



Date: August 17, 2009

To: All staff within Fraser Health, Providence Health Care, Provincial Health Services Authority and Vancouver Coastal Health

From Dr. Nigel Murray, President and CEO, Fraser Health
Dianne Doyle, President and CEO, Providence Health Care
Lynda Cranston, President and CEO, PHSA
Dr. David Ostrow, President and CEO, Vancouver Coastal Health

Re: Lower Mainland Consolidation Opportunities

As you know, all of our organizations are facing the challenge of delivering services within the resources that are available. In spite of significant funding increases over the last few years, demand continues to grow. Our number one priority is to protect the quality and accessibility of our core clinical services. Efficiencies in non-clinical areas must be looked for before we consider reducing essential patient care services.

The geographic proximity of the three lower mainland health authorities presents the opportunity to look for efficiencies within departments that are common across our four organizations as a way of finding additional money that can be used for clinical care. For this reason, we are looking at a number of corporate, back office and support service consolidations across the lower mainland. Some very successful work has already been done both within and across our organizations – including consolidated services and initiatives such as integrated support service contracts, security, and a common pharmacy formulary.

Going forward, virtually every non-clinical service will be looked at as a potential consolidation opportunity. At the end of this memo is a preliminary list of departments that will be looked at for consolidation. The second chart shows those departments where initial decisions have been made and discussions will begin immediately. Each of the health authorities will be assigned responsibility for managing the planning, implementation and delivery of specific services.

By continuing to reduce duplication or triplication (of effort, structures and systems) savings can be realized from a variety of sources. In addition to reducing the overall number of positions, these might include standardization of workflow, a reduction in space and facilities, consolidation of technology, shared licenses and the elimination of redundant processes. Consolidation of three or four departments into a single, central service also has the potential to create a pool of staff with a wide range of skills and expertise. This will increase a consolidated department's flexibility to deploy staff and reduce the need for external consultants.

We know that this will be a difficult message for people in these departments. Some of you have already been part of the Fraser Health – Vancouver Coastal Health integration initiatives and will now become part of broader consolidation discussions. For others, the idea of consolidating across the lower mainland will be totally new. Many of you will have questions about what this means for you.

While it is too early in the process to determine what the impact will be on individuals who work in any of the consolidated departments, we do know that the overall number of positions within these departments will be reduced. Until the service delivery model and staffing requirements are finalized, we will not know how many staff will be affected. Employees will be treated with respect

throughout the process and will receive information as soon as possible. Health authorities will, of course, follow the terms and conditions of existing contracts and legislation.

If a department is identified to be consolidated, the lead health authority will develop communication processes to keep all employees in that service across all of the health authorities informed about the plan and implementation steps. This will ensure that all employees within a service receive timely and accurate information at the same time. We will also produce regular updates for everyone who works within our organizations.

We believe that we must look for opportunities to save money within non-clinical areas if we are to protect clinical services and contribute to the sustainability of our health care system. Thank you for your ongoing commitment and contribution to all of our organizations as we undertake this work.

List of potential consolidated services:

Human Resources Management Financial Services Communications IM/IT Facilities Management Environmental Management Security and Parking Emergency Planning Business Initiatives Patient Transport Biomedical Engineering Sterile Processing Risk Management	FOI, Privacy & Legal Services Patient Care Quality Office Interpreter Services Health Records Portering Transcription Switchboard Project Management Pharmacy Laboratory Services Diagnostic Imaging Housekeeping Food Laundry
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Initial Decisions:

1. Housekeeping, Food, Laundry, Business Initiatives	FH / VCH already consolidating	PHSA and PHC will onboard	VCH Lead
2. Facilities Management, Environmental Management, Security, Parking	FH / VCH already consolidating	PHSA and PHC will onboard	FH Lead
3. Diagnostic Imaging	FH / VCH already consolidating	PHSA and PHC will onboard	VCH Lead
4. Patient Transport	FH / VCH consolidation	PHSA and PHC will onboard	VCH Lead
5. Interpretation Services	PHSA / VCH consolidation	FHA will onboard	PHSA Lead
6. Pharmacy	Plans underway for common formulary		FHA Lead
7. Laboratory Services	Discussions underway FHA/PHC/PHSA/VCH		PHSA Lead
8. Health Records, Transcription	Discussions underway FHA/PHC/PHSA/VCH		PHC-VCH Lead