Merging of Administrative Services
Health and Wellness

NOVA SCOTIA

The province, the nine district health authorities, and the IWK will merge several administrative services that will save up to $8.8 million over the next 18 months.

Merging services will focus resources on patient care by reducing administrative costs.

The province and district health authorities agree to design a new model and merge the following four services over the next 18 months:

Service	Savings in 18-month start-up (M)	Annualized savings once operational (M)	Total positions in service area	Potential range for affected positions
General admin.	$1.4 – $1.7	$8.9 – $11.2	30	11 – 20
Supply	$4.9 – $6.1	$12.2 – $15.3	207	17 – 21
Finance	$0.3 – $0.4	$3.4 – $4.2	214	54 – 67
Laundry	$0.4 – $0.6	$2.2 – $2.8	111	15 – 20

Approximate savings in merging these services is $7.0 – $8.8 million over the next 18 months. Work will begin immediately. An estimated 97 – 128 positions will be affected in the four areas identified.

With two of the six services, the province and district health authorities will design a new model and find some opportunities in management and process, however, complete implementation will not occur within 18 months.

Service	Savings in 18-month start-up (M)	Annualized savings once operational (M)	Total positions in service area	Potential range for affected positions
Human Resources	$0.5 – $0.6	$4.5 – $5.7	231	56 – 71
IT / Telecomm.	$0.8 – $1.0	$10.3 – $12.9	583	128 – 160

Merged services build on work from last year when district health authorities and the province reduced administrative spending as part of annual business planning. Approximate savings in all six areas over five years is $42 – $55 million annually.