Quebec Health Minister blames former CEO for MUHC deficit, resulting cuts

Réjean Hébert, Quebec's health minister, is blaming the "unprecedented" \$115-million deficit and resulting cuts to front-line nurses and other medical staff at the McGill University Health Centre's (MUHC) six hospitals squarely on former CEO Arthur Porter's mismanagement.

"There was a big problem with Arthur Porter as CEO of this organization," Hébert told *CMAJ* in an interview. "Dr. Porter's management was a major explanation for the deficit. His way of managing was not transparent."

Porter was forced to resign from the MUHC in Montréal in 2011, when his business dealings with a controversial lobbyist became public. He now lives in the Bahamas, where he says he is too ill with cancer to travel. He faces a series of charges of fraud and laundering the proceeds of crime. Quebec's anticorruption task force is currently seeking to extradite Porter from the Bahamas so he can stand trial.

The MUHC's former Board of Directors is also to blame for the deficit, Hébert says. He calls the financial over-run "an unprecedented deficit for a hospital in Quebec," saying it is greater than the combined deficit of all other Quebec hospitals in 2012.

Although Porter did not properly inform the board or the senior management team about the extent of the financial problems, Hébert says, the board should have been asking questions.

"The previous board also has a responsibility because they were not asking for more transparency," Hébert says. "There were many problems in management at this hospital. There was a necessity to act, to correct this situation."

The new health minister, who took over after the Parti Québécois assumed power in September, is also critical of his department.

breakdown of the positions lost. All disciplines are affected, from house-keeping to nursing, says spokesman Ian Popple.

Management has so far shaved \$29 million from its budget, but has to save another \$21 million by March 31, 2015, so more cuts are expected.

The MUHC controls six of Montréal's major hospitals: Montréal Children's Hospital, Montréal General Hospital, Royal Victoria Hospital, Montréal Neurological Institute and Hospital, Montréal Chest Institute and Lachine Hospital. MUHC is also one of Canada's leading academic health centres, and the site of one of the country's largest infrastructure developments. Its controversy-plagued \$2.3-billion redevelopment is due to be unveiled in 2015. That project is not included in the current budget.

Hébert's criticisms echo those contained in a report written by Dr. Michel Baron — former dean of medicine, Sherbrooke University, Quebec — at the request of the province, after investi-

gating the hospital's financial woes. In December 2012, the Baron report revealed the extent of the deficit: more than 10 times greater than the projected \$12.3 million for fiscal 2012/13.

Baron identified two primary reasons for the heavy deficit: a controversial land deal orchestrated during Porter's tenure for a site intended for outpatient services that was eventually abandoned, and 887 897 hours paid to staff between 2009 and 2012 that had not been budgeted for and did not appear to correspond to an

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Quebec Health Minister Réjean Hébert ordered the McGill University Health Centre to slash \$50 million from its spending. So far, 277 positions have been cut.

"The ministry should have been aware of the problems earlier," Hébert says. "When I began this position in September I asked for the details and I acted to correct the situation. This should have been done sooner."

Those "corrections" — including Hébert's orders to MUHC to slash \$50 million from its spending — have so far resulted in cuts to 277 positions, 113 of which were vacant and will not be filled. There were 85 nursing positions affected, 48 of them already vacant. The MUHC is not releasing a

increase in patient services. Those hours translate to \$61 million. The MUHC now says they have partially accounted for them.

Hébert calls that finding unacceptable. “It’s the equivalent of hiring 50 people without any benefit for access or quality of care,” he says.

MUHC’s current CEO and director general, Normand Rinfret, acknowledges the depth of the cuts may affect patient care. The cuts have also led to protests by employees and doctors.

“People are very emotional,” says Line Larocque, president of the Union

of Nursing and Cardiorespiratory Professionals, which represents 3500 MUHC employees. “We’re upset because if previous management had done its job properly we wouldn’t have to go through this.”

The total impact of the cuts is not yet clear, as senior staff members are bumping more junior members and shifting into their jobs.

In an opinion article published in the *Montréal Gazette* (www.Montrealgazette.com/news/Opinion+MUHC+needs+rethink+managed/8149307/story.html), six doctors highlighted

“serious deficiencies” in budgetary control and blamed an overall management structure “completely unsuited to supervising gigantic projects” for having tarnished McGill’s name.

“It’s going to obviously affect patient care,” says Dr. David Morris, an endocrinologist and one of the six authors. “It’s going to affect the ability of staff to do their best. Nursing is already stretched to the absolute limit.” — Morgan Dunlop, Montréal, Quebec

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