

Committee of the Whole (2) Report

DATE: Tuesday, May 10, 2022

WARD(S): ALL

TITLE: UPDATE ON SUCCESS AND GROWTH OF THE CORTELLUCCI
VAUGHAN HOSPITAL

FROM:

Nick Spensieri, City Manager

ACTION: FOR INFORMATION

Purpose

In February 2021, the Cortellucci Vaughan Hospital (CVH) opened to support the provincial pandemic response before opening as a full-service hospital in June 2021. This report provides an update on key milestones and achievements by Mackenzie Health since the opening of CVH, as well as an update on plans for future growth of hospital operations in Vaughan.

Report Highlights

- Nearly one year ago, Mackenzie Health opened CVH as a full-service hospital, creating much-needed health care capacity for York Region and expanding access to care for the local community.
- Since opening, the CVH has delivered significant health, employment and economic benefits to Vaughan, and Mackenzie Health has plans for future growth to better meet the healthcare needs of the local community and of an aging population.
- Expansion of the CVH and establishment of a long-term care facility on the VHCP lands are important steps in the development of the VHCP as a world-class destination for health and health innovation that will enhance the City's social and economic vitality.

Report Highlights continued

- The economic impact of the existing Mackenzie Health system is an exemplar of the significant economic impact that a fully developed VHCP will have in Vaughan, and in York Region and Ontario more broadly.

Recommendations

1. THAT Council receive an update from Altaf Stationwala, CEO of Mackenzie Health, regarding key achievements at the Cortellucci Vaughan Hospital since opening and growth plans for future expansion of Mackenzie Health facilities and services in Vaughan.

Background

On February 7, 2021, Mackenzie Health opened Cortellucci Vaughan Hospital (CVH) to provide relief for the capacity challenges being faced across the province as a result of the COVID-19 pandemic. Only critical care (ICU) and medicine beds were open to bring relief to the local community, as well as the province's overstretched health system. On June 6, 2021, Mackenzie Health opened CVH as a full-service hospital, home to specialized programs including Woman and Child, Inpatient Mental Health and Inpatient Stroke along with core services such as surgery, medicine and critical care and a full-service Emergency Department.

The Cortellucci Vaughan Hospital played an integral role in the fight against COVID-19 in Ontario.

Between February and June 2021, CVH provided care for more than 500 COVID-19 patients transferred from hospitals across the Greater Toronto Area. This was the highest proportion of COVID-19 patients in the province during wave 3. Without the relief provided by CVH by opening solely to provide COVID-19 care, Ontario's health care system would have been at risk of collapse.

Milestones from Mackenzie's Health's COVID-19 response effort include:

- Mackenzie Health opened two COVID-19 Assessment Centres to support the community and provide access to COVID-19 testing, conducting **more than 300,000 tests**.
- Mackenzie Health operated a COVID-19 Vaccine Clinic at CVH to support the rollout of the provincial vaccine program by administering **more than 97,000 vaccines** to eligible York Region residents, including the first COVID-19 vaccine in York Region.

- Mackenzie Health also supported **more than 117 congregate care settings**, including long-term care homes, retirement homes, schools and the school board in our community with testing and infection prevention and control best practices.

On June 6, 2021, CVH opened as a full-service hospital, creating much-needed health care capacity for York Region and expanding access to care for the local community.

CVH is the first hospital to be built in the City of Vaughan, and the first net new hospital to be built in Ontario in more than 30 years. CVH is also the first smart hospital in Canada, featuring fully integrated smart technology systems and medical devices that can speak directly to one another to maximize information exchange and enable improved patient care. Through modern and proven best practices, the hospital is providing state-of-the-art health care and positive outcomes for patients and their families.

The growth of the Mackenzie Health system in York Region also means that the local community has access to two full-service emergency departments, core services and specialized services to provide them with the care they need. Patients can access Woman and Child, Inpatient Mental Health and Inpatient Integrated Stroke programs at Cortellucci Vaughan Hospital, while an extensive range of outpatient clinics, chronic kidney disease care, complex continuing care and rehabilitation are available at Mackenzie Richmond Hill Hospital. Mackenzie Health's community-based locations and services also continue to provide additional supports to residents across western York Region and beyond.

In the first six months after becoming two hospitals, the Mackenzie Health system achieved major milestones, including:

- More than 1,776 babies delivered
- Almost 28,000 operating room procedures
- More than 2,700 pediatric urgent care visits
- More than 97,000 Emergency Department visits
 - Exceeded the projected 375 emergency visits per day across both sites within months of the second Emergency Department opening at CVH
- More than 243,000 medical imaging visits
- More than 2,000 in person outpatient mental health visits

Mackenzie Health has plans to continue expanding facilities and services in Vaughan to better meet the healthcare needs of the local community and of an aging population.

Mackenzie Health recognizes the importance of expanding hospital services and increasing the hospital footprint to meet the growing needs of the community. CVH was initially designed with a capacity of up to 350 beds with room to grow along with the community to an increased capacity of up to 550 beds. Fitting out the shell space within the existing CVH footprint would add another 144 patient beds and a 12-bed critical care pod to meet increasing healthcare needs. Mackenzie Health has also begun developing early concepts and prototypes for potential additional health care to integrate into the growing Vaughan Healthcare Centre Precinct, including:

- Acute care and regional services;
- Ambulatory care; and
- A medical office building.

On April 20, 2022, Mackenzie Health announced support from the provincial government to meet the needs of an aging population in York Region by building a new long-term care home adjacent to CHV.

The new Mackenzie Health Long-Term Care facility will create 256 new long-term care beds in Vaughan to meet the healthcare needs of seniors in the community. Building a new long-term care home in Vaughan on the lands adjacent to the Cortellucci Vaughan Hospital will help integrate the long-term care home into the broader health care system and ensure residents have access to the care they need. Construction is expected to start in Winter 2025.

The corridor between the two Mackenzie Health hospital locations in Vaughan and Richmond Hill is an important asset that will support the development and success of the future Vaughan Healthcare Centre Precinct (VHCP). As a healthcare system providing a broad range of clinical and community-based services, Mackenzie Health will provide unique opportunities for work-integrated learning, industry-academic collaborations, and medical innovation as a key VHCP partner.

Mackenzie Health is an integrated public healthcare system responsible for providing services to residents of York Region, and beyond. The organization currently operates the Mackenzie Richmond Hill Hospital and the CVH at the VHCP. As Canada's first smart hospital, the experience at the new CVH is establishing a new direction for

hospital service, care and delivery across Canada and beyond.

In tandem with the innovative new district being pursued at the VHCP, the approach to delivery pioneered at Mackenzie Health can indeed become an anchoring draw for small businesses, academic and medical researchers, as well as office users alike.

The connections between the Mackenzie Health hospital locations in Richmond Hill and Vaughan provide a unique opportunity to leverage activities at both hospitals to develop cutting-edge, technology driven healthcare training for students at a new YorkU School of Medicine. Mackenzie Health maintains robust academic and community relationships and the organization is committed to an expanded academic and community partnership that supports academic research, medical training and innovation, which could ultimately enhance its own patient care delivery.

Expansion of the CVH and establishment of a long-term care facility on the VHCP lands are important steps in the development of the VHCP as a world-class destination for health and health innovation that will enhance the City's social and economic vitality.

The vision for the VHCP is a world-class, health innovation destination that will enhance the Vaughan's social and economic vitality, while also producing regional and extra-regional economic impact. The VHCP will be a destination for excellence in health research, education, commercialization, and innovation. Collectively, the expertise and physical co-location of each member organization in the Partnership provides an opportunity to leverage cross-disciplinary expertise and have the VHCP emerge as a leading medical-innovation node.

The new Mackenzie Health Long-Term Care facility will be an essential component of the overall VHCP and an important step in the development of the precinct. Not only with the LTC facility help meet the healthcare needs of seniors in the community, it will also provide opportunities for experiential learning, development of new healthcare - practices and technologies, and the attraction of new businesses in the healthcare, health technology and life sciences sectors.

Creating greater opportunities for learning, innovation and employment are a critical part of supporting a healthy population and a resilient economy, and together with York University and ventureLAB, Mackenzie Health is supporting the education and attraction of talent, not only in the health field, but in technology and the knowledge industry more broadly.

Previous Reports/Authority

[Ontario Building New Long-Term Care Beds in Vaughan - April 20, 2022](#)

[Cortellucci Vaughan Hospital officially opens as a full-service community hospital – June 6, 2021](#)

[Cortellucci Vaughan Hospital officially opens as a system solution to fight COVID-19 – February 7, 2021](#)

[Vaughan Healthcare Centre Precinct – Enabling Next Steps – Committee of the Whole \(2\) Report – Tuesday, February 8, 2022](#)

[City of Vaughan Healthcare Centre Precinct Feasibility Study and Partnership – Committee of the Whole \(2\) Report – Wednesday, October 13, 2021](#)

[City of Vaughan Cortellucci Vaughan Hospital Advisory Taskforce – Committee of the Whole \(1\) Report – Tuesday, June 1, 2021](#)

[City of Vaughan news release, announcing the signing of the Memorandum of Understanding by the healthcare precinct partners, dated October 2nd, 2019](#)

[Partnership to Advance Economic Development Opportunities in the Vaughan Healthcare Centre Precinct – Committee of the Whole Report – Tuesday, June 4, 2019](#)

Analysis and Options

The economic impact of the existing Mackenzie Health system is an exemplar of the significant economic impact that a fully developed VHCP will have in Vaughan, and in York Region and Ontario more broadly: Mackenzie Health employs more the 4,500 people, including more than 650 physicians, and engages more than 700 volunteers

As of March 31, 2020, there were 613 beds in operation within the Mackenzie Health system. From 2019-2020, the system handled 259,903 ambulatory visits, 23,184 admissions, 9,318 surgical cases and 127,383 emergency visits. Mackenzie Health employs more the 4,500 people, including more than 650 physicians, and engages more than 700 volunteers.¹

¹ <https://www.mackenziehealth.ca/about-us>.

Similarly, York University generates significant economic impact at its current campuses, offering an indicator of the sizeable employment and economic stimulation that would result from a facility at the VHCP. The total impact of York University on the Ontario economy is equal to over \$4 billion, or about 0.6% of provincial GDP.

York University contributes to the provincial economy in significant and direct ways: first, through the employment and immigration of its access and international alumni; second, by its focus on fostering innovation and entrepreneurship; and third, through hundreds of industry partnerships that benefit both the private sector and the university and its students.

York University can be directly attributed to \$2.34 billion in spending and 10,569 jobs in 2018. Including indirect and induced effects, York's impacts in these areas increases to over \$4 billion and 13,480 jobs.²

York University also has a significant effect on distribution of economic activity and people within the areas where it operates. Similar to Mackenzie Health's impact on Vaughan's population, a York University facility in the VHCP would act as an important magnet for attracting highly educated people to live and work in Vaughan.

Among students surveyed by York University in 2018, only 24.5% reported their primary residence before studying at YorkU was outside the GTA, but among these, more than half (51.2%) indicated they would have been unlikely or very unlikely to come to the GTA if not for their studies at York. Among alumni, 10% of respondents indicated their primary residence before attending York was outside Canada, and 65.5% of these alumni were now living in Canada.

The alumni survey asked how many would have been unlikely to be living in Canada if not for attending YorkU, meaning that YorkU played a crucial role in their residency in Canada. The share was 44.2%, which across all York alumni translates into approximately 7,277 people aged 25 to 64 who would not be living in Canada if not for having attended YorkU.

The average income of these alumni was \$128,080 in 2018. This translates into a total direct output impact of \$932,038,160 in 2018, which would correspond to \$1,789,513,267 when including indirect and induced spending. In terms of jobs, the

² <https://www.yorku.ca/economic-social-impact-report/a-driver-of-economic-growth/>.

employment rate of these alumni was 92.7%, meaning they would include 6,747 workers, with a further 63 induced jobs.³

A fully developed VHCP would also include a ventureLAB innovation space, generating additional economic activity and output in Vaughan.

ventureLAB's 2021 Annual Report revealed that since the organization's inception, ventureLAB has supported more than 3,100 companies that have received more than \$275M in investment and generated more than 4,700 jobs. In 2021 alone, ventureLAB supported more than 340 companies that received more than \$116M in investment and created more than 400 jobs.⁴

As ventureLAB's programs, services and footprint continues to grow, the impact that it has on the regional economy continues to multiply. New ventureLAB resources, like the expansion of the Hardware Catalyst Initiative, that will establish a MedTech accelerator within Sterling Industries' facility in Vaughan, will continue to generate significant job creation, new intellectual property and economic output in Vaughan.

The development of Mackenzie Health, YorkU and ventureLAB facilities at the VHCP is an opportunity to multiply the economic impact that each of these institutions would have on Vaughan's economy by co-locating them at one site and enabling strategic collaboration, sharing of resources and magnification of economic opportunities for students, talent and businesses. The development of the broader VHCP will bring significant Return on Investment in the form of one-time and recurring economic benefits of local, regional and national significance.

Development of the VHCP would lead to direct and indirect expansion of the local economy by generating new economic opportunities, employment growth and government revenues.

One-Time Impacts

- More than \$755 million in value added to the Canadian economy, opportunities for some 6,300 full-time equivalent employment positions and upwards of \$276 million in government revenues; the vast majority of which would accrue directly within the City of Vaughan and surrounding GTA.

³ <https://www.yorku.ca/economic-social-impact-report/a-driver-of-economic-growth/>.

⁴ <https://www.venturelab.ca/news/venturelab-2021-annual-review>.

Recurring Impacts

- Support for a total permanent, on-site employment base of some 1,800 jobs, yielding more than \$350 million in operational output each year (excluding the hospital).

Other Benefits

- Opportunities to enhance the municipal profile of the City of Vaughan, attract major anchor institutions, foster a culture of entrepreneurship and innovation, as well as optimize recent and ongoing spending infrastructure, among other intangible benefits.

With respect to indirect economic impact, research on Canada's Faculties of Medicine and their affiliated teaching hospitals has determined a faculty and affiliated teaching hospital business volume multiplier effect of 2.5. Therefore, for every \$1.00 directly spent by a faculty or affiliated teaching hospital, an additional \$1.50 is indirectly generated for a total impact of \$2.50. The multiplier effect of the healthcare and higher education sectors outpaces that of the national economy.⁵

Direct employment by expansion of Mackenzie Health and the establishment of York University and ventureLAB facilities would be a significant boost to Vaughan's economy, while the indirect employment impact would be considerably larger. The business volume generated by the VHCP would create jobs in a broad range of sectors throughout the local economy – retail and food service sector jobs, teachers, public safety, accounting, financial and other professional service workers.

Financial Impact

There is no financial impact associated with the report.

Broader Regional Impacts/Considerations

Mackenzie Health is a regional organization spanning two municipalities in York Region. The growth of the Mackenzie Health system in York Region also means that the local community has access to two full-service emergency departments, core services and specialized services to provide them with the care they need. Patients can access Woman and Child, Inpatient Mental Health and Inpatient Integrated Stroke programs at Cortellucci Vaughan Hospital, while an extensive range of outpatient clinics, chronic kidney disease care, complex continuing care and rehabilitation are available at Mackenzie Richmond Hill Hospital. Mackenzie Health's community-based locations and

⁵ Tripp Umbach, "The Economic Impact of Canada's Faculties of Medicine and Health Science Partners", August 2014.

services also continue to provide additional supports to residents across western York Region and beyond.

The Vaughan Healthcare Precinct will also become an important regional asset and major employment node that will create economic opportunity and attract skilled labour from across York Region. The VHCP offers a unique value proposition that reflects the ongoing evolution of the City of Vaughan into a major urban centre, leverages the establishment of new transportation and institutional infrastructure in York Region, as well as capitalizes on recent trends and opportunities in the economy relating to healthcare innovation and delivery.

Conclusion

It is appropriate that Committee receive the update from Altaf Stationwala, CEO of Mackenzie Health, regarding key achievements at the Cortellucci Vaughan Hospital since opening, and growth plans for future expansion of Mackenzie Health facilities and services in Vaughan.

For more information, please contact: Raphael Costa, Director, Economic and Cultural Development, Ext. 8891.

Attachments

N/A

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Approved by

A handwritten signature in black ink, appearing to read 'Nick Spensieri', with a long horizontal line extending to the right.

Nick Spensieri, City Manager