

The Vancouver Island Health Authority (VIHA) has struggled to cut 3.1%, or \$45 million, from its \$1.7 billion 2009/10 budget, even as it faces a steadily increasing geriatric caseload. The cut was forced by a provincial government which finds itself in a deficit budget position. It was made despite increasing demands from its Health Authorities throughout the province. Total funding to all authorities is \$8.9 billion; the total cut is \$360 million, so the percentage cut for VIHA is in line with cuts elsewhere. Not that VIHA's funding from the province won't rise: over the next three years, it's expected to increase by 23%.

## **Growing Elderly Population**

But for VIHA, any cuts fly in the face of the need to serve a changing demographic which includes an increased percentage of seniors. Out of a population of over 750,000, the Authority estimates that it will have responsibility for 21,700 seniors in 2010—and these are senior seniors, aged over 85 (age 65 is now the new 50, as we are frequently shown on TV). This is 7,000 more than in 2003; and BC Stats predicts another 3,600 by 2020. VIHA CEO Howard Waldner comments that an 85-year-old consumes 10 times the health care services of a 40-year-old.

## **Keeping Seniors Well**

It's clear that Vancouver Islanders are living longer and there are more of them all the time. Waldner quotes statistics that show hip and knee surgeries are up 72% over the past five years; MRIs up 66%; CT scans up 58%; home support hours up 40%; and renal dialysis treatments up 23%. There are 1,070 'net' new residential care and assisted living places. So one would think that VIHA's strategy would concentrate on keeping these seniors well and in their homes and communities, on providing outreach services, and on preventive health care. But the \$45 million in cuts often impact just those services.

## **Finding Cost Savings**

VIHA has a core of 138 facilities, which include 1,450 acute care beds and 6,000 residential care beds and assisted living units. It employs about 16,000 staff and 1,600 physicians. So beyond disposing of unused properties—and there were a couple—and raising parking fees, the first targets are to reduce what are termed 'discretionary, administrative, and support costs'. These include a hiring freeze, reductions of overtime, 'vacancy management' (not filling vacancies until it's unavoidable), a 'voluntary unpaid leave program,' the deferral of maintenance, and not paying employees for meal breaks they may have missed because of heavy workloads. There will be cuts in the number of surgeries carried out, but not cancer, cardiac, and other urgent surgeries. But if it's not urgent, patients will wait longer. There will be reductions in endoscopy (looking inside your intestine), and gastric bypass surgery. MRIs, while not reduced but may not meet demand.

## **Outreach**

Outreach services are, by definition, outside VIHA facilities, and are carried out through some 300 contracts with agencies and organizations within communities. These contracts are often custom-made to suit local situations and needs. But because they are on year-to-year contracts, they are easier to cut, particularly if the service provided in one community is better than in others. Meals on wheels charges will be standardized. A registered nurse at the James Bay Community Project, funded for years, will no longer be funded. Some parenting, volunteer, drop-in, and rehabilitation programs will be cut. Peer counseling programs on the South Island, says VIHA, 'supports clients with lower acuity needs who can be supported through other means'. These contracts will be 'wound down'— but not in Sooke, Port Renfrew, and on Salt Spring Island.

## **Impacting the Future**

The details of VIHA's cuts show clearly that budgeting is pretty tight already, and there will be great difficulties in saving \$45 million. Core activities—hospitals and clinics—cannot be easily cut. It is unfortunate that those outreach activities which may form the basis for a more holistic, community-based, preventive and rehabilitative health care approach in the future are those which will bear the burden of the provincial government's financial problems.