

Report FR-CS-27-16

To: Chair Eccles and Members of the Corporate Services Committee
From: Kevin Wepler, Director of Finance
Meeting Date: October 11, 2016
Subject: **Request for Capital Funding to Construct Residential Hospice**
Status: Recommendation adopted by Committee as presented per Resolution CS70-16; Endorsed by County Council November 1, 2016 per Resolution CC139-16;

Recommendation(s)

- 1. THAT Report FR-CS-27-16 regarding the funding request of \$200,000 from the Residential Hospice of Grey Bruce for its “Build a Home Hospice Campaign” to construct a permanent residential hospice facility be received; and**
- 2. THAT this funding request be budgeted to be funded from the One-Time Funding Reserve and be considered as part of the 2017 budget deliberations.**

Background

Scott Lovell, Executive Director, Grey Bruce Residential Hospice and Rob Cordell, Chair of the Residential Hospice of Grey Bruce’s Board of Directors, gave a presentation to County Council at its meeting on May 3, 2016 regarding hospice care in Grey County. In an effort to meet the needs of Grey and Bruce’s aging population, the Grey Bruce Residential Hospice is constructing a permanent residential hospice facility.

County Council endorsed the following recommendation:

“That staff be directed to bring forward a report to the Corporate Services Committee regarding a request for funding from the Residential Hospice of Grey Bruce for the Build a Home Hospice Campaign.”

Overview of Residential Hospice of Grey Bruce

The Residential Hospice of Grey Bruce is a community-operated hospice, which is governed by a volunteer Board of Directors who oversees its function. A campaign by this volunteer Board centered around the following promise to the community in 2005,

i.e. "To establish a residential hospice in Grey Bruce to care for patients and loved ones in the region."

Together with the South West Community Care Access Centre, VON Grey Bruce, Healthcare Chaplaincy Council and many other community partners, the Residential Hospice of Grey Bruce is now providing bedside care to patients across Grey and Bruce Counties.

The Residential Hospice of Grey Bruce admitted its first patient on May 29, 2013 at its temporary location at Season's Retirement Community in Owen Sound. The Hospice currently has six suites, with a palliative care team consisting of nurses, personal support workers, religious and spiritual counselors and volunteers who provide a range of medical and support services.

This community-run Hospice cares for patients and their families dealing with a terminal illness, providing comfort, support, and pain management. Patients are able to die with dignity, in a home-like setting.

Funding Request

The Residential Hospice of Grey Bruce has requested from the County of Grey a contribution of a one-time capital grant of \$200,000 towards the construction of a permanent residential hospice facility. This \$200,000 contribution was calculated based on Grey and Bruce Counties contributing 10% to the Campaign Goal of \$3.5 million. With the 10% contribution share for Bruce and Grey being shared proportionately based on both population and utilization criteria.

The Residential Hospice of Grey Bruce currently receives provincial funding only for nursing and personal support worker staffing. Currently the Hospice is receiving approximately \$98,000 per year for each of the six beds it operates, with an annual funding shortfall in the range of \$500,000. This requires the Hospice to raise funds locally to cover the additional operating costs.

This shortfall has largely been offset by a predictable pattern of ongoing "In Memoriam" donations being received. These "In Memoriam" donations, along with special event fundraisers have amounted to approximately \$300,000 being received annually. The net impact of these donations and provincial funding is a \$200,000 annual operating shortfall.

The Hospice Board's proposed solution to the annual operating shortfall is to reduce occupancy costs and to increase the number of beds being funded. The building of a permanent residential hospice is anticipated to reduce occupancy costs by approximately \$120,000 per year, as the annual current rental cost is approximately \$150,000. The building of a permanent facility, with an initial floor plan that includes nine patient rooms, will enable the Hospice to accommodate additional patients and qualify for additional funding. Along with additional patient funding, additional "In Memoriam" donations are also anticipated.

Funding Health Care

The County of Grey has historically provided funding to various hospitals in Grey and Bruce Counties since 1946.

As part of the discussion of funding the Centre Grey Hospital Campaign, it was endorsed by County Council that a Health Funding Roles and Responsibility Review Committee be created to consider the question of "*what should the County's role be in funding health care requests*". The Finance and Personnel Committee on June 8, 2005 received the Health Care Issues Task Force report and recommended the following:

"THAT ½ of 1% of own purpose levy maximum per year for contribution to capital construction of projects of hospitals be approved; AND THAT the issues related to hospital billing non-emergency transfers be brought forward to the TAPS Committee as soon as possible."

As the funding request of \$200,000 from the Residential Hospice of Grey Bruce to construct a permanent residential hospice facility is not a request for a contribution for the capital construction project of a hospital, the funding for this request, if approved, is being recommended to be funded from the County's One-Time Funding Reserve.

Financial/Staffing/Legal/Information Technology Considerations

There are no staffing, legal or IT considerations related to this report. Should the Committee approve this funding request, the recommendation will require no funding from taxation as it is being recommended that this one-time expenditure be funded from the County's One-Time Funding Reserve.

This capital grant, if approved, may lead to expectations from other hospice or other health care organizations serving Grey County that the County will support any fund raising efforts they may have in the future.

Link to Strategic Goals/Priorities

Expanding the Prosperity Base of the County is Goal 1 of the Corporate Strategic Plan.

Goal 2.2 of the Corporate Strategic Plan is “to work cooperatively with local partners to improve access to health care services.”

Attachments

Attachment - Residential Hospice of Grey Bruce – Proposal to Grey County for 2017

Respectfully submitted by,

Kevin Weppler
Director of Finance