

**Chairman's Report to the PSFDH Annual General Meeting
Tuesday, June 27, 2017**

When I started preparing my remarks, I thought of two sayings: *Time flies when you are having fun* and *Busy people are happy people*. So let me sum up quickly—it has been a fun-filled year and all those involved in this hospital must be really happy!

But perhaps those comments have been a little too brief and may underestimate the challenges that have faced the hospital and the extraordinary efforts of the leadership and staff in meeting those challenges—some anticipated and some not.

As we began the year, the Healthcare Tomorrow—Hospital Project was reaching a critical decision point with a broad range of initiatives about to come to the Board for approval, our fiscal position was shifting to a point where potential deficits were projected for future years, limiting our ability to pay down debt, our strategic plan was approaching its end date in 2017 and Accreditation was looming. That made it easy to determine our priorities for the remainder of the year.

In regards to Healthcare Tomorrow, a project initiated through the South East LHIN in 2014, the Board, Senior Leadership and Physicians have been actively engaged in its direction in collaboration with our hospital partners within the LHIN. The Board, in its oversight role, advocated for business cases for the initiatives to try to ensure identification of benefits and risks. Senior management continued to play an active role in steering the project, effectively helping PSFDH to punch above its weight to make sure that its interests were well represented in the outcomes. At this point Bev McFarlane and Michelle Bellows are co-Chairs of the Project Secretariat and Brian Allen sits on the provincial Hospital Information Systems expert panel. Nancy Shaw has been instrumental in the development of the multi-organization MRI study and proposal. In addition, staff and physicians are present in the working level groups, playing a similar role. The priorities established by the project leads led to a more focus and a more manageable pace of activity. One of the key initiatives that is expected to be presented for decision this fall is a LHIN-wide Health Information/Technology program—a critical element for Health Care to facilitate exchange of information, more seamless interface for patients within the healthcare system and analytics supporting decisions on health.

As has been noted in past years, PSFDH had been able to make significant inroads in whittling away at its debt (falling from over \$15 million in 2013 to \$ at the end of this past fiscal year. But there were enough pending changes that the hospital undertook an in-depth review with Howard Allen and Partners to create a 10-year projection of its financial profile from a capital and operating perspective. The picture this created was a bit daunting. That being said, the MOHLTC announced mitigating funding for the current fiscal year and is working on the formula for medium-sized hospitals which have come out on the wrong end of the earlier changes in the funding formula. So while, for the time being, operating funding is manageable, there are significant capital costs projected—in particular, for a new health information system—that cannot be met by our traditional sources of funding. These traditional sources

include the significant contributions made by our two auxiliaries and two foundations—not only for funding, but for community engagement and services to those at the heart of our mission—our patients and families. As Cheryl will probably say more on this topic, suffice it say, next year will be important as we explore our options.

While fiscal sustainability will always be critical, there are other elements of sustainability that are critical—sustainability of our services, our quality, our infrastructure and our reputation. To that end, we looked to a renewal of our strategic plan which had been extended to 2017. We began the process in October 2016 with an off-site engagement with the Board, Senior Management and Physicians and are close to having a draft to share with a broader range of stakeholders, including staff, patients, physicians, partners (e.g. the LHIN, other health service providers) and the broader community. Our priorities will continue to focus on the patient and family centred experience as we seek to continuously improve our quality of services, mindful of the cost of resources and risks to safety while collaborating with our health care partners within and across the region.

Finally, 2017 is an Accreditation year—where Accreditation Canada comes to the hospital to fill in our triennial report card. This time and resource intensive process is necessary to evaluate the quality of our services and our underlying processes from the operations through the Board of Directors. Each and every member contributing to the operation of the hospital is engaged in detailed preparation and on behalf of the Board, I would like to commend them on their commitment through this exacting time. And I would be remiss if I did not highlight those organizations that come under our umbrella, that exemplify our desire to be part of a broader health network recognizing that the acute care hospital is only one element of serving the health needs of our community. Lanark County Mental Health, Lanark County Sexual Assault and Domestic Violence and Lanark County Support Services all provide services and benefit from the leadership and contributions of Diana McDonnell, Mary Pat Bingley and Debbie McEwan respectively. On a side note, while the planned formal merger of LCMH with Leeds, Grenville Mental Health has not occurred to date, the linkages between the two have been strengthened. So once again, let me sum up by saying time has flown and while fun and happiness do not always describe what I (and I assume others) are experiencing—I am glad to participate in the challenges that work towards better health outcomes and experiences in healthcare. I would like to thank

My colleagues on the Board for their willingness to challenge the status quo (and me) and bring their diverse views, their wealth of experience and their support to the table each and every time

The senior leadership for working through a plethora and a complexity of challenges with thoughtfulness, analysis, compassion and integrity
“Our people”—the front face of patient care
And our volunteers.

Before leaving, I must acknowledge the long-standing, and outstanding, contribution of two of our departing members:

Richard Schooley, who after 9 years on the Board, including two years as Chair, embodied passion, humour and vision for integrated health care

And Peter Roney, who in various roles on the Board, including 9 as Chief of Staff, brought to us the physician perspective for 19 years.

Respectfully submitted,
Donna Howard, Chair, Board of Directors.