Submission to the Ontario Minister of Health and Long-Term Care on the Scarborough/West Durham Hospital Merger Proposal

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OPSEU SEFPO
Ontario Public Service Employees Union
Syndicat des employés de la fonction publique de l'Ontario

Ontario Public Service Employees Union, 100 Lesmill Road, Toronto Ontario M3B 3P8

www.opseu.org

Introduction: A flawed decision from a flawed process

The Ontario Public Service Employees Union (OPSEU) wishes to express deep concern about the plan for two mega hospital mergers in Scarborough and West Durham. The proposed plan to merge the Rouge Valley Health System with the Scarborough Hospital and Lakeridge Health is set to cost nearly $50 million, and to date, no plan has been put forward to pay this cost (other than a $9 million commitment from the Ministry of Health and Long-Term Care).

The decision to proceed with the merger is a flawed decision based on flawed planning and consultation processes.

Our hospitals are already overstretched

Ontario has already experienced eight consecutive years of devastating cuts to hospital budgets that have resulted in the deepest cuts to staff and services in Canada. Services have increasingly been centralized to fewer sites; patients are forced to travel greater distances for the care they need. Where services are amalgamated, they are increasingly rationed between sites. Ontario now has the fewest hospital beds per person left of any province in Canada and the fewest nurses per patient (both Registered Nurses and Registered Practical Nurses).

A few years ago, the Scarborough Hospital was forced to cut $17 million due to an Ontario government funding shortfall. The implications were devastating. That cut cost the hospital more than 200 full-time health professionals and patient support staff. It cut operating rooms, beds and departments across the hospital. It closed outpatient clinics. Another multi-million dollar cut to hospital operational budgets across Durham and Scarborough is untenable.

With no real plan to pay for the current proposal, these communities are looking at tens of millions of dollars in cuts to vital services and staff in their community hospitals – hospitals for which they have helped fundraise, and which are central to the health of these growing communities. The proposed mergers impact some of the largest hospitals in Ontario, serving a collective population of more than a million residents, in a region with remarkable population growth. These hospitals serve a large geographic area that crosses multiple municipalities and transportation systems.

Almost no savings identified

In documents filed with the Central East Local Health Integration Network (LHIN) by the hospitals, the initial cost of the proposed mergers is so high that it will take more than 60 years to pay them off.

According to the Lakeridge-Rouge Valley merger proposal (page 20), the estimated cost of the merger will be $18.8 million, with estimated savings of $300,000 annually. Based on their own projections, it would take more than 62 years to pay for that merger from savings.

According to the Scarborough-Rouge Valley merger proposal filed in July 2016 (page 20), the estimated cost of that merger was to be $25.1 million, with estimated savings ranging from $1 million to $1.8 million per year. But by the time an update was filed by the hospitals with the LHIN in September 2016, the estimated costs for the Scarborough-Rouge Valley merger had increased by $4.52 million to $29.62 million -- in less than a three month period (please see Integration Update filed by the hospitals with the CE LHIN September 28, 2016). Thus, this merger would take between 16 and 30 years to pay off.

There is no plan to pay for these costs which, according to the Integration Update filed by the hospitals with the LHIN in September, now total approximately $49 million.

OPSEU is gravely concerned about the financial implications of the mergers and the irresponsible way in which the costs have been ignored in the approval processes to-date. It is irresponsible for public hospital corporations and the Local Health Integration Network to pass motions that approve moving forward with mergers that will cost $49 million, with no plan to pay for them.

No population health planning

These mega-merger proposals are not based on any assessment of the health needs of the communities impacted (there has been no local needs-based assessment done) and there is absolutely no commitment that the mergers will bring about improved quality or access to care.

In fact, Ajax, Pickering, Bowmanville, Port Perry and Whitby, which all lost services in the original merger, have never seen those services replaced. Residents now travel hither and yon for services they used to have in their communities. Under the current proposal, Ajax and Pickering will be on the losing end once again. In the original hospital merger, the Ajax-Pickering hospital lost services to the Centenary site. Now, Centenary is being absorbed by Lakeridge Health and those services will be completely gone.

Lack of community input

The hospitals had set an arbitrary deadline of November 1 to complete the mergers, yet just two weeks from that deadline, the vast majority of residents in the affected communities were unaware of the plans for their community hospitals. In addition, the planning process has been backwards from the beginning, with the Minister of Health and Long-Term Care announcing his approval before any functional and financial plans were created. Subsequent approvals at the hospital and LHIN level – which should have preceded the Minister's approval – have been rubber-stamped without proper planning and financial accountability, without public notice, and without any real opportunity for public input. Prior to the Minister giving formal approval, the public relations messaging to the community and staff had already cast the mergers as a "done deal," even while there was no plan to pay the tens of millions of dollars required.

Flawed decision-making process

We are also deeply disturbed by the flawed and unacceptable processes that have been used to steamroll these mergers through without public scrutiny and proper planning:

- The government-appointed "Expert Panel" held invitation-only meetings prior to its recommendation to the minister. From our experience at these meetings, the recommendation bore no resemblance to the input provided.

- The minister publicly announced that he approved moving forward with the mergers prior to the development of any functional plans for hospital services, without any costing having been done and without a formal motion and advice from the LHIN, as required by law.

- The minister's prior so-called "approval" was cited in the Rouge Valley's package of motions given to the hospital corporation's membership on October 20. This is where the vote was held to approve the transfer of the corporation's assets and the amalgamation. Yet the Minister's formal approval for the mergers, as per the *Ontario Local Health Integration Act* process, had not yet happened. This is not only a flawed and backwards process; it is disingenuous to the members of the hospital and the public.

- The hospitals were required by the CE LHIN to conduct "community engagement" processes on the proposals. These were only brought to the LHIN in September. The last-minute "community engagement" process was so poorly publicized and all input collected was "off-the-record." There were no public hearings; public input meetings were "by-invitation" only and (as a result) extremely poorly attended, as noted in the presentation by the CEO of TSH at the CE LHIN board meeting on September 28, 2016.

- On Wednesday, October 12, 2016 the CE LHIN posted a notice at 11:44 a.m. on their website for a board meeting to be held in Scarborough at 2:30 p.m. that afternoon. At this meeting, a motion was passed to endorse a letter to the Minister of Health and Long-Term Care to "not oppose" the merger and to advise the minister that the merger plan was in the best interests of the communities. Even if the public could have found out about the meeting, there is no way that many people would have been able to get to it on time.

- There has been no public notice period in which the CE LHIN would invite public submissions on the proposals.

- The Rouge Valley Health System, which would be dismantled under the proposals, completely eradicating local governance in Ajax, held its corporate vote on the transfer of assets of the corporation and amalgamation at 4 p.m. on a weekday in Scarborough. This virtually ensured that the residents of Ajax were restricted from attending the meeting at which the future of their community hospital was being decided.

- An arbitrary deadline of November 1 was set by the hospitals to complete the mergers. No one was told exactly what that date meant. It was not in accordance with any legislative requirements for public input or notice.

- Prior to formal approval by the minister, and without a concrete plan to pay for the mergers, the staff and public were told that staff and services were moving, that their hospital corporations would close, and that the assets would be transferred.

The processes exercised to date are irresponsible and give the appearance that the government is trying to "pull the wool over the public's eyes" in a bid to force through the restructuring plans without public scrutiny or democratic input. The LHIN legislation has too few procedural safeguards to ensure sound processes are followed in restructuring, but in this case, even those inadequate safeguards have been misused in a way that abuses the public trust and violates the public interest.

Conclusion: Cancel this plan

The Ontario Public Service Employees Union is calling for the immediate cancellation of the plan. All future health planning in the region must derive from capacity planning for hospital care; local community governance ought to be safeguarded; meaningful public input ought to be restored; and a reasoned and publicly-accountable approach ought to be adopted regarding financial and geographic planning. It is crucial that human resource planning and processes be a component of the discussion.