

Department of Health, Horizon Health Network,
Vitalité Health Network, FacilicorpNB

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Renewal of New Brunswick's health care system: Partners take measures to ensure its sustainability

FREDERICTON -- New Brunswick's health system partners are continuing their efforts to rebuild New Brunswick's health-care system to make it more effective, efficient and preserve its sustainability.

"Through the work of the Office of Health System Renewal, all of the health partners -- Horizon Health Network, Vitalité Health Network, FacilicorpNB and the Department of Health -- are making changes to their corporate structures and working to improve the system's performance so that per capita health care costs can be brought closer to the national average," said Health Minister Hugh Flemming.

Flemming was joined by Horizon Health Network president and chief executive officer (CEO) John McGarry, Vitalité Health Network president and CEO Rino Volpé, and FacilicorpNB president and CEO Gordon Gilman for the announcement.

The efforts being made by the health system partners are designed to increase the effectiveness and accountability of the system, simplify its administration, and introduce health innovations while not compromising patient care. The resulting system will be more citizen-focused, aligned, integrated, affordable, innovative, and sustainable.

A summary of the changes follows.

Horizon Health Network

Horizon Health Network plans to reduce spending by almost \$22 million in the 2013-14 fiscal year by implementing a number of cost-saving measures that will include a reduction in union, non-union and medical administrative management positions throughout the organization.

McGarry noted that inflationary factors alone account for a \$20 million challenge in the regional health authority's \$1.1 billion budget.

The measures announced today, along with holding vacancies and attrition are projected to save \$6.7 million and will affect 131 positions. Horizon Health Network and the unions will be working closely with affected staff to assist them through the workforce adjustment process over the next few weeks.

The executive management team continues to work with physicians and staff to identify additional opportunities for savings to address the remaining \$14.5 million challenge. These efficiencies will be found in administration, clinical reorganization and process improvement.

“The challenge we face is substantial, but less money does not have to mean a reduction in the quality of the services we provide,” McGarry said. “We are committed to making the changes necessary to sustain our health-care system, while continuing to provide safe, quality patient care. We continue to develop our health and business plans for the next two years and I know we will be faced with continuing fiscal challenges. But, I am confident our physicians and staff will rally to help us develop a new system that will serve New Brunswickers and our children for years to come.”

Vitalité Health Network

For its part, Vitalité Health Network is continuing to implement its three-year human resources planning and management plan announced last February. This plan includes a six per cent human resources reduction over three years, which translates into 400 full-time equivalents (FTEs). The first phase of this plan involves a 200 FTE reduction during the first year, with emphasis on the administrative sector.

Volpé said an analysis of the organization's administrative structures has continued over the past few weeks to make them more effective and efficient.

“We are proceeding with the first phase of our plan and are currently in discussion with our unions, who are important partners, on the implementation,” he said, and explained that Vitalité Health Network will concentrate its reduction efforts on attrition and voluntary retirements while minimizing loss of talent from within the organization. It is expected that all the affected positions will have been identified by the end of August and that the exercise should generate savings of nearly \$12 million.

FacilicorpNB

FacilicorpNB will consolidate some of the province's hospital laundry operations to ensure an efficient, bilingual provincial laundry system.

“Once fully implemented, this consolidation will ensure our provincial laundry system meets national hospital standards and provide an annual savings of \$2.4 million without affecting quality of care or services for the patients,” Gilman said.

Laundry and linen at The Moncton Hospital and the Dr.-Georges-L.-Dumont University Hospital Centre will be processed by the Saint John laundry facility. Laundry and linen at the Chaleur Regional Hospital and the Tracadie-Sheila Hospital will be processed at the Campbellton Regional Hospital. Laundries in Edmundston and Fredericton will remain in operation.

The change at The Moncton Hospital and Tracadie-Sheila Hospital laundry facilities will occur on or before November 1, 2013, and the change at the Dr.-Georges-L.-Dumont University Hospital Centre and Chaleur Regional Hospital on or before April 1, 2014.

Overall, these changes represent a net reduction of 57 FTEs.

Department of Health

Flemming noted that the Department of Health is also undergoing an administrative review and implementing a performance excellence process. Based on this exercise, it is anticipated that the Department's workforce will also be reduced by 10 per cent (40 FTEs) in the coming years.

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