Beyond the Bricks and Mortar
Planning for the Reality of Operations

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### Ontario Ministry of Health and Long-Term Care Capital Planning Process

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**Where do you fit?**
Where do you fit?  
What is your need?

**Why you, why now?**
Why you, why now?

**How do you need to change?**
How do you need to change?

**Have you completed a thorough test of change?**
Have you completed a thorough test of change?

**Are the right players in place and optimized for success?**
Are the right players in place and optimized for success?

**Are the right processes in place and optimized for success?**
Are the right processes in place and optimized for success?

**Are you able to optimize your activation and achieve your objectives?**
Are you able to optimize your activation and achieve your objectives?
The Health Activation Roadmap

- Identifying your needs and your role in the system
- Making the case for change
- Setting the foundation for change
- Refining your requirements
- Project management and hospital operations
- Developing a partnership approach
- Go-live and post-occupancy
Transformational change begins with designing toward the ‘art of the possible’

Can we meet or exceed the evolving needs and expectations of our patients?

Have we maximized our investment and our capabilities?

Have we created a high quality, responsive and sustainable organization of the future?

Partnering beyond day 1 to help you realize your vision for the future

Have we explored the options locally, nationally and globally?

Fulfilling standard checklists and forms

Building the right foundation of processes and people to set you up for success

Activities

Proportion of Total Value Captured and Degree of Innovative Design
Capital planning is often focused on passing requirements…

- Identifying your needs and your role in the system
- Making the case for change
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Partnership beyond day 1 to help you realize your vision for the future.

Building the right foundation of processes and people to set you up for success.

Proportion of Total Value Captured and Degree of Innovative Design.
Capital planning is often focused on passing requirements…

… without looking far enough ahead to understand the future potential costs and benefits of a new building

- **Assess** regional and provincial landscape
- **Explore** future models of care locally, nationally and globally
- **Identify** your needs
- Develop a business case, *articulate why you need change now*
- Establish **governance structures with clear accountability**
Designing excellent care requires a deep understanding of implications…

- Fulfilling standard checklists and forms
- Partnership beyond day 1 to help you realize your vision for the future

Proportion of Total Value Captured and Degree of Innovative Design

Activities

Identifying your needs and your role in the system
Making the case for change
Setting the foundation for change
Refining your requirements
Developing a partnership approach
Project management and hospital operations
Go-live and post-occupancy

Pre-Capital Planning  Stage 1  Stage 2  Stage 3  Stage 4  Stage 5  Go-Live
Designing excellent care requires a deep understanding of implications…

… of each choice and the interrelatedness of clinical and operational capabilities

- Tighten details of functional program
- Develop models for costing and mock-ups for a thorough change test
- Engage stakeholders
- Test your design to understand the operational impact
- Develop business cases, and evaluation metrics, outlining models of care and strategic technology and equipment investments that support the rigor of capital planning
Achieving savings requires strong incentive structures and contract management...

Proportion of Total Value Captured and Degree of Innovative Design

- Fulfilling standard checklists and forms
- Building the right foundation of processes and people to set you up for success
- Partnership beyond day 1 to help you realize your vision for the future

Activities

- Identifying your needs and your role in the system
- Making the case for change
- Setting the foundation for change
- Refining your requirements
- Developing a partnership approach

Project management and hospital operations

Go-live and post-occupancy

Pre-Capital Planning | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 | Go-Live
Achieving savings requires strong incentive structures and contract management…

… that are supported by detailed post-go-live work plans

- **Align** clinical, financial, operational and leadership goals
- **Plan** for ownership and operation
- **Develop** contingency plans and a moving plan
- **Develop and evolve** policies and procedures
Experiences going live

Going Live
1. Managing the Concession
2. The Operations Phase
3. Performance Monitoring
4. Maintaining the Partnership during Operations
Managing the Concession

Phase of a PPP Hospital Project

- Financial Close
- Substantial Completion
- End of Concession

Number of P3 Projects in Operation Phase in Canada

- Non-Healthcare Projects
- Healthcare Projects
The Operations Phase

- Substantial Completion
- Final Completion
- Hand-back

- 3 - 6 Months

- Patient Move
- Equipment
- Snagging

- Concession Management – 30 years
  - Performance Monitoring
  - Refinancing
  - Payment Mechanism
  - Change in Control
  - Energy Management
  - Supervening Events
  - Changes – minor works/ variations
  - Benchmarking/ Market Testing
Performance Monitoring

Partnership Challenges

- Major Defects
- Passive Equity
- Private partner self-monitoring
- Technology
- Event Categorization
- Reporting
- Energy
Maintaining the Partnership during Operations

Dysfunctional Partnership:
- Limited Preparation
- No Monitoring… Over Monitoring
- Income Generation
- Polarization
- Fear

Termination

Functional Partnership:
- Preparation
- Appropriate Monitoring
- Incentivization
- Compromise
- Understanding

Collaboration
Healthcare System Activation is not just about raising capital and opening doors, it involves setting up key processes and partnerships to support strategic, operational and technological requirements that will ultimately meet the needs of your patients and community.
Contacts

Deloitte’s Health Activation Services team would be pleased to discuss your questions around building a facility for the future.

Please reach out to any of us to get the conversation started:

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