

## **ATTACHMENT 2**

### **VIHA Capital Asset Management Plan 2004/05 – 2008/09 Key Points of the Plan**

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#### **1. The Capital Plan is Incomplete**

The Plan is dependent upon the completion of additional studies (e.g. the Surgical Services Review) and the development of strategic plans (with program priorities and associated capital components) for each of the three Health Service Delivery Areas (South, Central and Northern Vancouver Island). These sub-regional plans are then incorporated into a Regional Capital Plan including a schedule of year-by-year project/expenditure approvals, linked to various funding sources (VIHA, Regional Hospital Districts, Foundations, etc.).

The VFA, an external analysis of VIHA owned facilities of the condition of existing buildings and requirements to bring them to acceptable standards is being reviewed by VIHA.

The various studies and detailed plans appear to be six to eight months from being completed (March 2005 to May 2005). VIHA acknowledges that their redesign of the health system is not moving at a pace they would like to see.

#### **2. The Gap**

There is a significant gap (ranging from \$214.5 M to \$255.5 M) between current funding levels and the order of magnitude expenditures of the Five Year Plan.

Apparently this gap is occurring at all Health Authorities leading to efforts at the Ministry of Health Services to develop a province-wide response. Various options include partnerships (private financing), asset leveraging, self-financing, and consolidation of services (to reduce the number of buildings and/or building costs), debt financing and untapped donation sources.

#### **3. Next Year (2005)**

VIHA advises that RHD should plan for approximately the same funding levels as the current year.

This is not surprising in view of the incomplete planning and unresolved capital funding shortages.

#### **4. Beyond 2005**

Unknown.