

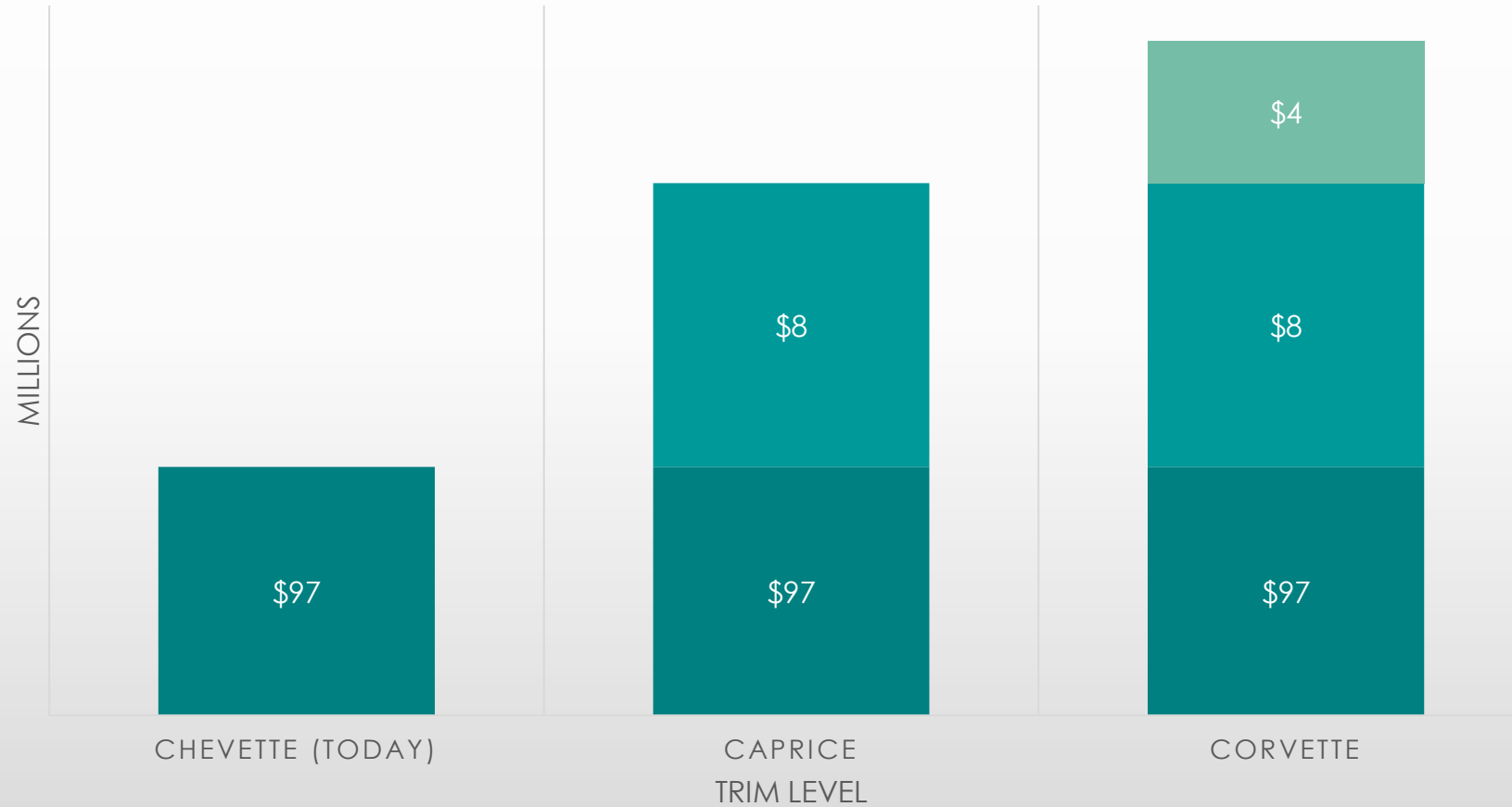
Getting to Great at PSFDH

Presented By:	Michael Cohen
Presented To:	Board of Directors
Date:	May 2026

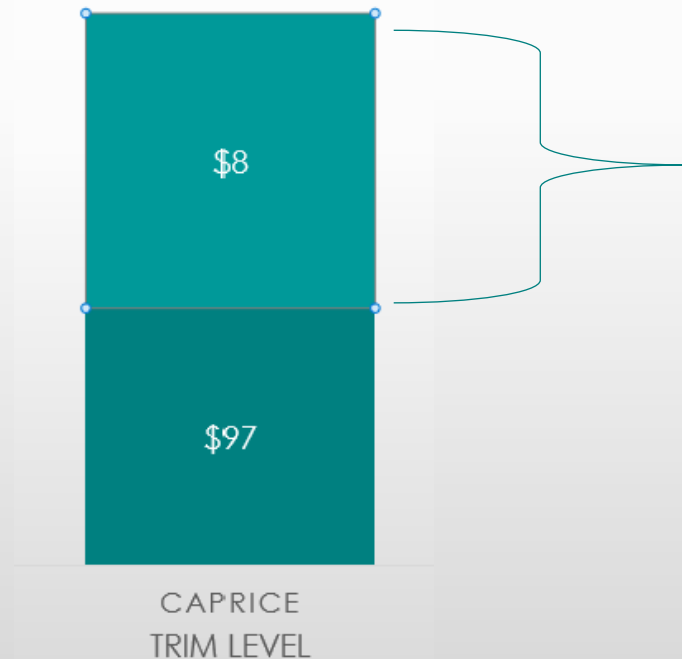
Background

- Over the past 15 years, management attrition, COVID-19 and structural changes have had serious financial impacts on PSFDH's financial picture.
- Compounded by the Health Human Resource Crisis surfacing in 2022, the hospital continues to run significant deficits and requires a base funding adjustment to be viable.
- To date our strategy to focus on upholding minimum standards for quality and safety have been effective and we have received significant one-time investments from MoH and OH-East.
- Following the board discussion in February, this presentation outlines what would be needed to bring the hospital to “expected levels” or consistent with our peers as well as what would be required to excel or be “above average”.

GETTING TO GREAT

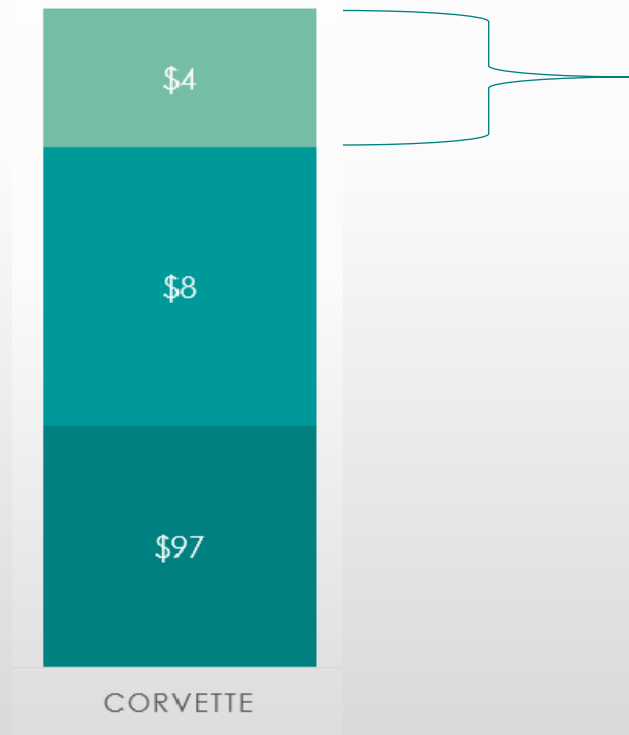


Upgrade to Caprice



- Pharmacy Technicians – Monday to Friday in Emergency.
- Pharmacy Technicians (ADU's).
- Social Work 7 days per week, both sites.
- Lab tech's in Emerg M-F
- Respiratory Therapy 24/7.
- PSW's on all inpatient Units
- GEM Nurse (ER) both sites 7 days per week.
- Incremental & dedicated Nurse Educator per site.
- 2 business analysts (1 clinical, 1 financial)
- CT both sites.
- \$2M per year in net amortization to spend on capital.
- \$1M per year in operating costs for Back Office.
- \$500,000 per year for staff/management development.
- Afterhours supervisor 7 days per week
- Wound care RN or NP- specialized and dedicated

Upgrade to Corvette



- Medical Quality Officer (part time).
- Hospitalist Model (both sites).
- Business Intelligence/Data warehouse.
- Level 3 ICU (closed unit)
- 4 new directors, 1 new VP.

Capital

- Following the peer review in 2010 and launch of the new provincial funding model in 2012 PSFDH entered a period of austerity.
- While the hospital began receiving one-time mitigation funding to balance operations, no capital mitigation was received until 2021.
- In the intervening period, the hospital under invested in capital.
- Our current reality leaves us with multiple pressures from aging (or “aged-out”) equipment, and requirements for new technology (both clinical and corporate).
- With the Foundation requiring to rebuild its reserve, the hospital is preparing for several years of scarce capital funding which is posing clinical risks to viability of hospital programs.

Capital

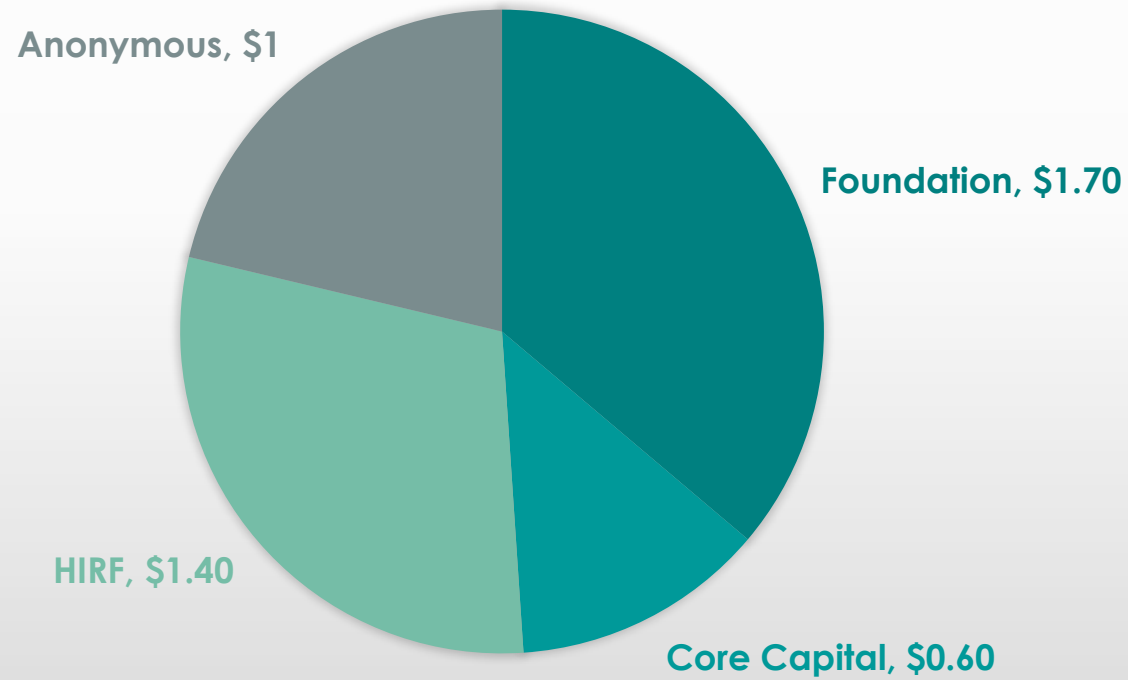
- The hospital capital planning process begins in the spring/summer with managers along with physician leads identifying their capital needs encompassing clinical, corporate, IT and physical infrastructure.
- The hospital has devised a ranking methodology that allows us to prioritize capital items based on objective criteria (mostly risk based).
- At this time, IT, non-clinical and clinical equipment compete in the ranking for the available resources.



Source of Capital Funds*



FY 2025/26 CAPITAL FUNDS (IN MILLIONS)



*Excluding borrowing



- At this time, there are currently 28 ranked items on our top priority capital replacement list.
- The estimated value of these items is \$2.1M, based on preliminary quotes from MMC.
- The **entire** list of clinical capital items category is over \$7M. Excludes IT, and non-medical.
- Looking ahead, there are also big-ticket items on the horizon:
 - Replacing our Robotic Surgical Assistant (ROSA) for Orthopedic Surgeries.
 - Endoscopy Scope and Towers (fleet replacement).
 - Bed fleet replacement.
 - Replacement of existing CT as well as potential for second CT in Perth.

Questions?