



Backgrounder

Saskatoon Health Region's Sustainability Plan Initiatives

The following briefly outlines a few examples of the savings initiatives to be undertaken. Once fully implemented, all the savings initiatives in this next phase are expected to result in just over **\$34 million in savings**.

Enhanced Management Practices (improved accountability and management processes)

- Optimize paid hours
- Reduce overtime costs

Efficiency Savings (process changes)

- Renegotiate contracts for services and supplies
- Optimize shuttle services
- Implement more effective cleaning products

Administrative Savings (support areas for healthcare providers)

- Reduce out of scope positions
- Implement voluntary separation plan
- Temporarily restrict external hiring
- Optimize lease costs

Service Delivery Model (patient continues to receive services but in a different way)

- Continue to realign services to given vacancies and retirements
- Redesign ambulatory care service model
- Improve peritoneal dialysis services

Revenue Generation

- Expand cost recovery for services provided
- Implement parking system changes for increased efficiencies
- Optimize staff parking revenue

Appropriateness Savings (implementing clinical best practices)

- Implement appropriateness testing guidelines
- Promote appropriate use of supplies

Budget Summary

Our concerted efforts to reduce costs are paying off as we close the gap between our expenses and revenues:

- 2015-16 Q1-Q3 gap averaged \$5 million per month
- 2015-16 Q4 gap averaged \$3.2 million per month
- 2016-17 Q1 gap averaged \$2.7 million per month

Actions/Savings to Date

Saskatoon Health Region continues to take actions to balance its budget and has seen positive results in the following areas:

Q1 2016-17 Results Summary Metrics (compared to Q1 2015-16)

- **Patient Days increased by 4,864 (6.2%)**
- Emergency Visits **decreased** by 749 visits (2.4%)
- Paid hours overall **decreased** 1.6% from March 31 2016 (140 FTE*)
- Out of Scope staff paid hours **decreased** 3.7% since March 31 2016 (26.5 FTE*)
- Overtime hours **decreased** by 18.2% in April, 32.9 % in May and 17.5% in June (18.5% Year to Date).
- Orientation costs **decreased** by \$758,594 (23.5%)
- Sick Time costs **increased** by 3.9% (or \$277K)

* FTE – Full-Time Equivalent represents the hours worked by one employee on a full-time basis.