

**Colette Cassidy
Office of the President
St. Michael's Hospital**

Thank you for your e-mail of regarding the action that St. Michael's Hospital has taken with regard to our outpatient psychology service. At this time, the hospital is making alternate arrangements for approximately 50 patients who were receiving psychological treatment at the hospital as outpatients. With regard to the students in the psychology program, the hospital is working with OISE to make alternative arrangements for them to continue their studies with as little disruption as possible.

At the present time, the Ontario Hospital Association has informed the Government of Ontario that teaching hospitals are facing a total shortfall of approximately \$300 million, and the system shortfall is approaching \$800 million. As the person ultimately responsible to our board of directors for the quality of care delivered at St. Michael's and our fiscal health, I have supported a course of action that will see our hospital enter the 2002-03 budget year in a position where we will be able to balance our budget, if the government flows the necessary funds to address the inflationary pressures that St. Michael's Hospital is experiencing.

These are difficult times in health care, and the decision to discontinue a service is never taken lightly. However, the senior team at St. Michael's Hospital does not shrink from making difficult decisions in order to ensure the long term viability of the organization.

Colette Cassidy