



TITLE:	Resource Allocation		
Manual/Policy #:	Board of Directors # IV-5	Division:	AGH/ FVM/LCPS
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1. POLICY STATEMENT:

The Organization will make best use of the resources which become available for the purposes for which they are provided.

2. SCOPE:

This policy applies to the Board of Directors and Senior Management allocating resources supplied by Government departments and agencies, funds raised through donations and funds which come available through business operations of the Organization. Resources may be dedicated to capital or operating expenditures.

3. GUIDING PRINCIPLES:

Resource allocation decisions will be informed by:

1. The need to uphold Organization policies and legislated obligations for patient and resident safety, employee health and safety, procurement, risk management, accessibility and ethics;
2. The need to ensure the sustainability of the Organization;
3. The need to uphold standards and quality of provision of services, including the infrastructure of the Organization;
4. The strategic planning process which will be developed with stakeholder input;
5. Consultation with employees and medical staff;
6. Consultations with other healthcare institutions in the Champlain LHIN, the LHIN and the Ministry of Health and Long Term Care;

Consultation with the community and other external stakeholders regarding program and service changes will be undertaken in accordance with applicable legislation.

Resource allocation decisions may result from a reduction in available funding, an increase in available funding or changes in demands for service that differ from the current approved operating budget.

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The Organization will actively pursue opportunities for additional funding through Ministry programs such as Health System Improvement Proposals, Hospital Infrastructure Renewal Funding and other grants as per Ministry of Health and Long-term Care initiatives,.

The Organization will also actively pursue opportunities for additional funding which do not directly result in increases of available financial resources to the Organization but enable increased physician engagement through Alternative Funding Arrangements, Hospital On-call Coverage and similar programs.

The Organization will also seek opportunities for integration which provide for more effective use of existing resources and expansion of operations which allow for improved economies of scale and additional net resources for the Organization.

The Organization will continue to seek opportunities for use of existing resources which improve the overall financial position while aligning with the mission, vision, values and corporate goals.

4. DEFINITIONS:

N/A

5. PROCEDURE:

Over-Arching

Resource allocation normally occurs as part of the development of the annual operating and capital budgets for the Organization. Where circumstances require that resource allocation decisions be taken outside of the normal budget process, senior management will make recommendations to the Board of Directors normally through the Finance & Audit Committee.

The Operating and Capital Budgets should allow for a positive net contribution to the working capital of the Organization so that funding is generated to provide for future development.

The Board of Directors has the responsibility to ensure the financial sustainability of the Organization and the quality and standards of what it offers. Where difficult decisions are required, the Board should be provided with as much useful information as possible to ensure the full impact of the decision is properly understood.

The Organization will participate in available benchmarking exercises to ensure that the cost and quality of similar programs in other organizations are available to support the Board of Directors in their decision making processes.

In the event that the Organization requires additional net resources to meet its obligations, the following measures will be explored

1. Generating additional revenue.
2. Reducing supply costs and employee benefit costs through participation in buying groups and similar organizations.
3. Reducing energy consumption through improved use of technology, buying groups and conservation methodologies.
4. Partnering with other healthcare organizations to share underutilized resources.



5. Implementing efficiencies of services identified through benchmarking and similar methodologies.
6. Reducing cost of services not directly involved in patient and resident care.
7. Reducing out-patient hospital services.
8. Reducing in-patient and resident services.

LCPS

Resource allocation decisions for the Lanark County Paramedic Service will be made in consultation with representatives of Lanark County within the context of a signed contract for service as part of the annual County budget process. The final resource allocation will be subject to approval by Lanark County Council. The underlying assumption for the contract with the County is that costs will be reimbursed based on expenditures incurred including an allowance for administration of the Program.

Large capital expenditures are expected to be purchased directly by the County. Minor capital expenditures are expected to be included in the annual operating budget.

FVM

Resource allocation for the Fairview Manor will be made in the context of the funding structure from the Ministry of Health and Long Term Care which requires minimum expenditures within a series of defined categories including Nursing and Personal Care, Program and Support, Raw Food, and Other Accommodation. Additional funding may become available on a one time basis or continuing basis.

Decisions about operational resource allocation in excess of government funding may be introduced through the annual budget planning process. Requests for capital expenditures will be included in the capital budgeting process for the Organization.

AGH

Resource allocation for the Almonte General Hospital will be made in the context of the Hospital Services Accountability Agreement with the Champlain LHIN.

Resources available to the Hospital will include revenues from operations, facilities (office and parking rental revenue), revenues outside the Ministry of Health and Long term Care and income from corporate investments.

Requests for capital expenditures will be included in the capital budgeting process for the Organization.

6. REFERENCES:

N/A

7. APPENDICES:

N/A

Evaluation

This policy will be reviewed every two years.