

Performance Monitoring/Variance Reporting 2009 - 2010 Questions and Answers

1. When should a Variance Report be submitted?

At any point in the fiscal year where you identify that your year-end financial or service delivery position will vary from your approved plan.

2. How is this different from the quarterly reports we already submit?

The WWLHIN will continue to review the quarterly forecasts, which continue to be a reporting requirement for our health service providers. However, the variance reporting process is more timely and specifically designed to capture the actions and solutions being enacted in the system.

3. What are the benefits of early notification?

Where a health service provider is over-achieving (either over-delivering on service volumes or projecting a surplus), early notification in this form allows us to begin a dialogue with you on how to best reinvest in your organization or in our local system, rather than having those funds recovered at year-end. Where a deficit or under-delivery on services is projected, early notification allows us to understand your reality better and with sufficient time for all stakeholders to take the steps to ensure optimal outcomes within the available resources.

4. Is a Variance Report submission required if my organization is able to deliver on service levels above plan within our existing budget?

Yes. The ability to deliver above plan on services may represent a system opportunity and communication through a Variance Report allows us to begin a discussion with you on how best to seize that opportunity within a systems context.

5. Is a Variance Report submission required if by the end of Q2 I am confident that my year-end position will be balanced from a financial and service delivery perspective, but my year-to-date actuals are not yet at the 50% mark?

No, although a conversation with your HSP Liaison to advise them of the situation would be appropriate. We rely on our Health Service Providers to budget accurately and monitor their performance. We understand that for reasons such as seasonality or program ramp-up, a straight line projection on year-to-date information will not necessarily give us the best idea of your year-end position. Therefore we look to our providers to identify and communicate when their year-end position is at risk, and submit the Variance Report accordingly.