shuswap Lake General Hospital, Salmon Arm

Currently ED documentation is in paper format and therefore ED Physicians in rural sites have indicated that they would like to use electronic documentation so they can get this information into their office electronic medical record (EMR). This project will implement voice recognition and ED physician electronic documentation to enable instant availability of the ED Medical Summary within Meditech and electronic transmission to the family physician EMR.

b. Vocera Expansion and Integration at Vernon Jubilee Hospital, Vernon

This system will provide staff members with a Vocera wearable hands free speaker phone system which can be used to enhance communication between staff members at the push of a button. The system will be used for staff-to-staff communication, emergency communication to increase staff efficiency and to support Workplace Health & Safety requirements, and will assist in improving patient care. The scope will include deploying badges to staff and integration with the telephone system.

5. IMIT under \$100,000

a. Vocera Expansion and Integration at Polson Care Centre, Vernon

The description of this project is the same as outlined above in 4b.

b. Wireless Infrastructure Expansion and Refresh at Various Facilities

The ability to connect devices wirelessly to the IH data network presents many opportunities for staff, physicians and patients to access information when and where it is needed. Wireless networks are also required to operate complex integrated systems such as staff-to-staff communication systems and specialized medical equipment linked to a centralized system via a wireless network. These projects at Vernon Jubilee Hospital, Salmon Arm Health Centre and Bastion Place are to either expand or refresh wireless coverage to support the high demand from various clinical and physician initiatives that require wireless connectivity.

6. Equipment Over \$100,000

a. Medstations, IH-Wide Pyxis Replacement, Phase 3 for Shuswap Lake General Hospital, Salmon Arm

Automated dispensing cabinets (ADC) for medications were first introduced in IH in 2006. This technology has brought improvements in patient safety and workflow that have been well supported by both nursing and pharmacy staff. In August 2014 IH was informed that the current platform (Pyxis 3500) was approaching end of life and will no longer be supported by the vendor. After extensive consultation with stakeholders IH decided to replace the Pyxis 3500 with Omnicell G4. This newest platform has a number of improvements over the older technology and will further increase patient safety and workflow.



In 2016/17 an IH wide common structure was required before the ADC replacements could begin. This infrastructure was part of Phase 1 and included servers, software and staffing resources for configuration. The replacement of the individual ADC's started in 2016/17 (Phase 1) and continued in 2017/18 (Phase 2). The entire ADC replacement project will be completed by the end of 2019/20. This project is for the actual purchase of the Omnicell ADC's, renovations and project staffing specifically at the Shuswap Lake General Hospital and is classified as Phase 3 for 2018/19 as part of the entire IH rollout.

b. Anaesthetic Unit with Monitor for Queen Victoria Hospital, Revelstoke

This machine is used in the operating room by the anaesthesiologist to deliver anaesthetic gases to a patient under a general anaesthetic. These units include a physiological and cardiac monitoring system and airway gas module. This purchase for the surgical department is replacing a 2007 model.



c. Resident Bus for Gateby Care Centre and Noric House, Vernon

This is a 16-20 person vehicle used for residential care clients for recreational outings. This bus is outfitted with wheelchair lifts and wheelchair restraints. We will be replacing a 2004 model which is used to transport clients at both of these Residential Facilities.



7. Equipment Under \$100,000 (Global Grant)

We are requesting global funding for equipment that costs between \$5,000 and \$100,000.

We have included as Appendix 1 a financial summary of our funding request, which totals \$2,698,400.

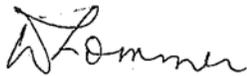
IH has noted a significant increase in construction cost escalation in recent months. Detailed cost estimates are being made obsolete within months and in some cases weeks of their creation. The main driver of this escalation appears to be scarcity of qualified sub-trades and increasing raw material costs. IH is meeting regularly with our cost estimators to ensure escalation rates are being accurately estimated, however the volatility of the construction market is making this very challenging. Please be aware during these periods of market volatility we may be put in the unfortunate situation of requesting additional funding for projects, in particular those projects with extended procurement timelines. Alternatively we may need to revisit the scope of a project(s) to fit within available funding. We will keep you apprised in the event that we face substantive changes.

Although the 2018/19 budget has been approved by the IH board, all capital spending over \$100,000 regardless of funding source must also be approved annually by government. We will be providing you with information regarding notional government funding and a high level estimate for your planning purposes of the three year funding requirement, as well as a listing of IH's major prioritized items under separate cover.

It would be appreciated if you could submit our request for funding for these items to your Board for approval. Please advise us of the meeting date when funding will be discussed and whether you would like to have IH representatives attend to answer questions that the Directors may have. Upon approval, please send Birgit Koster copies of the relevant bylaws for our records.

If you require further information, or if you have any questions or concerns, please contact Dan Goughnour or me directly.

Sincerely,



Donna Lommer, CPA, CGA, EMBA
VP Support Services & CFO

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Encl. Appendix 1 ~ Summary of Regional Health District Funding Request for 2018/19

cc: Rhona Martin, Chair, NOCSRHD
Jodi Pierce, Manager Financial Services, NOCSRHD
Richard Harding, Acute Health Service Administrator, North Okanagan
Peter Du Toit, Acute Health Service Administrator, Columbia Shuswap
Dan Goughnour, Director, Business Support
Lorne Sisley, Corporate Director, Facilities Management and Operations
Birgit Koster, Director Business Support, Capital Planning

Interior Health
North Okanagan Columbia Shuswap
Summary of Regional Hospital District Funding Request
for 2018/19

Facility	Location	Equipment/Project Description	Total Budget	RHD Share	Previous RHD Approval		2018/19 Funding Request
					Amount	B/L #	
		<u>Construction Projects over \$100,000</u>					
Vernon Jubilee Hospital	Vernon	Autopsy Suite/Morgue Update - Planning	\$ 150,000	\$ 60,000			\$ 60,000
Vernon Jubilee Hospital	Vernon	Inpatient Psychiatry Redevelopment - Planning	250,000	100,000	\$ 60,000	62	40,000
		<u>Construction Projects under \$100,000</u>					
Queen Victoria Hospital	Revelstoke	Parking Lot Lighting Upgrade	90,000	36,000			36,000
Noric House	Vernon	Domestic Hot Water Boiler Upgrade (x2)	85,000	34,000			34,000
Vernon Jubilee Hospital	Vernon	Access Control System Upgrade	70,000	28,000			28,000
Pleasant Valley Manor	Armstrong	Water Softener (x2)	60,000	24,000			24,000
		<u>IH-Wide IMIT</u>					
Regional		Various	3,274,000	1,309,600			1,309,600
		<u>IMIT over \$100,000</u>					
Shuswap Lake General Hospital	Salmon Arm	Electronic Emergency Department Medical Summary	220,000	88,000			88,000
Vernon Jubilee Hospital	Vernon	Vocera Expansion and Integration	180,000	72,000			72,000
		<u>IMIT under \$100,000</u>					
Polson Care Centre	Vernon	Vocera Expansion and Integration	99,000	39,600			39,600
Vernon Jubilee Hospital	Vernon	Wireless Infrastructure Refresh	99,000	39,600			39,600
Salmon Arm Health Centre	Salmon Arm	Wireless Infrastructure Expansion	30,000	12,000			12,000
Bastion Place	Salmon Arm	Wireless Infrastructure Refresh	20,000	8,000			8,000
		<u>Equipment over \$100,000</u>					
Shuswap Lake General Hospital	Salmon Arm	Medstations, IH-Wide Pyxis Replacement, Phase 3	489,000	195,600			195,600
Queen Victoria Hospital	Revelstoke	Anaesthetic Unit with Monitor	120,000	48,000			48,000
Gateby Care Centre/Noric House	Vernon	Resident Bus	117,000	46,800			46,800
		<u>Equipment Under \$100,000 (Global Grant)</u>					
All Facilities		Equipment between \$5,000 and \$100,000	1,543,000	617,200			617,200
Total			\$ 6,896,000	\$ 2,758,400	\$ 60,000		\$ 2,698,400