# ANNUAL PERFORMANCE REPORT 2019-20

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Front Cover: Infection Prevention and Control nurse with volunteer greeter at WMRH

New acute care hospital site

# MESSAGE FROM THE BOARD CHAIR

It is my pleasure, on behalf of the Board of Trustees of Western Health to present our Annual Performance Report for the year 2019-20. Western Health is a category one public body under the **Transparency and Accountability Act**. The publication of this report is in keeping with the legislative guidelines. In accordance with the requirements of the Act, the Board accepts accountability for the results published in this Annual Performance Report.

There was excellent engagement and collaboration throughout Western Health this past year. In October 2019, the Board of Trustees hosted a strategic planning retreat to identify strategic issues for the upcoming strategic plan for 2020-23. Sixty stakeholders participated in discussions, and facilitated activities, to identify priorities and potential actions for each priority area. Building on Western Health's previous successes in addressing strategic issues, the Board of Trustees is looking forward to meeting the challenges that lie ahead.

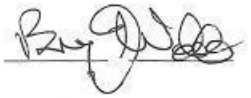
This past year, the Board of Trustees, along with senior executive, collaborated with other regional health authorities (RHAs) to plan a conference to discuss two themes impacting the health care system in Newfoundland and Labrador, good governance and population health. The two-day conference, Leading Change: Building on Our Vision for Healthy Communities was held in Gander in November 2019. Using input collected at the conference, the RHA Board Chairs reconvened to develop a series of recommendations to support stronger governance and population health in Newfoundland and Labrador.

This year Western Health was challenged to implement numerous measures to protect patients, clients, residents, visitors, staff and physicians throughout the COVID-19 pandemic. The Board of Trustees expresses sincere appreciation to staff, physicians, and leaders for their efforts and those of the community at large. Our collaborative efforts helped to limit the spread of the virus throughout our communities and region and to protect the health and safety of the people of Western Newfoundland.

The Board is pleased to share some of the accomplishments for the fiscal year 2019-20 in this Annual Performance Report. We will continue to work together towards achieving our new strategic goals and the strategic directions of the Government of Newfoundland and Labrador in 2020-21.

We look forward to collaborating with our colleagues, patients, families and communities in the future as we work towards achieving Western Health's Vision of **Our People, Our Communities-Healthy Together**.

With Sincere Best Wishes,

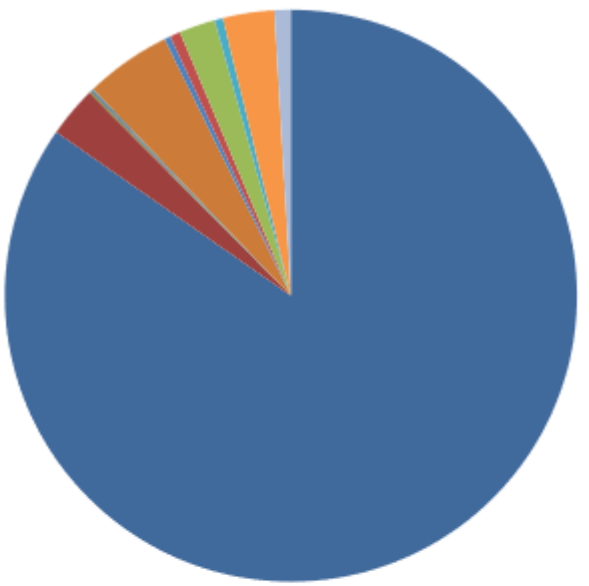


Bryson Webb
Chairperson

Guardian Angel Presentation at Dr. Charles L. LeGrow Health Centre

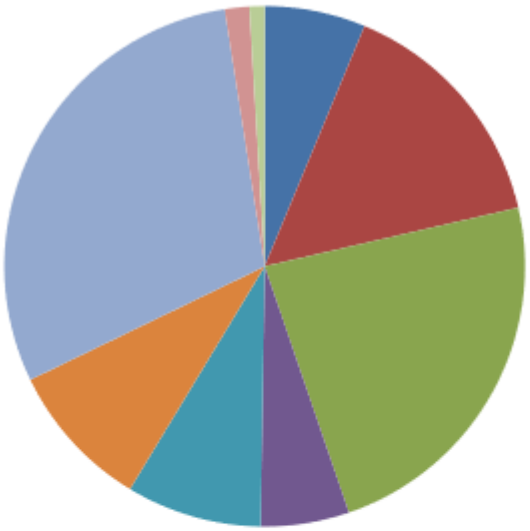
# OPERATING REVENUE AND EXPENSES

## Operating Revenue
## $381,576,000



- Provincial plan - operating grant $323,176,000
- Capital grant - provincial $11,003,000
- Capital grant - other $387,000
- National child benefit $294,000
- Early childhood development $359,000
- MCP physician revenue $18,571,000
- Inpatient $1,348,000
- Outpatient $2,241,000
- Resident revenue - long term care $7,797,000
- Mortgage interest subsidy $21,000
- Food service $1,783,000
- Other recoveries $11,073,000
- Other $3,523,000

## Expenses
## $392,051,000

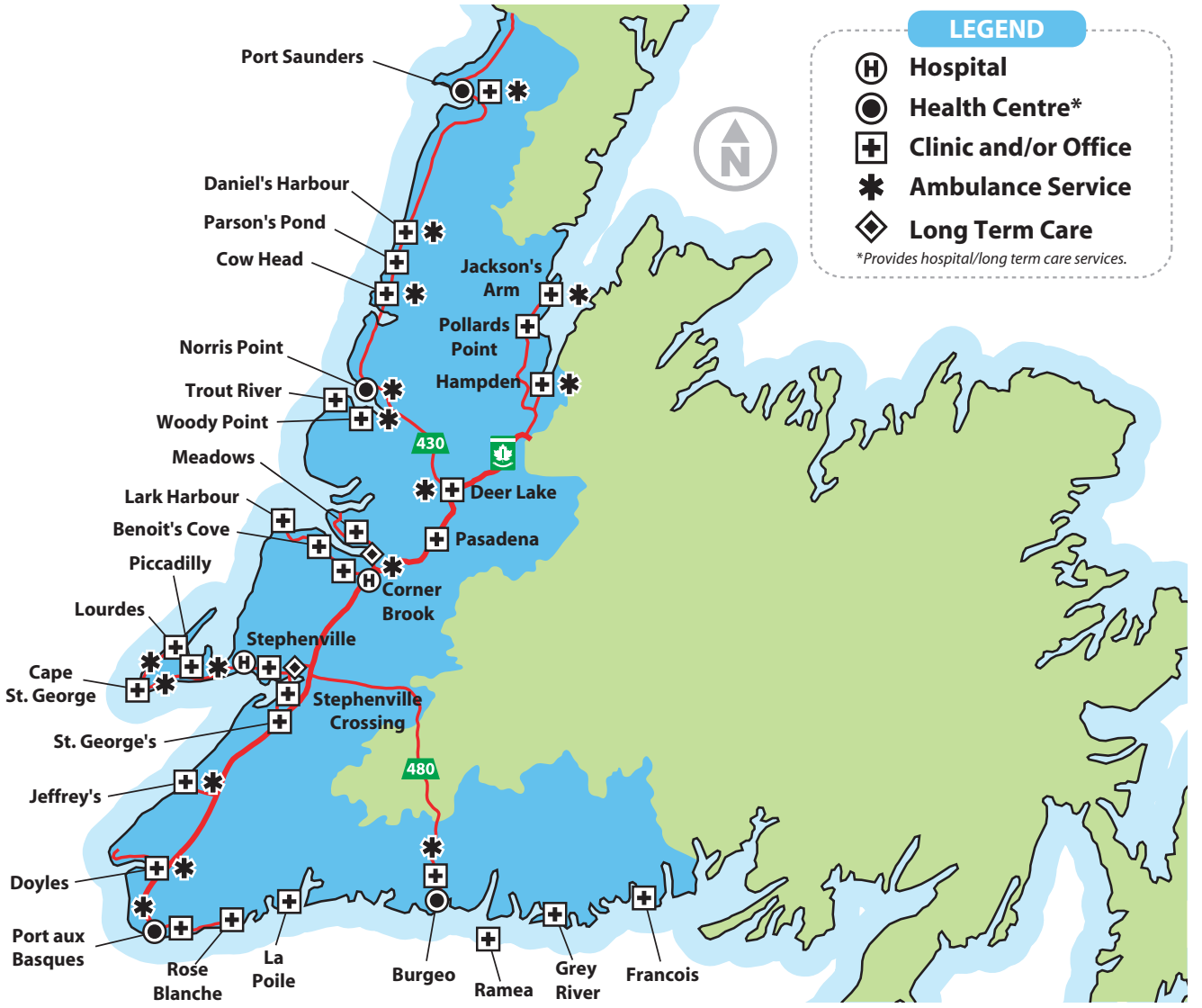


- Administration $24,591,000
- Support services $59,225,000
- Nursing inpatient services $91,645,000
- Medical services $21,532,000
- Ambulatory care services $32,956,000
- Diagnostic and therapeutic services $35,952,000
- Community and social services $116,516,000
- Educational services $5,978,000
- Undistributed $3,656,000


Physiotherapy Team

# WESTERN HEALTH REGION

Western Health's geographical boundaries are from Port aux Basques southeast to Francois, northwest to Bartlett's Harbour, and on the eastern boundary north to Jackson's Arm.




Western Health offers a broad range of programs and services to the people of Western Newfoundland. Its regional office is located in Corner Brook. The organization has over 3,000 employees and approximately 80 per cent of employees are female. There are approximately 1,600 volunteers who assist in delivering programs, services and special events, which enhance the quality of life for patients, residents and clients. Please see www.westernhealth.nl.ca for information about Western Health's mandate and lines of business.

Medical Device Reprocessing Staff

# HIGHLIGHTS AND PARTNERSHIPS

Western Health's vision, **Our People, Our Communities - Healthy Together**, highlights the important role residents and communities throughout the Western region play in achieving and promoting good health. Western Health works collaboratively with residents, communities, and partners to achieve this vision. "Our People" also includes the staff, physicians, managers, students, and volunteers who contribute to this vision.

Western Health values the partnerships and contributions of its many stakeholders. Western Health acknowledges the work achieved through shared commitments with volunteers, patient and family advisors physicians, private service providers, the Department of Health and Community Services, other departments of the Government of Newfoundland and Labrador, other regional health authorities, non-governmental agencies, post secondary institutions, municipal councils, professional associations and the general public. Western Health is also extremely grateful for the numerous volunteers who give generously of their time and talents to support the clients, patients and residents that we serve.

The following section highlights accomplishments that support the Government's Strategic Directions for 2017-20 through the Triple Aim[1] approach which implies that health reform has three interconnected and inseparable dimensions: creating better value for health care expenditures, improving population health; and enhancing the patient and provider experiences of care.

## Better Value through Improvement

### SmART Aging

In 2019-20 Western Health received funding from the Centre for Aging and Brain Health Innovation (CABHI), through its SPARK program. The SPARK program provides funding to support further development and refinement of innovative grassroots ideas that can help to improve brain health or quality of life for older adults. Western Health was funded to support SmART Aging: A Community-Engaged Program Supporting Healthy Aging through the Arts. SmART Aging aims to develop a community based arts program to help maintain and improve cognitive fitness for older adults with mild to moderate frailty or mild to moderate cognitive decline. The program will be implemented in 2020-21. Older adults will be provided with the opportunity to stay socially connected through virtual participation in arts based activities to lessen the risk of developing dementia, maintain cognitive health, promote engagement and fulfillment, and improve overall quality of life.

### Advancing Frailty in Community Care Collaborative:

The prevalence of frailty in Canada is steadily growing, especially in older adults. Western Health is participating in the Canadian Federation for Healthcare Improvement (CFHI) Advancing Frailty in Community Care (AFCC) Collaborative. This 23-month collaborative, initiated in 2019-20, is aimed

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*[1] The Triple Aim is a framework which was developed by the Institute for Healthcare Improvement in the United States and has been adopted and applied internationally. Additional information can be found at the following link: http://www.ihi.org/Engage/Initiatives/TripleAim/Pages/default.aspx.*

at improving care for older people with frailty and support their caregivers through the identification, assessment and implementation of individually tailored evidence-informed interventions in primary care. This improvement initiative is a partnership between Eastern Health and Western Health. A joint steering committee has been established to support this improvement work across both organizations. Planning is underway for implementation in 2020-21.

**Recognition in Delivering Value-based Healthcare**

In June 2019 Western Health, along with Central Health, received national recognition for the joint quality improvement project, Releasing Time to Care: A journey towards optimizing care of frail elderly LTC residents with diabetes. This recognition awarded at the National Healthcare Leaders Conference was established to honour an organization, or team, that is deliberate in changing the way that care is delivered, resulting in improved outcomes. This recognition acknowledges the successful changes introduced within this improvement project.

**Expansion of Automated Notification System for Appointments**

Western Health expanded implementation of the automatic notification system (ANS)[2]. The ANS sends a text message or telephones individuals to remind them of their scheduled appointment and to provide an opportunity in advance to either confirm the appointment or to cancel it. This system supports the reduction of no shows (missed appointments) in clinical areas. Missed appointments can affect patient outcomes and place additional demands on wait times for appointments. In 2019-20 the ANS was implemented in the outpatient cardiology unit at Western Memorial Regional Hospital (WMRH) and outpatient psychiatry clinics within Western Health. Work is ongoing to support expansion of ANS within the cardiology unit at Sir Thomas Roddick Hospital (STRH) and community based Mental Health and Addictions outpatient appointments. The reduction of no shows in clinical areas through implementation of the ANS remains a priority within Western Health.

**Better Health for the Population**

**Person and Family Centred Approach to Care**

Person and family centered care (PFCC) is an approach to care that respectfully and meaningfully involves patients and their families in their health care decisions and journey. Engaging patients as partners in their individual care and in policy making, program planning and design and quality improvement activities is essential to enhancing the care experience, improving outcomes, and building a better health care system. Enabling PFCC is a priority for Western Health. A PFCC strategy has been developed and work has been ongoing on identified priorities.

During 2019-20, 16 additional patient advisors were recruited and orientated to support PFCC work plan. A foundational document outlining rights and responsibilities of staff, and patients called “Our Commitment to You” was launched in 2019-20. The document was developed by patient partners in

[2] *The Automated Notification System (ANS) is an appointment reminder system which sends a notification of an upcoming appointment to a patient by their preferred method (telephone or text).*

collaboration with staff and leaders. The document outlines Western Health's commitment to safe care, respectful communication, and collaboration; as well as the expectations of clients to use respectful communication, ask questions if information is unclear, and be a participant in decisions in their care.

The Journey of Collaboration, a collaboration with Mi'kmaq communities in the Western region to co-develop an engagement strategy and implementation plan for the co-design of health and wellness programs and services within Western NL was initiated during 2019-20. This unique project is supported through a grant from Health Services Integration Fund and a partnership between Western Health, local Mi'kmaq community leaders and Elders, Grenfell Campus, Qalipu First Nation, and Western Regional School of Nursing (WRSON). This project will help guide the ongoing development of Western Health's PFCC strategy.

**Community Health Assessment**
In 2019-20 Western Health commenced the Community Health Assessment (CHA) to identify the health needs of its communities. A survey was implemented in keeping with the new **Community Health Assessment Guidelines - a draft provincial framework for conducting a Community Health Assessment.** The survey was administered using an electronic platform, which enabled easy completion on any mobile device. Community partners were essential in helping to promote the survey. The survey was also made available for those who preferred to complete it on paper. A total of 1,471 surveys were completed, double the number of survey responses received during the last CHA in 2016. The results of the CHA will help inform programs and services to prioritize, plan and act on unmet community needs in order to improve the health of residents of the region.

**Promoting Healthy Lifestyles**
In 2019-20 Western Health continued to work with partners in the region to support and promote physical activity in all age groups. Achieving recommended physical activity levels has many health benefits and protective factors for the prevention and management of chronic disease. With support from the Western Regional Wellness Coalition, schools, seniors clubs, municipalities and other groups and agencies a wide variety of physical activity programming was delivered. Six school projects and 15 community projects were supported that had a primary focus on increasing physical activity levels. In the fall of 2019 the Healthy School Planner grant opportunity expanded beyond physical activity to also encompass healthy eating. The Healthy School Planner is a tool that schools use to assess the current health environment and develop a plan to make improvements. In the Western region, 13 schools availed of this funding. Many of the schools that completed physical activity projects in previous years have now moved on to healthy eating projects.

Western Health continued to support community capacity building through funding of grants in 2019-20. There were 31 community grants and 10 school grants funded to help address identified needs in local schools and communities. In addition, funding was provided for 13 Mental Health Week projects, 18 Mental Illness Awareness Week projects and 15 Addictions Awareness Week projects.


Western Health staff participate in Pride Parade

# HIGHLIGHTS AND PARTNERSHIPS

Western Health participated in the design and dissemination of a province-wide vaping prevention campaign **The New Look of Nicotine Addiction**. The school based program is targeted to youth in grades seven – 12. Standardized lesson and learning materials are provided along with toolkits for schools and information for parents, guardians and other adults.

**The Farm to Health Project**

Since health care facilities feed a high volume of people, there is an opportunity to improve the health of the population by offering healthy, local and sustainable food in hospital cafeterias. As well, Western Health as a health organization has an opportunity to demonstrate leadership by providing healthy food choices. In partnership with Food First NL, Western Health implemented the Farm to Health pilot project at WMRH in 2019-20. During the summer, food service employees picked fresh, local strawberries and incorporated them in the cafeteria specials. In addition, weekly specials featured local produce like salads, soups, and stews as well as roasted vegetables as side dishes. A farm stand, built by Western Health staff, was put in place in the cafeteria to display locally grown produce for sale. After the fall harvest, locally roasted coffee and a wide selection of preserves from a local farm were featured for sale. A hydroponic grow station was also implemented to grow herbs and greens which were incorporated in menu items in the cafeteria. Western Health is planning to expand this project in its other cafeterias in 2020-21.

**COVID-19**

In January 2020, in response to the new coronavirus COVID-19, Western Health formed a regional pandemic planning committee. The initial priorities were staff education related to personal protective equipment (PPE), COVID-19 and hand hygiene and overall emergency planning. When the World Health Organization declared COVID-19 a worldwide pandemic on March 11, 2020, Western Health activated its emergency operations centre (EOC). Each and every individual and program in Western Health has been impacted by COVID-19. Following the lead of the Department of Health and Community Services and working with the other regional health authorities (RHAs) in the province, as well as multiple partners, Western Health implemented numerous measures to protect staff, clients, patients, residents and families and to care for people in our region. We will continue to work diligently in 2020-21 to adapt to the changing environment.

**Better Care for Individuals**

**Bridge to Home Collaborative**

Transitions from hospital to home can be challenging for patients, caregivers and families and can leave patients feeling uncertain and vulnerable once they return home. Western Health participated in the Bridge to Home Collaborative, in partnership with CFHI. The goal of this collaborative was to partner with patients and caregivers to improve their experience during transition from hospital to home. Standardized information to be provided to patients and caregivers was co-developed using evidence informed tools and techniques. One hundred and forty-five staff participated in education sessions held in September 2019 following which the improvements were made to the care planning processes on medicine and surgery units at WMRH. Patient, caregiver and provider experience surveys have been completed; however, the final report has been delayed due to COVID-19. A

preliminary review of survey responses indicates the goal of increasing patient and family satisfaction with discharge from hospital to home by ten per cent was achieved.

**New Model for Blood Collection**
Western Health introduced a new model for blood collection at the Pollard's Point Medical Clinic in February 2020. A community paramedic completed training and is providing blood collection services for the community. This has been a successful collaboration and plans are being considered to implement this practice in other communities in order to provide a more sustainable service for rural areas.

**Sensory Room at Dr. Charles L. LeGrow Health Centre**
In partnership with the Autism Involves Me (AIM) group in Port aux Basques, Western Health converted an underutilized office space into a sensory room for patients who could benefit from reduced or altered sensory input while waiting for services at Dr. Charles L. LeGrow Health Centre. The room includes more consistent textures, dimmable lighting, a sound system with smart phone connectivity, and comfortable seating. The room also includes pictures of treatment rooms to help prepare patients for health services. Health care staff may call a patient directly from the sensory room, allowing patients to better control their sensory inputs throughout the visit.

**Improving Patient Safety**
On September 17, 2019, 194 countries from all over the world recognized the first World Patient Safety Day. Western Health recognized the day with a campaign encouraging staff to speak up about patient safety. Numerous staff from across the region were engaged in discussions about their role in patient safety and wore a large colorful safety pin to stimulate conversations and awareness about patient safety.

Canadian Patient Safety Week took place from October 28 to November 1, 2019. The theme, Conquer Silence, was intended to prompt patients, health care professionals and leaders to become involved in making patient safety a priority. In advance of this week, Western Health hosted a special film screening of **Falling Through the Cracks: Greg's Story**. This film shares the story about Greg Price, who died tragically after falling through many health care system cracks, before being given a chance to receive treatment for a highly treatable condition. Staff across the region connected by video to view the film and to engage with an expert panel, which included a patient partner, a physician, and Greg's sister. The discussion focused on the role that patient experience can play to create positive change and improvement in the health care system.

Western Health continued to participate in the Canadian Patient Safety Institute 18-month Teamwork and Communication Learning Collaborative. This collaborative introduces tools, resources, and strategies to enable health care providers to solve team and communication issues that impact patient safety outcomes. Bonne Bay Health Centre (BBHC) participated in this collaborative and has focused on improvements in recognizing and responding to patients whose health condition is declining.

# HIGHLIGHTS AND PARTNERSHIPS

During 2019-20 the team implemented evidence based, best practice tools to support improved patient observation and enhanced communication and teamwork among health care providers, patients and families. An evaluation is currently underway, and the findings will be used to support ongoing improvement as well as to guide implementation throughout acute care.

The early recovery after surgery program was implemented at WMRH for all planned colorectal surgeries in July 2019. This quality initiative aims to optimize recovery, reduce complications, and decrease patient length of stay through education, setting goals for recovery and engaging with patients and family about preparation for discharge from hospital.

To reduce the risk of sudden infant death syndrome (SIDS) sleep sacks for use in hospital were provided to babies born at Western Health's dedicated obstetrical unit at WMRH beginning in September 2019. Sleep sacks are recommended by the Public Health Agency of Canada in order to create a safe sleep practice by replacing loose blankets which can cover a baby's face. Using the sleep sacks in hospital enables health care providers to promote awareness of SIDS and educate parents about safe sleep environments for their newborns.

The Engaging Patients as Observers in Hand Hygiene Auditing improvement initiative took place September 2018 to September 2019 and was supported by the Atlantic Health Quality and Patient Safety Collaborative. In 2019-20, more than 2,800 hand hygiene audits were completed by patients at the blood collection clinic in Corner Brook, and the average compliance with hand hygiene practices by staff increased by five per cent to 91 per cent. There are plans to implement similar processes in other areas of Western Health in partnership with patients and families in 2020-21. Western Health was honored to receive a leading practice award for this project and its impact on patient engagement and patient safety from the Health Services Organization (HSO), an affiliate of Accreditation Canada. A leading practice is recognized by HSO as a practice that has demonstrated positive change, is people centred, safe and efficient.

During the fall of 2019 Western Health engaged volunteers throughout the region to help support a new hand hygiene ambassador program for seasonal influenza. Volunteers were trained as hand hygiene ambassadors to teach visitors as they enter facilities and while in waiting areas how to properly clean their hands via demonstration using alcohol based hand rub. This initiative helped to promote awareness about the importance of hand hygiene, with the aim to decrease outbreaks of influenza like illnesses in Western Health facilities.

**Enhancing Palliative and End of Life Care**

Western Health participated in a CFHI collaborative called Embedding Palliative Approaches to Care (EPAC) in Long Term Care. The goal of the initiative was to identify, discuss, and plan issues around palliative care at least eight weeks prior to anticipated end of life. Local improvement teams were established and included family advisors, as well as representatives from interdisciplinary teams. Lighthouse Manor and Mountain Hope Manor in Port aux Basques and the Protective Community Residences in Corner Brook participated in this collaborative which implemented training for staff, discussions about goals of care, specialized equipment and the increased ability to care for the dying resident.

# HIGHLIGHTS AND PARTNERSHIPS

**New Facilities**

February 2020 marked the completion of construction of the new Western Long Term Care Home, which includes a total of 145 beds; 105 LTC beds, 15 restorative care beds, 10 adult rehabilitation beds, and 15 palliative care beds. Significant planning took place to prepare for the new facility including the change in delivery of food services through a pleasurable dining approach. Pleasurable dining aims to promote resident centered care and preserve the dignity and independence of the resident.

In partnership with the Department of Health and Community Services, and the Department of Transportation and Works, Western Health continues to plan for the new acute care hospital in Corner Brook. Physical construction of the new acute care hospital started in August 2019. Numerous construction related milestones were met throughout the fall and winter. In 2019-20 Western Health staff were engaged with the planning related to the facility. In 2020-21 Western Health staff will continue to participate in planning processes related to the new facility and changes that will be required to support future operations.

Long term care resident enjoys therapeutic garden with recreation staff at Dr. Charles LeGrow Health Centre

# ANNUAL REPORT ON PERFORMANCE 2019-20

This section of the annual performance report will highlight Western Health's progress toward achievement of its strategic goals in support of Government's strategic directions. Progress achieved in 2019-20 supports Western Health in the pursuit of its vision of **Our People, Our Communities - Healthy Together**.

**Strategic Issue One: Mental Health Promotion and Addictions Prevention**

Western Health's Community Health Needs and Resources Assessment (2016) indicated that people in the Western region identified mental health and addictions as among the top three community concerns. In the Western Health Mental Health and Addictions Patient Experience Survey (2016), clients in the Western region who accessed Mental Health and Addictions services reported a very good experience. The number of referrals for Mental Health and Addictions services has continued to increase. Since 2011-12 there has been a 62 per cent increase in referrals for Mental Health and Addictions services. Significant progress has been made with improving access to Mental Health and Addictions services in the Western region and this will continue to be a priority for Western Health. However, it is recognized that the continued increase in demand for services must be addressed through an upstream approach. The Mental Health Commission of Canada recognized that the impact of mental health problems and illness will not be addressed through treatment alone. It was recommended that improving mental health requires greater attention to the promotion of mental health for the entire population and the prevention of mental illness. The Government of Newfoundland and Labrador is committed to supporting implementation of **Towards Recovery: The Mental Health and Addictions Action Plan for Newfoundland and Labrador,** released on June 27, 2017 in response to the All-Party Committee report on Mental Health and Addictions. The need for improved mental health promotion and mental illness and addiction prevention was identified in this report. To support local concerns and Government's strategic direction for better health for the population, improving health outcomes through enhancing mental health promotion and addictions prevention is a strategic issue for Western Health.

**Strategic Goal One**

By March 31, 2020, Western Health will have enhanced mental health promotion and addictions prevention through the implementation of priority initiatives based on best practice.

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| Implemented evidence based practices in priority areas to enhance mental health promotion and addictions prevention. | A best practice review, jurisdictional scan, and focus groups with individuals with lived experience were completed to inform the identification of priority initiatives in 2017-18. During 2018-20 a Regional Working Group was established with individuals with lived experience, community partners, and staff. This group developed and supported the implementation of annual work plans for priority initiatives and the achievement of performance outcomes. Priority initiatives included: a) To standardize the processes for appropriate care and follow up for individuals presenting at an emergency department in a mental health or substance use crisis.<br><br>A standardized process was piloted for six months in WMRH emergency department (ED) and Corner Brook's community based counseling offices. An evaluation of the pilot was used to inform quality improvement initiatives. Local implementation teams were developed for each ED/Mental Health and Addictions area and the processes were expanded across the region in December 2019. The standardized process is now fully implemented at acute care EDs and community based counseling offices across the region. The standardized process and resulting changes included:<br>• A communication form and process, using the Situation, Background, Assessment, Recommendations (SBAR) model, was implemented and then revised based on feedback. SBAR is a structured method for communication that supports |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| | effective consultation between community based counsellors and the staff in the ED. A standard process was developed and implemented to support ED triage staff in identifying when to refer and consult with the Mental Health Liaison Nurse, acute care social workers, psychiatrists, and community based mental health and addictions clinicians.<br>• Electronic referrals, and later electronic notifications, were implemented through an electronic system to reduce delays in receipt of referrals from ED staff, increase collaboration between ED and Mental Health and Addictions services, and support new outreach and follow-up processes.<br>• Community based mental health and addictions counseling offices implemented a process to contact all new referrals within 72 hours to discuss needs and service options. Following the initial pilot, the Mobile Crisis Response Team began providing all follow-up calls for referrals from all sites, sustaining the ability for weekend/evening response.<br>• A working group was established to review current required skills and training in mental health and addictions for ED nursing staff and develop recommendations for revisions which have been implemented.<br>• As part of evaluation electronic reporting of referrals and wait times were established. In addition, patient and provider surveys were conducted with clients and families as well as regional Mental Health and Addictions/ED service providers. |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| | b) To increase access to groups and peer support for family/ caregivers of people with mental health or substance use issues.<br><br>A virtual platform was implemented as a technique to increase access to groups and peer support for family and caregivers. Various support groups were initiated in 2018-19 in collaboration with partner community organizations, including Consumers' Health Awareness Network of Newfoundland and Labrador (CHANNAL) and Schizophrenia Society of Newfoundland (SSNL). As well, Western Health partnered with SSNL & Community Mental Health Initiative (CMHI) to offer support groups via virtual access from participants' homes. Due to the low volume of individuals availing of both in person and virtual sessions with community organizations, several groups were discontinued.<br><br>A mental health family/caregiver group (Family Ties) was developed and reviewed by individuals with lived experience. Both Family Ties and The Persons Impacted by a Loved One's Addiction (Rediscovering Hope) groups were offered through a combination of in person and virtually with access from the clients' homes. Based on feedback, these two groups were merged into one combined group named Family Matters. Family Matters was scheduled to be offered in March 2020 but was delayed due to the pandemic.<br><br>An evaluation was completed by those who accessed groups virtually and outcomes were positive. |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| | c) To increase the promotion of available mental health and addiction services and supports.<br><br>Promotion of the Mental Health and Addictions screening program Check It Out, Mental Health and Addictions services, and the revised Bridge the gApp website was completed with internal and external service providers, psychiatry patients, and the general community. Check It Out focuses on the early identification of issues through online self-assessment tools. Check It Out provides access to nine validated screening tools and provides links to resources available within the province and Western region. These online tools do not ask for identifying information and are confidential. Bridge the gApp is an online resource designed to support mental wellness and provide a directory of local and provincial mental health and addiction services and supports. Service promotion activities included 600 mailouts of resources, in person and virtual education sessions, as well as ongoing promotions via social media and email distribution to internal and external stakeholders. In addition to the mailouts, the Mental Health and Addictions screening program was promoted through 132 events and 134 social media posts. |
| Improved performance measures in priority areas. | Western Health met or exceeded established performance measures in all but one priority area. There was an increase in referrals to community based Mental Health and Addictions services from emergency departments and follow up within 72 hours. Access was increased to groups and peer support for family/caregivers of individuals |

### Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| | with mental health or substance use issues as evidenced by the increased participation in peer-/co-led groups by four sites, the increased participation in the Persons Impacted by a Loved One's Addiction Group, and participants identified group participation as increasing support. The number of Mental Health Family/ Caregivers Group (Family Ties) offered met the target of two sites.<br><br>The performance outcomes associated with these indicators are more fully described in the objective year three section.<br><br>The targeted increase in participation in the Persons Impacted by a Loved One's Addiction Group (Rediscovering Hope) was not achieved. Further details on this can be found in the discussion of results section. |

### Objective Year Three (2019-20)

By March 31, 2020, Western Health will have implemented priority initiatives to enhance mental health promotion and addictions prevention.

### Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Completed implementation of a standardized process for appropriate care and follow up when a person presents at an emergency department in a mental health or substance use crisis. | Implementation of a standardized processes for appropriate care and follow up for individuals presenting at the WMRH emergency department in a mental health or substance use crisis was completed in 2019-20 by a quality improvement team, using the tools and techniques of quality improvement. Some changes were made during the pilot, based on feedback from the project team and frontline staff. This pilot was evaluated through |

## Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| | quantitative and qualitative measures with staff and those who accessed services, feedback helped inform the regional implementation of the project. The regional expansion of the process was supported through consultations with key stakeholders for each of the hospitals and health care centres.<br><br>Indicators selected to measure improved performance in this priority area were:<br><br>• Five per cent increase in referrals to community based Mental Health and Addictions services from emergency departments.<br><br>This indicator was achieved. Following regional implementation referrals to community based mental health and addictions services from ED increased by 33 per cent.<br><br>• 75 per cent of people receive follow up services within 72 hours.<br><br>This indicator was achieved. Following regional implementation 76 per cent of people received follow up services within 72 hours. |
| Increased access to groups and peer support for family/caregivers of individuals with mental health or substance use issues. | Access was increased through use of telehealth and other technology options. Success was achieved implementing new groups with various community partners although several groups were discontinued due to lack of participants.<br><br>Participants accessed group programming from several communities within the Western region including the following primary health |

## Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| | care areas: Port aux Basques, Burgeo, Bay St. George, Deer Lake/White Bay, Bonne Bay, and Port Saunders.<br><br>Indicators selected to measure improved performance in this priority area were:<br><br>• 25 per cent increase in participation in the Persons Impacted by a Loved One's Addiction Group. This indicator was not achieved as a result of delays due to the pandemic. Further details on this can be found in the discussion of results section.<br><br>• 80 per cent of participants identify group participation as increasing support. This indicator was achieved. One hundred per cent of participants identified group participation as increasing support.<br><br>• Increase participation in peer-/co-led groups by four sites. This indicator was achieved. Although there were challenges with participation, the indicator participation in peer-/co-led groups increased over the three years of the strategic goal.<br><br>• Mental Health Family/Caregivers Group offered in two sites. This indicator was achieved. The number of Mental Health Family/Caregivers Group (Family Ties) offered met the target of two sites in 2018-19 and 2019-20. |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Increased the promotion of available mental health and addiction services and supports. | Promotion of the Mental Health and Addictions screening program Check It Out, Mental Health and Addictions services, and the revised Bridge the gApp website was completed with internal and external service providers, psychiatry patients, and the general community resulting in increases over the three years of the strategic goal.<br><br>Indicators selected to measure improved performance in this priority area were:<br><br>• 10 per cent increase in participation in the online screening program www.checkitoutnl.ca. This indicator was achieved. There was a 75 per cent increase in participation in Check It Out.<br><br>• 10 per cent increase in online screening program promotion events. This indicator was achieved. The online screening program promotion events increased by 82 per cent.<br><br>• 50 per cent increase in social media promotion of the online screening.<br><br>This indicator was achieved. Social media promotion of the online screening program increased by 830 per cent.<br><br>Information gathered from the Check It Out screening program and promotions helped support recommendations and inform future promotional efforts. While in-person display booths were also effective in increasing uptake, electronic promotions were found to have a larger reach. |

**Discussion of Results**

Overall great success has been achieved. The planning and implementation processes included the input and meaningful participation of individuals with lived experience, as well as the community organizations who partner with Western Health to provide supports and services to individuals with mental health and substance use concerns. The various focus groups, working groups, and implementation teams accomplished a tremendous amount throughout these three years. The evaluations demonstrated the benefits of these initiatives for individuals and families accessing Mental Health and Addictions services. Individuals who accessed the EDs for a mental health or substance use crisis provided positive feedback about their experience in the ED and their follow-up call by mental health and addictions. The following recommendations were made to support ongoing success of the regional initiative: continued effective communication regarding processes for standardizing care for the ED and Mental Health and Addictions Services, continue to review skill requirements and explore training needs for ED staff, and explore the need and opportunity for peer support for individuals and caregivers in the ED.

Targets were achieved and surpassed for all performance indicators for this strategic goal except for the 25 per cent increase in participation in Persons Impacted by a Loved One's Addiction Group (Rediscovering Hope). The target to increase participants for the Rediscovering Hope was not achieved as the group offering that was planned for March 2020 had to be delayed due to the pandemic. Based on registrations received, the target would have been surpassed had the group been able to proceed as planned. Rediscovering Hope will resume in 2020-21.

During 2017-20 Western Health enhanced mental health promotion and addictions prevention through the implementation of priority initiatives based on best practice. The established yearly indicators were achieved which included a review of best practices for mental health promotion and addictions prevention, the promotion of available mental health and addictions services and supports, and implementation of a standardized process of appropriate care and follow up when a person presents at an emergency department in a mental health or substance use crisis. The work undertaken through each annual objective has improved communication among providers, improved continuity of care for individuals accessing our services, decreased barriers, improved awareness of services, increased access to services, and decreased wait time between referral and receipt of services. The initiatives implemented improved mental health promotion and mental illness and addiction prevention in response to local concerns and in support of Government's strategic direction for better health for the population. Western Health will continue to adapt to meet the needs the needs of our service providers, the individuals accessing our services, and the families and caregivers across the Western region.

**Strategic Issue Two: Primary Health Care Services**

Primary health care is typically a person's first point of contact with the health care system. It encompasses a range of community based services essential to maintaining and improving health and well-being. Primary health care includes health promotion, disease prevention, curative, rehabilitative, and supportive care. A needs assessment conducted in 2013 by the Government of Newfoundland and Labrador, in collaboration with the Faculty of Medicine, Memorial University of Newfoundland, identified challenges with access to a regular family physician. Participants in Western Health's Community Health Needs and Resources Assessment (2016) reported having difficulty accessing health services such as family physicians, specialists, nurse practitioners, and rehabilitation specialists. Issues identified as impacting access included services not being available, distance required to travel, wait times, and physician turnover. Access to primary health care services is further compromised by the broad geography and the growing aging population within the Western region. The Government of Newfoundland and Labrador is committed to enhancing access to appropriate primary health care services and improving health care outcomes as outlined in the Provincial Primary Health Care Framework. In keeping with Government's strategic directions of better health for the population including expanding primary health care and achieving better value through improvement, enhancing primary health care services is a strategic issue for Western Health.

**Strategic Goal Two**

By March 31, 2020, Western Health will have enhanced primary health care services in priority areas to address the needs of the residents within the Western region.

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| Implemented evidence based practices and strategies in priority areas to enhance the delivery of primary health care services. | A review of primary health care programs and services was undertaken in 2017-18. Two priority areas for improvement were identified as follows: to enhance community management of patients with ambulatory care sensitive conditions (ACSC) in the Corner Brook area and to improve timely access to primary care services within Stephenville/ Bay St. George primary health care area. Individual work plans were developed to support implementation within the priority areas. Western Health implemented evidence based practices and strategies in these priority areas during 2018-20.<br><br>• A multidisciplinary primary care clinic in Corner Brook was implemented. The clinic, called the Corner Brook Wellness Collaborative (CBWC) was implemented to improve access and support the management and follow up of individuals with ambulatory care sensitive conditions (ACSC) which are health conditions that can be managed or prevented through access to appropriate primary care.<br><br>• An alternate scheduling model was identified as best practice and changes to scheduling practices at the Bay St. George Medical Clinic (BSGMC) were implemented in March 2019. The alternate scheduling model enables same day appointments for a portion of the physicians' scheduled day as a method to improve access and reduce no shows (missed appointments). |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | • The Building on Existing Tools To Improve Chronic Disease Prevention and Screening in Primary Care (BETTER) program was implemented at both the CBWC and BSGMC. BETTER is an approach to chronic disease prevention and screening (CDPS) that utilizes evidence based strategies, resources, and tools to improve CDPS in primary care settings. The focus is on chronic diseases that have strong evidence for prevention and screening, specifically cancer, diabetes, and cardiovascular disease and their associated lifestyle factors.<br><br>• An electronic medical record (EMR) provides health care teams with a more complete picture of patients' health. It is a digital health solution designed to improve practice efficiency, facilitate decision making and improve communication. EMR enhances the patient experience and positively impact health outcomes when used for preventive care and chronic disease management. The EMR was successfully implemented at BSGMC and CBWC.<br><br>• To build a team based approach to chronic disease management and to support ongoing improvements at the CBWC an interdisciplinary team was established in July 2019 with assistance from the Department of Health and Community services. The team includes membership from key stakeholders including a patient partner. Increasing knowledge, strengthening relationships and improving processes including monitoring of performance outcomes have been the primary focus of this team. |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| Improved performance measures in priority areas. | Monitoring of key performance measures for each priority area occurred in 2019-20. Western Health met or exceeded established targets in a number of priority areas including a reduction in the number of CTAS level 4 and 5 visits to the ED and inpatient admissions for individuals with ACSC who have been followed by the collaborative for at least one year. Targets were also exceeded for indicators including the number of individuals registered using EMR, and the number of people age 45-65 registered in the collaborative who completed the BETTER screening. For the BSGMC there were reductions observed for both the wait time for the next available appointment and the no show rate, as well as a reduction in the number of CTAS level 4 and 5 ED visits, Monday through Friday, of patients associated with physicians utilizing the alternate scheduling model. The performance outcomes associated with these indicators are more fully described in the objective year three section.<br><br>The one indicator that was not achieved was an increase in the percentage of individuals registered in the collaborative for at least one year and who have tested positive for diabetes who have had their cholesterol checked at least once in the past three years; and have had four or more HgA1C and one ACR test in the past year, by 10 per cent. This indicator is fully described in the discussion of results section. |

# ANNUAL REPORT ON PERFORMANCE 2019-20

**Objective Year Three (2019-20)**
By March 31, 2020, Western Health will have implemented priority initiatives to enhance primary care services.

**Planned and Actual Performance**

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Implemented primary health care clinic in Corner Brook. | The Corner Brook Wellness Collaborative, a multidisciplinary primary health care clinic, was fully implemented to improve access and support management and follow up of individuals with ACSC.<br><br>An LPN at the clinic provides BETTER screening and the collaborative has utilized the EMR since opening. |
| Reduction in the number of CTAS level 4 and 5 visits to the ED for individuals with ACSC who have been followed by the collaborative for at least one year by 10 per cent. | This indicator was achieved. There was a 35 per cent decrease in the number of Canadian Triage Acuity Scale[2] (CTAS) level 4 and 5 visits to the ED. |
| Reduction in the number of inpatient admissions for individuals with ACSC who have been followed by the collaborative for at least one year by 10 per cent. | This indicator was achieved. There was a 28 per cent decrease in number of hospital admissions. |
| 80 per cent of individuals registered on EMR in the collaborative. | This indicator was achieved. As of March 31, 2020, 100 per cent of clients attending the CBWC and BSGMC were registered using EMR. |
| 10 per cent of individuals between the ages of 45-65 registered in the collaborative, will have completed the BETTER screening. | This indicator was achieved. As of March 31, 2020, 24 per cent of individuals between the ages of 45-65 registered in the collaborative completed the BETTER screening. |

[2] *CTAS supports appropriately assigning acuity scores to a broad scope of Emergency department presentations. CTAS has five levels ranging from Level 1 (Resuscitation) to Level 5 (Non-Urgent). Level 4 is indicative of a less urgent condition. Level 5 is indicative of a non-urgent condition.*

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Increase in the percentage of individuals registered in the collaborative for at least one year and who have tested positive for diabetes who have had their cholesterol checked at least once in the past three years; and have had four or more HgA1C and one ACR test in the past year, by 10 per cent. | This indicator was not achieved. The percentage of patients registered at the clinic for at least one year who have tested positive for diabetes and who have had their cholesterol checked at least once in the past three years; and four or more HgA1C and one ACR test in the past year was three per cent. HgA1C. HgA1C is a blood test that evaluates the average amount of glucose in the blood over the last two to three months. ACR is a urine test to see how much albumin, a type of protein, is in the individual's urine. A number of factors have impacted not being able to achieve the best care indicator which are included in the discussion of results section. |
| Implemented an alternate scheduling model for Bay St. George Medical Clinic (BSGMC). | An alternate scheduling model was implemented at the BSGMC. The new model enabled same day appointments for a portion of the physicians' scheduled day to improve timely access and reduce no shows (missed appointments).<br><br>An LPN was recruited for the BSGMC for the BETTER program, which commenced in June 2019 and EMR has been fully implemented. |
| Reduction in wait time for the next available appointment at the Bay St. George Medical Centre by 10 per cent. | This indicator was achieved. In 2018-19 the wait time for an appointment at the BSGMC for the six providers ranged from nine to 33 days, with the median wait time across the six providers being 22 days. The wait time for the next available appointment has been consistently collected at BSGMC since January 2020. The wait time for next available appointment in January 2020 was 11 days and in February had decreased to seven days. |

### Planned and Actual Performance

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Reduction in the no show rate at the Bay St. George Medical Clinic by 10 per cent. | This indicator was achieved. At the BSGMC, a 52 per cent decrease in missed appointments was observed within an eight-week period during 2019-20 when compared to the same time period during 2018-19. |
| Reduction in the number of CTAS level 4 and 5 ED visits, Monday through Friday, of patients associated with physicians utilizing the alternate scheduling model, by 10 per cent. | This indicator was achieved. For patients associated with physicians using the alternate scheduling model at BSGMC there was a reduction in the number of CTAS level 4 and 5 ED visits, Monday through Friday. Patients associated with a group of consistent providers at the clinic were compared. There was a 19 per cent reduction in ED visits. |

### Discussion of Results

Western Health's work to achieve this goal started in 2017-18 with an environmental scan to identify strengths and opportunities for enhancing primary health care services. A review of the literature to identify evidence based practices for access to primary care was also completed along with an examination of hospital emergency department use for non-urgent care and inpatient use by individuals with conditions where appropriate ambulatory care is known to prevent or reduce need for hospitalization. Access to primary care was also clearly identified as an issue within the region through the Community Health Needs and Resources Assessment (CHNRA) (2016), two focus groups (2017), and seven Primary Health Care in Action engagement sessions (2016). Two areas of the region were identified as a priority to develop and introduce initiatives in order to improve access to primary care: Corner Brook and Stephenville. Targeted evidence informed initiatives were chosen as follows (a) to establish a multidisciplinary primary health care clinic in Corner Brook, and (b) to introduce alternate scheduling model in Stephenville. The Primary Health Care Management Committee was assigned responsibility to monitor actions and performance outcomes related to these priority initiatives to enhance primary health care services.

The CBWC was established in June 2018. A full time LPN position supported implementation of the BETTER program. The BETTER program is an approach to CDPS that utilizes evidence based strategies, resources, and tools to improve CDPS in primary care settings. The EMR was implemented and has been utilized since the clinic started. The primary care provider was recruited

with an expectation to focus on prevention and management of chronic diseases. In 2019-20 thorough the support of the CBWC LPN the BETTER program was expanded to patients/clients of another clinic. Also, in July 2019, to build a team based approach to chronic disease management and to support ongoing improvements at the CBWC an interdisciplinary team was established, including a patient partner. Acceptance of patients to the CBWC was initially limited to individuals with chronic disease and residing in a specific geographical area. In September 2019, due to low enrollment, these criteria were removed, and a wait list was established. A patient experience survey was circulated for clients of the CBWC in July 2019. The survey revealed that clients felt staff were friendly and easy to talk to. Clients also said they felt that they were cared for, respected and comfortable at the clinic. Additional positive findings included ease of booking appointments, the low wait times for appointments, and ease of accessing other services offered by Western Health. The survey also highlighted some opportunities for improvement. A follow up survey scheduled for March 2020 was postponed due to COVID-19 pandemic planning and response. A repeat survey will take place during 2020-21.

An indicator monitoring best care in diabetes was measured during 2019-20. The indicator measured the percentage of patients registered at the clinic for at least one year who have tested positive for diabetes and who have had their cholesterol checked at least once in the past three years; and four or more HgA1C and one ACR test in the past year. The target of 10 per cent was not achieved. The challenge in achieving this target has been the ability to meet the criteria of having four or more HgA1C tests in the past year. Several contributing factors include the recruitment of a consistent primary care provider during the spring/summer of 2019, changes to laboratory protocols/standards, and delays in enhancements to the EMR which would support reminders. The interdisciplinary team has been monitoring this indicator and have trialed initiatives such as the usage of Diabetes Passports and blood work reminder cards, and increased communication and partnerships between diabetes educators and the primary care provider. With this effort, there has been an increase from zero to 3.3 per cent during 2019-20. This indicator will continue to be monitored in 2020-21 in pursuit of ‘best care’ for clients of the collaborative through continuing discussions among the clinical team, using the Diabetes Passport, and implementing new features in the EMR such as the Diabetes Dashboard which will allow flagged reminders of when patients are due for diabetes tests.

Access to primary care is a concern for residents of the Western region. Timely access to physicians is also increasingly important from a system perspective to divert patients from busy emergency departments for primary care concerns. Advanced access can reduce wait times for access to primary care and reduce no shows (missed appointments) largely due to its flexible design that allows patients the flexibility to book an appointment that fits their personal time. In March 2019, an advanced access scheduling model was implemented at the BSGMC in Stephenville. This model enabled same day appointments for a portion of the physicians’ scheduled day. As a result, several appointment slots are open for same day access for patients who request a same day appointment for routine, urgent, or preventive visits. Largely attributable to the EMR and the same day alternate scheduling model the number of missed appointments at BSGMC decreased in 2019-20.

In addition to implementation at the CBWC and the BSGMC the EMR has also been introduced at fifteen other rural primary care clinics. Staff and physicians have enthusiastically embraced

this clinical documentation system. Staff at BSGMC received a Western Outstanding Work (WOW) award in recognition for the hard work and engagement for the EMR implementation.

During 2017-2020 the established yearly indicators of this goal were achieved which included a review of evidence based practices to support primary health care services, the implementation of a Primary Health Care Collaborative in Corner Brook, and the implementation of an alternate scheduling model for Bay St. George Medical Clinic. The work undertaken through each annual objective has contributed to enhanced primary health care services in priority areas to address the needs of the residents within the Western region which is aligned with the Provincial Primary Health Care Framework, and in keeping with the Government's strategic directions of better health for the population.

**Strategic Issue Three: Programs and Services for Older Adults**

The population of the Western region continues to decrease while the proportion of the population over the age of 65 is increasing (Community Accounts, 2016). Within the Western region, individuals aged 65 and older comprise 20 per cent of the population. It is predicted that by 2035, 34.4 per cent of the population will be over the age of 65 (Government of NL, 2016). Residents of the Western region who participated in the Community Health Needs and Resources Assessment (2016) identified care of the older person as among the top three community concerns. While age alone is not a predictor of the need for health services, older adults are more likely to experience one or more chronic illnesses that contribute to the need for support. Given that the average age of clients accessing programs and services within Western Health is increasing, it is essential that safe, quality, appropriate programs and services be available to meet the unique needs of this population. The Government of Newfoundland and Labrador is committed to supporting seniors to live safely and independently in their homes and communities in keeping with the Provincial Home First initiative. The Home First initiative supports individuals to return home following a hospital stay, stay in their homes, and avoid or delay admission to LTC. The **Provincial Home Support Program Review** provides direction for system transformation towards achieving better value through improvement. To support Government's strategic direction for better care for individuals, enhancing programs and services for older adults is a strategic issue for Western Health.

**Strategic Goal Three**

By March 31, 2020, Western Health will have enhanced programs and services to improve outcomes for older adults.

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| Implemented evidence based practices in priority initiatives to enhance programs and services for older adults including a home first strategy. | Western Health implemented evidence based practices in priority initiatives to enhance programs and services for older adults during 2018-20.<br><br>Priorities areas were as follows:<br><br>a) Initiatives to prevent or delay inappropriate admission to hospital for older adults.<br><br>• In order to prevent or delay admission to acute care for older adults, Western Health focused its efforts on implementation of the Home First approach. Fundamental in a Home First approach is the Home First Integrated Network (Network). The Network is comprised of clinicians who have a diverse skill set; the intent is to integrate services across the continuum through a focus on continuity of care, intensive case management, and a multidisciplinary approach for clients with complex needs. Implementation of a Home First approach was completed regionally. There was a 70 per cent increase in the number of clients enrolled in the Network in 2019-20 over 2018-19.<br><br>• Western Health continued in 2019-20 to collaborate with the University of Waterloo to participate in the interRAI ED Screener Project at WMRH. The project will help Western Health better understand the care pathway for older adults. Some of the main objectives are to understand what makes an older adult vulnerable, what are the risk factors for admission to hospital and, once admitted what factors contribute to their recovery form an acute illness. The project ended in September 2019 and 400 interRAI ED screeners and 125 interRAI ED- |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | CA were completed. A report based on the information collected in the project will be shared with Western Health when finalized.<br><br>• To support decisions regarding the urgency of home care service provision, and the need for specialized services (e.g. rehabilitation) for patients presenting to the ED, social work in acute care commenced regional on call support until 9 p.m. beginning in 2018-19. The expanded on call service supports transitions to home for cases where admission would be required if supports were not provided.<br><br>• The DIVERT-CARE Trial (Detection of Indicators and Vulnerabilities of Emergency Room Trips) in partnership with McMaster University and the Department of Health and Community Services commenced in April 2018 to assist in early identification and intervention for seniors with a cardiorespiratory diagnosis at risk for unnecessary ED visits. Seniors residing in the Corner Brook/Bay of Islands, Deer Lake, Stephenville or Woody Point areas receiving community support services participated in the trial. The outcome of the study will be available in 2020-21.<br><br>b) Initiatives to ensure appropriate care and timely discharge for older adults in acute care.<br><br>• Mechanisms to identify an estimated date of discharge (EDD) for a patient within 24-48 hours of admission to hospital were trialed on two medicine units at WMRH during 2018-19. EDD supports timely and appropriate discharge. Identifying and |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | regularly reviewing an EDD in partnership with the patient and family engages the patient in preparing for their discharge and helps the multidisciplinary team to proactively plan and action a patient's discharge from day one of their hospital stay. Using tools and learnings from the trial at WMRH the initiative was then expanded regionally in 2019-20 and is now implemented at all acute care facilities across the Western region.<br><br>• Implementation and evaluation of an electronic communication tool to facilitate improved discharge planning and communication of discharge barriers was completed in 2018-19 in acute care. Ongoing education to enable and promote consistent, effective use of this electronic tool occurred during 2019-20. The tool is now integrated as part of interdisciplinary rounds.<br><br>• A standard discharge summary ensures standardized written communication by the patient's physician who cared for them during their hospital stay. The standard discharge summary communicates details of a patient's hospital stay, diagnoses, interventions and recommendations. A standard discharge summary was developed in 2018-19 to support safe, timely discharge from hospital. In 2019-20 the standard discharge summary for all patients was implemented. Standardized discharge summary aids were placed at sites where discharge summaries are frequently completed. Although evaluation was not completed prior to March 31, 2020, plans are in place to complete the evaluation in 2020-21. |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | • An age friendly patient order set reflective of best practice in care of older adults was developed and trialed on one surgical unit during the winter of 2018 and continued until April 2019. An order set is a pre-defined template that a physician uses to place their orders for patient care and guides clinicians while treating patients to ensure they do not miss any critical components of care. Based on learnings from the trial, including the fact that many of the best practice elements do not require a physician's order, key stakeholders were engaged to brainstorm how to support integration of the best practice elements into common practice. The solution was to build the elements into nursing documentation, including the admission history and patient care plan.<br><br>• The appropriate use of antipsychotics (AUA) provincial collaborative supports action plans to reduce inappropriate use of antipsychotics in long term care (LTC). To support appropriateness of care of older adults in acute care and improvements around antipsychotic use in the Alternate Level of Care (ALC) population, learnings from the collaborative were shared with ALC units in acute care. ALC refers to a patient who is occupying an acute care bed but is not acutely ill or does not require the intensity of resources provided in a hospital setting.<br><br>• To support timely discharge of older adults, an ALC electronic dashboard was developed and implemented regionally in 2018-19 and continued to be utilized in 2019-20. The information on the dashboard enables |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | improved monitoring, and care planning for patients who are ALC.<br><br>c) Develop integrated service delivery models in priority areas of rehabilitative and palliative services<br><br>**Rehabilitative Services**<br><br>Based on a scan completed in 2018-19, priority areas for integrated service delivery models for rehabilitative services included: i) the implementation of an alternate model of delivery for physiotherapy (PT) across the continuum of care in one rural area, ii) the development of a plan to improve coverage across programs, iii) introduction of a PT-led fall prevention exercise program in community settings, and iv) development of a work plan to implement recommendations from the Provincial Physiotherapy/Occupational Therapy review in collaboration with the Department of Health and Community Services.<br><br>i. Planning for an alternate model of delivery for PT was undertaken during 2019-20. The model developed included an expanded role for rehabilitation assistants across the continuum of care. Due to significant staffing vacancies within PT throughout the region, the plan to trial this new integrated model within a rural area was unable to be implemented by March 31, 2020.<br><br>ii. Collaboration across all programs was enhanced resulting in coverage plans for vacant PT positions across the region |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | supporting an integrated model of service delivery. Pandemic response prevented providers from working across the continuum during March which resulted in this program pausing.<br><br>iii. During 2019-20, The Together in Movement and Exercise (TIME™- Toronto Rehabilitation Institute, 2015), a group exercise based fall prevention program, was piloted by a physiotherapist in two personal care homes (PCHs) in the region. The effect of group exercise on the functional outcomes of balance, strength, and mobility was evaluated. A high rate of personal satisfaction from the participants and improvements in the functional outcomes of balance, mobility and strength were observed. Plans are being considered to implement the program in PCHs in the region as part of efforts to prevent falls and injury.<br><br>iv. A workplan was developed to support implementation of the Provincial PT/OT Review. The workplan has oversight by the regional director of Professional Practice.<br><br>**Palliative Services**<br><br>In 2019-20, the Palliative Care program within Western Health worked to support the Home First approach. Staff information sessions were held to promote awareness of palliative care within the region and to improve understanding of the roles in palliative services. In 2019-20 there were 22 sessions held with 144 staff attending within the region. |

# ANNUAL REPORT ON PERFORMANCE 2019-20

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Accomplishments |
|---|---|
| | A standardized approach for intake and receipt of palliative care services was implemented.<br><br>A regional list of palliative care resources that includes contact information and resource links to support providers, families and patients within the region was developed. This work will support the development for the provincial palliative care resource document which is a priority for the partnership with Cancer Care and the Canadian Partnership Against Cancer (CPAC) initiative.<br><br>Learning Essential Approaches to Palliative Care (LEAP) courses provide health care professionals with an in-depth learning experience on essential skills and competencies of the palliative care approach. In 2019-20 there were nine LEAP courses offered within the region with 86 staff members completing the two-day course.<br><br>The Palliative Care program also implemented a 24-Hour toll-free Palliative Care Support Line for the Western region in March 2019. |
| Improved performance measures in priority areas. | Western Health measured and monitored outcomes in priority areas and improvements were noted in four of six performance indicators. There was a reduction in the number of admissions to acute care and ED visits for clients enrolled in the Home First initiative, there was an increase in the percentage of clients receiving end of life supports through Home First who die at home and there was a decrease in the number of unplanned ED visits in last 30 days of life |

## Planned and Actual Performance

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| | among those who die at home.<br><br>Two indicators that were not achieved included a decrease in the percentage of clients accessing LTC from acute care by 10 per cent and a decrease in inpatient days designated as ALC by 5 per cent. The performance outcomes associated with these indicators are more fully described in the under the objective year three section and in the discussion of the results section. |

**Objective Year Three (2019-20)**
By March 31, 2020, Western Health will have implemented priority initiatives to enhance the delivery of programs and services for older adults.

| Indicators for the Goal Objective (2017-20) | Status Update and Accomplishments |
|---|---|
| Implemented priority initiatives to enhance the delivery of programs and services for older adults. | Evidence based practices were implemented to (a) to prevent or delay inappropriate admission to acute care for older adults; (b) to ensure appropriate care and timely discharge of older adults in acute care; and (c) to develop integrated service delivery models in priority areas of rehabilitative and palliative care. |
| Measured and Monitored performance outcomes of priority initiatives. | The Regional Operations Working group measured and monitored the achievement of performance outcomes. |
| Reduced the number of admissions to acute care (for target group). | This indicator was achieved. A 37 per cent decrease in hospital admissions was observed for the target group. |
| Reduced the number of non-urgent ED visits for clients enrolled in Home First initiative. | This indicator was achieved. A 42 per cent decrease in ED visit was observed for clients in the target groups. |

| Indicators for the Annual Objective (2019-20) | Status Update and Accomplishments |
|---|---|
| Decreased the percentage of clients accessing LTC from acute care by 10 per cent. | Though a small reduction in percentage of clients accessing LTC from acute care was observed, the target of ten per cent reduction was not achieved. Several factors influenced this indicator which are described in the discussion of result section. |
| Decreased inpatient days designated as ALC by five per cent. | Though there was a small reduction in percentage of inpatient days designated as ALC, the targeted five per cent reduction was not achieved. Several factors influenced the ALC performance which are described in the discussion of results section. |
| Increased percentage of clients receiving end of life supports through Home First who die at home. | The target for this indicator was 60 per cent. In 2019-20, this target was met as 63 per cent of clients receiving end of life supports through Home First died at home. |
| Reduced the number of unplanned ED visits in last 30 days of life among those who die at home. | This indicator was achieved. There was a 13 per cent decrease noted in the number of unplanned ED visits in last 30 days of life among those who die at home. |

**Discussion of Results**

In 2017-18 three priority initiatives to enhance the delivery of programs and services for older adults were identified based on a review of existing programs and services for older adults as well as a review of evidence based practices. Priority initiatives were identified as follows: (a) to prevent or delay inappropriate admission to acute care for older adults; (b) to ensure appropriate care and timely discharge of older adults in acute care; and (c) to develop integrated service delivery models in priority areas of rehabilitative and palliative care. A work plan was developed in year two to support achievement of performance outcomes for the priority initiatives. The Regional Operations Working Group supported and monitored the implementation of the work plan and performance measures.

The work in year one of the strategic goal highlighted the need for enhanced programs and services to improve outcomes for older adults in the Western region. The Home First approach that was introduced to the region in 2017-18, commenced implementation in 2018-19. During 2019-20 the

Home First approach was fully integrated across the continuum of care and supported achievement in all three priority areas. Education sessions continued throughout 2019-20 to reinforce regional engagement and health care provider knowledge of Home First. In 2019-20 there was a 70 per cent increase in clients enrolled Home First as compared to 2018-19. There have been many positive outcomes as identified by decreases in ED visits, acute care admissions and inpatient length of stay for clients supported by the Home First approach.

One indicator selected to monitor achievement of performance outcomes was a five per cent decrease in inpatient days designated as ALC. Although a two per cent decrease was observed from the baseline year of 2017-18, Western Health did not achieve the targeted five per cent reduction. There was a significant number of ALC patients with an extended length of stay discharged between January and March 2020 that increased the ALC days beyond target, including eleven patients with an ALC length of stay of greater than 200 days. Despite not meeting this target there are many positive changes observed around ALC when comparing 2017-18 to 2019-20 including a 53 per cent increase in ALC patients discharged, a 113 percent increase in the number of ALC patients discharged home with support, and a decrease in the average length of stay for an ALC patient from 62 days in 2017-18 to 40 days in 2019-20.

An additional indicator selected to monitor performance outcomes was a ten per cent reduction in the percentage of clients accessing LTC from acute care. A two per cent decrease was achieved in 2017-18, however the targeted ten per cent decrease was not achieved. The increase in referrals from hospital was due to the anticipated opening of the new LTC facility in Corner Brook and the concerted effort to complete all applications from acute care in preparation for opening. January to March 2020 had the highest volume of patients discharged to LTC when compared to other quarters in 2019-20.

Integrated service delivery models in the areas of rehabilitative and palliative care was identified as one of three priorities required to enhance programs and services to improve outcomes for older adults. Through 2018-20 integrated service delivery models in rehabilitative care were developed and or implemented. Though there were some challenges related to consistency of providers there were many positive accomplishments in relation to developing integrated service delivery models in the priority area of rehabilitative services. A pilot project in Stephenville commenced in March 2019 with acute and community OT services collaborating across the continuum of care. In addition to the pilot project, there were many other positive achievements. For example, virtual access was rapidly enabled in mid-March 2020 at the Orthopedic Central Intake (OCI) clinic for outpatient PT. Using existing infrastructure which was already put in place to support an integrated model of service delivery, this program saw a rapid uptake in virtual care for PT and telephone consults completed, connecting with patients for follow up with great success.

Clients requiring palliative care benefit from the flexible, client centred approach that Home First provides. Home First can prevent unnecessary hospital admission, support discharge to home, and increase access to end of life services using existing and enhanced home and community based

services. Between 2017-20 there was an increased uptake of clients enrolled in the end of life program over the three years of the strategic goal. Additionally, the promotion of the end of life program, regional completion of LEAP programs, and the implementation of the palliative care support line for patients and families were essential in developing integrated models of service delivery for palliative care and meeting performance outcomes.

During 2017-20, the established yearly indicators of this goal were achieved which included a review of best practices in the delivery of programs and services for older adults, a reduction of non-urgent ED visits for clients enrolled in the Home First initiative, and the prevention and delay for inappropriate admission to acute care for older adults. The work undertaken through each annual objective has contributed to the overall success of implementing evidence based practices in priority initiatives to enhance programs and services for older adults which is aligned with the Provincial Home First initiative and the Provincial Home Support Program Review, and is in keeping with the Government's strategic direction for better care for individuals.


Staff in Garden of Hope at STRH

# OPPORTUNITIES AND CHALLENGES AHEAD

**COVID-19**
Without a known treatment or a vaccine developed, the COVID-19 pandemic will continue to challenge the health care system during the upcoming year. There are potential challenges relating to staffing capacity in public health for contact tracing and vaccination, and for the organization overall difficulties may continue with the separation of staff by location. In addition, while many measures put in place helped to protect residents of our region, with an anticipated second wave of the virus, Western Health will continue to be challenged to reduce spread and potential overburden on the health system.

**Virtual Care**
Western Health is committed to ensuring that residents in the region have access to a full continuum of health care services. Providing virtual care offers a potential solution for delivering services to remote areas as well as recruitment and retention of health care professionals. While the opportunity exists to adopt technology to address a variety of issues, there are challenges associated with a change of this magnitude including technology infrastructure, network availability, access to equipment and supplies, training for clients/patients and providers, remuneration and a standardized shared documentation system (e.g. EMR). In addition, Western Health's geographically dispersed population poses challenges to the delivery of health services. Western Health intends to identify innovative solutions to improve access to services and minimize unnecessary barriers to support residents in attaining their highest health potential.

**Our People**
Western Health's success depends on the strength of our people and our ability to recruit and retain a highly skilled, healthy, compassionate and engaged workforce. Efforts have been made to create an environment where staff feel engaged, are supported and feel empowered to suggest improvements. Western Health has also been developing partnerships with high schools, community educational institutions and other stakeholders with aims to develop a human resource network of trained and educated individuals to meet the organization's future needs. Sustaining these partnerships will create opportunities and assist Western Health in attracting qualified health professionals and managing future risks to the human resource capital of the organization.

**Engagement**
Western Health staff members are committed to providing safe and quality care in a respectful and compassionate environment. An important feature of a quality and safety culture is an emphasis on person and family centred care. Meaningful engagement with patients, clients, residents, families and staff is a key enabler of person centred care. There are opportunities to enhance patient, resident, client and family involvement as evident through experience surveys results, as well as Western Health's 2018 Accreditation report.

# FINANCIAL STATEMENTS

In keeping with the **Transparency and Accountability Act**, Western Health is pleased to share its audited financial statement for 2019-20.

# Consolidated Financial Statements

## Western Regional Health Authority

March 31, 2020

# Contents

# Statement of responsibility

The accompanying consolidated financial statements are the responsibility of the Board of Trustees of the Western Regional Health Authority (the "Board") and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards as recommended by the Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board met with management and its external auditors to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the consolidated finalized financial statements.

Grant Thornton LLP as the Board's appointed external auditors, have audited the consolidated financial statements. The auditor's report is addressed to the Board and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Board in accordance with Canadian public sector accounting standards.

Director

Director

# Independent auditor’s report

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To the Board of Trustees

Western Regional Health Authority

## Opinion

We have audited the consolidated financial statements of Western Regional Health Authority (“the Entity”), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of Western Regional Health Authority as at March 31, 2020, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

## Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and

to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Corner Brook, Canada
June 25, 2020

Chartered Professional Accountants

# Western Regional Health Authority

## Consolidated statement of financial position

| March 31<br>(in thousands of dollars) | 2020 | 2019 |
|---|---|---|
| **Financial assets** | | |
| Temporary investments | $ - | $ 130 |
| Receivables (Note 3) | 12,423 | 15,974 |
| Trust funds on deposit (Note 4) | 519 | 492 |
| Replacement reserve fund | 214 | 142 |
| | $ 13,156 | $ 16,738 |
| **Liabilities** | $ 33,426 | $ 8,484 |
| Payables and accruals | 23,664 | 30,039 |
| Vacation pay accrual | 9,648 | 8,019 |
| Severance pay accrual (Note 6) | 2,804 | 13,654 |
| Sick leave accrual (Note 6) | 18,884 | 18,691 |
| Deferred contributions – operating | 4,719 | 4,376 |
| Deferred contributions – capital | 11,559 | 11,558 |
| Long term debt (Notes 7) | 6,018 | 6,927 |
| Trust funds payable (Note 4) | 519 | 492 |
| | $ 111,241 | $ 102,240 |
| **Net debt** | $ (98,085) | $ (85,502) |
| **Non-financial assets** | | |
| Tangible capital assets (Note 9) | $ 67,922 | $ 64,796 |
| Inventory (Note 10) | 5,808 | 5,147 |
| Prepaid expenses | 3,592 | 3,935 |
| | 77,322 | 73,878 |
| **Accumulated deficit** | $ (20,763) | $ (11,624) |

Contingencies and commitments (Note 11)

On behalf of the Board

Member Member

See accompanying notes to the consolidated financial statements

# Western Regional Health Authority

## Consolidated statement of operations

| Year ended March 31<br>(in thousands of dollars) | Budget 2020 (Note 12) | Actual 2020 | Actual 2019 |
|---|---|---|---|
| **Revenue** | | | |
| Provincial plan – operating grant | **$ 323,176** | **$ 323,176** | $ 335,418 |
| Capital grant – provincial | **4,612** | **11,003** | 3,754 |
| Capital grant – other | **388** | **387** | 532 |
| National child benefit | **294** | **294** | 951 |
| Early childhood development | **359** | **359** | 359 |
| MCP physician revenue | **19,333** | **18,571** | 19,383 |
| Inpatient | **1,397** | **1,348** | 1,515 |
| Outpatient | **2,231** | **2,241** | 2,313 |
| Resident revenue – long term care | **7,873** | **7,797** | 8,075 |
| Mortgage interest subsidy | **21** | **21** | 21 |
| Food service | **1,763** | **1,783** | 1,775 |
| Other recoveries | **10,019** | **11,073** | 11,369 |
| Other | **2,717** | **3,523** | 3,210 |
| | **374,183** | **381,576** | 388,675 |
| **Expenditures** | | | |
| Administration | **25,227** | **24,591** | 30,423 |
| Support services | **58,775** | **59,225** | 63,795 |
| Nursing inpatient services | **93,719** | **91,645** | 92,749 |
| Medical services | **22,250** | **21,532** | 22,358 |
| Ambulatory care services | **32,819** | **32,956** | 31,371 |
| Diagnostic and therapeutic services | **36,503** | **35,952** | 40,374 |
| Community and social services | **117,556** | **116,516** | 111,103 |
| Educational services | **6,212** | **5,978** | 5,650 |
| Undistributed | **2,711** | **3,656** | 3,514 |
| | **395,772** | **392,051** | 401,337 |
| **Deficit** | **$ (21,589)** | **$ (10,475)** | $ (12,662) |

See accompanying notes to the consolidated financial statements

# Western Regional Health Authority

## Consolidated statement of operations (cont'd)

| Year ended March 31<br>(in thousands of dollars) | **Budget 2020 (Note 12)** | **Actual 2020** | Actual 2019 |
|---|---|---|---|
| Adjustments for undernoted items – net expenses | | | |
| Amortization expense | **$ 7,530** | **$ 7,886** | $ 7,669 |
| Accrued vacation expense – increase (decrease) | **200** | **1,629** | (423) |
| Accrued severance expense – decrease | **-** | **(10,850)** | (20,652) |
| Accrued sick expense – increase | **300** | **193** | 224 |
| Cottages – deficit | **(280)** | **(194)** | (154) |
| Total adjustments for above noted items | **7,750** | **(1,336)** | (13,336) |
| (Deficit) surplus | **(29,339)** | **(9,139)** | 674 |
| Accumulated deficit beginning of year | **(11,624)** | **(11,624)** | (12,298) |
| Accumulated deficit, end of year | **$ (40,963)** | **$ (20,763)** | $ (11,624) |

See accompanying notes to the consolidated financial statements

# Western Regional Health Authority

## Consolidated statement of changes in net debt

| Year ended March 31<br>(in thousands of dollars) | **Budget 2020 (Note 12)** | **Actual 2020** | Actual 2019 |
|---|---|---|---|
| Net debt, beginning of year | **$ (85,502)** | **$ (85,502)** | $ (89,471) |
| (Deficit) surplus for the year | **(29,339)** | **(9,139)** | 674 |
| Changes in tangible capital assets | | | |
| Acquisition of tangible capital assets | **(11,233)** | **(11,233)** | (4,226) |
| Amortization of tangible capital assets | **7,530** | **7,886** | 7,669 |
| Amortization of tangible capital assets - cottages | **219** | **221** | 384 |
| (Increase) decrease in net book value of tangible capital assets | **(3,484)** | **(3,126)** | 3,827 |
| Changes in other non-financial assets | | | |
| Acquisition of prepaid expense (net of usage) | **343** | **343** | (414) |
| Acquisition of inventories (net of usage) | **(661)** | **(661)** | (118) |
| Increase in other non-financial assets | **(318)** | **(318)** | (532) |
| (Increase) decrease in net debt | **(33,141)** | **(12,583)** | 3,969 |
| Net debt, end of year | **$ (118,643)** | **$ (98,085)** | $ (85,502) |

See accompanying notes to the consolidated financial statements

# Western Regional Health Authority

## Consolidated statement of cash flows

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| **Operating** | | |
| Annual (deficit) surplus | **$ (9,139)** | $ 674 |
| Add (deduct) non – cash items: | | |
| Amortization of capital assets | **7,886** | 7,669 |
| Amortization of capital assets – cottages | **221** | 384 |
| Accrued vacation expense – increase (decrease) | **1,629** | (423) |
| Accrued severance expense –decrease | **(10,850)** | (20,670) |
| Accrued sick expense – increase | **193** | 224 |
| Changes in: | | |
| Receivables | **3,551** | 2,278 |
| Inventory | **(661)** | (118) |
| Prepaid expenses | **343** | (414) |
| Deferred contributions – operating | **343** | 219 |
| Payables and accruals | **(6,375)** | 3,289 |
| Net cash applied to operating transactions | **(12,859)** | (6,888) |
| Capital | | |
| Acquisitions of tangible capital assets | **(11,233)** | (4,226) |
| Net cash applied to capital transactions | **(11,233)** | (4,226) |
| Financing | | |
| Capital lease | **(303)** | (281) |
| Repayment of long term debt | **(606)** | (661) |
| Decrease in capital contributions | **1** | 2,905 |
| Net cash (applied to) provided by financing transactions | **(908)** | 1,963 |
| **Investing** | | |
| Temporary investments | **130** | (5) |
| Replacement reserve fund | **(72)** | (7) |
| Net cash provided by (applied to) investing transactions | **58** | (12) |
| Net cash applied to | **(24,942)** | (9,163) |
| Cash and cash equivalents – beginning of year | **(8,484)** | 679 |
| Cash and cash equivalents – end of year | **$ (33,426)** | $ (8,484) |

See accompanying notes to the consolidated financial statements

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 1. Nature of operations

The Western Regional Health Authority ("Western Health") is constituted under the Regional Health Authority's Act Constitution Order and is responsible for the management and control of the operations of acute and long term care facilities as well as community health services in the western region of the Province of Newfoundland and Labrador.

Western Health is an incorporated not-for-profit with no share capital, and as such, is exempt from income tax.

Western Health controls Gateway Apartments, Emile Benoit House & Units, Interfaith Cottages, Bay St. George Cottages and Gateway Cottages. These entities were established to provide housing to senior citizens. These entities have been included in the consolidated financial statements.

### 2. Summary of significant accounting policies

The consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) and reflect the following significant accounting policies:

**Basis of consolidation**
The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations which are controlled by Western Health including Gateway Apartments, Emile Benoit House & Units, Interfaith Cottages, Bay St. George Cottages and Gateway Cottages.

**Use of estimates**
The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include accrued severance, accrued sick leave, useful life of tangible capital assets, impairment of assets and allowance for doubtful accounts.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**2. Summary of significant accounting policies (cont'd)**

**Cash and cash equivalents**
Cash and cash equivalents include cash on hand and balances with banks and short term deposits, with original maturities of three months or less. Bank borrowings are considered to be financing activities.

**Accrued severance and sick leave**
Upon termination, retirement or death, the organization provides their employees, with the exception of the NAPE, CUPE and NLNU bargaining units, with at least nine years of services, with severance benefits equal to one week of pay per year of service up to a maximum of 20 weeks. An actuarially determined accrued liability for severance has been recorded in the statements. This liability has been determined using management's best estimate of employee retention, salary escalation, long term inflation and discount rates.

Based on collective agreements signed with NAPE, CUPE and NLNU as at March 31, 2018 all unionized employees had their severance frozen. Management and non-bargaining severance was frozen as of May 31, 2018. All unionized employees with at least one year of eligible service will receive a lump sum pay-out of their accrued severance benefit based on pay and service as at March 31, 2018, management and non-bargaining as of May 31, 2018. Physicians remain the only group of employees who have not had their severance frozen to date.

The organization provides their employees with sick leave benefits that accumulate but do not vest. The benefits provided to employees vary based upon classification within the various negotiated agreements. An actuarially determined accrued liability has been recorded on the statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates.

**Accrued vacation pay**
An accrued liability for vacation pay is recorded in the accounts at year end for all employees who have a right to receive these benefits.

**Non-financial assets**
Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives generally extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual deficit (surplus), provides the change in net financial debt for the year.

**Inventory**
Inventory is valued at average cost. Cost includes purchase price plus the non-refundable portion of applicable taxes.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**2. Summary of significant accounting policies (cont'd)**

**Tangible capital assets**
Western Health has control over certain assets for which title resides with the Government of Newfoundland and Labrador. These assets have not been recorded in the financial statements of Western Health. Capital assets are recorded at cost. Assets are not amortized until placed in use. Assets in use are amortized over their useful life on a declining balance basis at the following rates:

| | |
|---|---|
| Land improvements | 2 ½% |
| Buildings | 6 ¼% |
| Parking lot | 6 ¼% |
| Equipment | 15% |
| Motor vehicles | 20% |
| Leasehold improvements | 20% |

**Capital and operating leases**
A lease that transfers substantially all of the risks and rewards incidental to the ownership of property is accounted for as a capital lease. Assets acquired under capital lease result in a capital asset and an obligation being recorded equal to the lesser of the present value of the minimum lease payments and the property's fair value at the time of inception. All other leases are accounted for as operating leases and the related payments are expensed as incurred.

**Impairment of long-lived assets**
Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable, as measured by comparing their net book value to the estimated undiscounted cash flows generated by their use. Impaired assets are recorded at fair value, determined principally using discounted future cash flows expected from their use and eventual disposition.

**Revenue recognition**
Provincial plan revenues for operating and capital purposes are recognized in the period in which all eligibility criteria or stipulations have been met. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer from the Province of Newfoundland and Labrador is authorized.

Donations of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**2. Summary of significant accounting policies (cont'd)**

**Revenue recognition (cont'd)**
Revenue from the sale of goods and services is recognized at the time the goods are delivered or the services are provided.

Western Health reviews outstanding receivables at least annually and provides an allowance for receivables where collection has become questionable.

**Pension costs**
Employees of Western Health are covered by the Public Service Pension Plan and the Government Money Pension Plan administered by the Province of Newfoundland and Labrador. Contributions to the plans are required from both the employees and Western Health. The annual contributions for pensions are recognized in the accounts on an accrual basis.

Pension contributions were made in the following amounts:

| | | **2020** | | 2019 |
|---|---|---|---|---|
| GMPP | **$** | **3,484** | $ | 3,633 |
| PSPP | **$** | **23,579** | $ | 24,694 |

**Funds and reserves**
Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

**Financial instruments**
Western Health considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. Western Health accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- trust funds on deposit
- restricted cash and investments
- bank indebtedness
- payables and accruals
- long term debt
- trust funds payable

A financial asset or liability is recognized when Western Health becomes party to contractual provisions of the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**2. Summary of significant accounting policies (cont'd)**

**Financial instruments (cont'd)**
The Authority initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with Western Health is in the capacity of management in which case they are accounted for in accordance with financial instruments.

Western Health subsequently measures all of its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment, except for investments in equity instruments that are quoted in an active market, which are measured at fair value; derivative contracts, which are measured at fair value; and certain financial assets and financial liabilities which the Authority has elected to measure at fair value. Changes in fair value are recognized in annual surplus.

Financial assets measured at cost include cash and cash equivalents, receivables, trust funds on deposit, and restricted cash and investments.

Financial liabilities measured at cost include bank indebtedness, payables and accruals, long term debt, and trust funds payable.

**Impairment**
Western Health removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in annual surplus.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 3. Receivables

| | 2020 | 2019 |
|---|---|---|
| Province of Newfoundland and Labrador | | |
| Capital contributions | **$ -** | $ 498 |
| Provincial plan | **4,408** | 6,797 |
| MCP | **1,495** | 2,851 |
| Patient services | **1,401** | 1,250 |
| Foundations | **188** | 377 |
| Employees' pay and travel advances | **137** | 196 |
| Harmonized sales tax rebate | **731** | 360 |
| Department of Veterans Affairs | **96** | 80 |
| Child Youth and Family Services | **10** | 3 |
| Other | **3,957** | 3,562 |
| | **$ 12,423** | $ 15,974 |

### 4. Trust funds

Funds belonging to patients of Western Health are being held in trust for the benefit of the patients.

### 5. Bank indebtedness

Western Health has access to a line of credit with the Bank of Montreal in the amount of $41,000 in the form of revolving demand loans and/or bank overdrafts. The authorization to borrow has been approved by the Minister of Health and Community Services. The balance outstanding on this line of credit at March 31, 2020 is $30,290 (2019 - $5,780). Interest is being charged at prime less 1.15% on any overdraft.

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**6. Employee future benefits**

Future employee benefits related to accrued severance and accrued sick obligations have been calculated based on an actuarial valuation completed on March 31, 2018 and extrapolated to March 31, 2020. During the past two years severance accumulation for NAPE, CUPE and NLNU employees was curtailed and adjusted in the valuation. The assumptions are based on future events. The economic assumptions used in the valuation are Western Health's best estimates of expected rates as follows:

| | **2020** | 2019 |
|---|---|---|
| Wages and salary escalation | **3.50%** | 0.75% |
| Discount rate | **3.25%** | 3.05% |

Based on actuarial valuation of the liability, at March 31, 2020 the results for sick leave are:

| | | **2020** | | 2019 |
|---|---|---|---|---|
| Accrued sick pay obligation, beginning | **$** | **23,168** | $ | 21,093 |
| Current period benefit cost | | **1,600** | | 1,527 |
| Benefit payments | | **(2,634)** | | (2,557) |
| Interest on the accrued benefit obligations | | **691** | | 746 |
| Actuarial gains | | **(631)** | | 2,359 |
| Accrued sick pay obligations, at end | **$** | **22,194** | $ | 23,168 |

Based on actuarial valuation of the liability, at March 31, 2020 the results for severance are:

| | | **2020** | | 2019 |
|---|---|---|---|---|
| Accrued benefit obligation, beginning | **$** | **13,641** | $ | 30,539 |
| Current period benefit cost | | **151** | | 754 |
| Benefit payments | | **(11,030)** | | (23,160) |
| Interest on the accrued benefit obligation | | **43** | | 794 |
| Settlement gain | | **-** | | 1,238 |
| Actuarial gains | | **(46)** | | 3,476 |
| Accrued severance obligation, at end | **$** | **2,759** | $ | 13,641 |

A reconciliation of the accrued benefit liability and the accrued benefit obligation is as follows:

| | | **2020** | | 2019 |
|---|---|---|---|---|
| Sick benefits: | | | | |
| Accrued benefit liability | **$** | **18,884** | $ | 18,691 |
| Unamortized actuarial losses | | **3,310** | | 4,477 |
| Accrued benefit obligation | **$** | **22,194** | $ | 23,168 |
| Severance benefits: | | | | |
| Accrued benefit liability | **$** | **2,804** | $ | 13,654 |
| Unamortized actuarial gains | | **(45)** | | (13) |
| Accrued benefit obligation | **$** | **2,759** | $ | 13,641 |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

| **7. Long term debt** | | **2020** | | 2019 |
|---|---|---|---|---|
| 1.8% mortgage on the Bay St. George Seniors Home, maturing in 2021, repayable in blended monthly payments of $12,113 | **$** | **166** | $ | 306 |
| 8% mortgage on the Bay St. George Seniors Home, maturing in 2026, repayable in blended monthly payments of $9,523 | | **588** | | 654 |
| 4.56% mortgage on the Woody Point Clinic, maturing in 2020, repayable in blended monthly payments of $2,304 | | **2** | | 31 |
| 10% CMHC loan on the Inter-Faith Home for Senior Citizens – Cottages #1, due in 2028, repayable in monthly blended instalments of $8,028 | | **533** | | 575 |
| 1.12% CMHC mortgage, repaid during the year | | **-** | | 64 |
| 2.40% CMHC mortgage, repaid during the year | | **-** | | 86 |
| 1.81% NLHC loan on the Gateway Apartments Project, due in 2027, repayable in monthly blended instalments of $6,382 amortized until March 2027 | | **295** | | 366 |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

| 7. Long term debt (cont'd) | 2020 | 2019 |
|---|---|---|
| 2.04% NLHC loan on the Inter-Faith Home for Senior Citizens – Cottages # 3, amortized to 2021, repayable in monthly blended instalments of $3,925 until March 2021 | **407** | 445 |
| 1.81% NLHC mortgage on the Bay St. George Senior Citizens Home – 8 Unit Cottages, due in 2027, repayable in monthly blended instalments of $2,292 amortized until March 2027 | **191** | 214 |
| 1.81% NLHC mortgage on the Bay St. George Senior Citizens Home – Emile Benoit House, due in 2027 repayable in monthly blended instalments of $4,563 amortized until March 2027 | **415** | 462 |
| Obligations under capital lease, 3% maturing in 2029, payable in blended monthly instalments which escalate on an annual basis | **3,421** | 3,724 |
| | **$ 6,018** | $ 6,927 |

As security for the mortgages, Western Health has provided a first mortgage over land and buildings at Corner Brook Interfaith Home and Cottages, Bay St. George Senior Citizens Home, Gateway Cottages, Cottages #1 & 2, NLHC and Woody Point Clinic having a net book value of $2,860 (2019 - $3,319).

As security for the capital lease, Western Health has provided specific capital equipment having a net book value of $3,336 (2019 - $3,924).

See Note 8 for five year principal repayment schedule.

## 8. Obligations under long term debt

Western Health has acquired building additions and equipment under the terms of long term debt. Payments under these obligations for the next five years are as follows:

| Fiscal year ended | |
|---|---|
| 2021 | $ 786 |
| 2022 | 687 |
| 2023 | 700 |
| 2024 | 742 |
| 2025 | 710 |
| | $ 3,625 |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 9. Tangible capital assets

| March 31, 2020 | Land | Land Improvements | Buildings | Parking Lot | Equipment | Motor Vehicles | Leasehold Improvements | Total |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Opening balance | $ 1,102 | $ 435 | $ 68,810 | $ 1,142 | $ 160,716 | $ 2,473 | $ 232 | **$ 234,910** |
| Additions | - | - | 1,466 | - | 9,767 | - | - | **11,233** |
| Closing balance | 1,102 | 435 | 70,276 | 1,142 | 170,483 | 2,473 | 232 | **246,143** |
| **Accumulated amortization** | | | | | | | | |
| Opening balance | - | 279 | 45,062 | 839 | 121,897 | 1,808 | 229 | **170,114** |
| Additions | - | 2 | 1,695 | 19 | 6,258 | 133 | - | **8,107** |
| Closing balance | - | 281 | 46,757 | 858 | 128,155 | 1,941 | 229 | **178,221** |
| **Net book value** | $ 1,102 | $ 154 | $ 23,519 | $ 284 | $ 42,328 | $ 532 | $ 3 | **$ 67,922** |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

**9. Tangible capital assets (cont'd)**

| March 31, 2019 | Land | Land Improvements | Buildings | Parking Lot | Equipment | Motor Vehicles | Leasehold Improvements | Total |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Opening balance | $ 1,102 | $ 435 | $ 67,266 | $ 1,142 | $ 158,119 | $ 2,388 | $ 232 | $ 230,684 |
| Additions | - | - | 1,544 | - | 2,597 | 85 | - | 4,226 |
| Closing balance | 1,102 | 435 | 68,810 | 1,142 | 160,716 | 2,473 | 232 | 234,910 |
| **Accumulated amortization** | | | | | | | | |
| Opening balance | - | 275 | 43,197 | 819 | 115,889 | 1,653 | 228 | 162,061 |
| Additions | - | 4 | 1,865 | 20 | 6,008 | 155 | 1 | 8,053 |
| Closing balance | - | 279 | 45,062 | 839 | 121,897 | 1,808 | 229 | 170,114 |
| **Net book value** | $ 1,102 | $ 156 | $ 23,748 | $ 303 | $ 38,819 | $ 665 | $ 3 | $ 64,796 |

Book value of capitalized items that have not been amortized is $2,113 (2019 - $4,794)

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 10. Inventory

| | 2020 | 2019 |
|---|---|---|
| Dietary | **$ 183** | $ 130 |
| Pharmacy | **2,588** | 2,066 |
| Supplies | **3,037** | 2,951 |
| | **$ 5,808** | $ 5,147 |

### 11. Contingencies and commitments

**Claims**

As of March 31, 2020, there were a number of claims against Western Health in varying amounts for which no provision has been made. It is not possible to determine the amounts, if any, that may ultimately be assessed against Western Health with respect to these claims, but management believes any claim, if successful, will be covered by liability insurance.

**Operating leases**

Western Health has a number of agreements whereby it leases vehicles, office equipment and buildings. These leases are accounted for as operating leases. Future minimum lease payments for the next five years are as follows:

| Fiscal year ended | |
|---|---|
| 2021 | $ 3,913 |
| 2022 | 2,454 |
| 2023 | 273 |
| 2024 | 175 |
| 2025 | 41 |
| | $ 6,856 |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 12. Budget

Western Health prepares an initial budget for a fiscal period that is approved by the Board of Trustees and Government [the "Original Budget"]. The Original Budget may change significantly throughout the year as it is updated to reflect the impact of all known service and program changes approved by Government. Additional changes to services and programs that are initiated throughout the year would be funded through amendments to the Original Budget and an updated budget is prepared by Western Health. The updated budget amounts are reflected in the budget amounts as presented in the consolidated statement of operations [the "Budget"].

The Original Budget and Budget do not include amounts relating to certain non-cash and other items including capital asset amortization, the recognition of provincial capital grants and other capital contributions, adjustments required to the accrued benefit obligations associated with severance and sick leave, and adjustments to accrued vacation pay.

The following presents a reconciliation of budgeted revenue for the year ended March 31, 2020:

| | | |
|---|---|---|
| Original budgeted provincial plan revenue | **$** | **309,337** |
| Add: Net provincial plan budget adjustments | | **13,839** |
| Ending budgeted provincial plan revenue | | **323,176** |
| | | |
| Original budgeted other revenue | | **51,127** |
| Add: Net budget increases - other | | **(120)** |
| | | |
| Ending budgeted revenue | **$** | **374,183** |
| | | |
| Original budgeted salary expenditure | **$** | **225,877** |
| Add: Net salary budget adjustments | | **10,536** |
| Ending budgeted salary expenditure | | **236,413** |
| | | |
| Original budgeted supply expenditure | | **167,836** |
| Add: Net supply budget adjustments | | **(447)** |
| | | **167,389** |
| | | |
| Ending budgeted expenditures | **$** | **403,802** |

# Western Regional Health Authority

## Notes to the consolidated financial statements

March 31, 2020
(in thousands of dollars)

### 13. Financial instruments

The main risks Western Health is exposed to through its financial instruments are credit risk, liquidity risk, and market risk.

**Credit risk**
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority's main credit risks relate to its accounts receivable and notes receivable. The entity provides credit to its clients in the normal course of its operations. There was no significant change in exposure from the prior year.

Western Health has a collection policy and monitoring process intended to mitigate potential credit losses. Management believes that the credit risk with respect to accounts receivable is not material.

**Liquidity risk**
Liquidity risk is the risk that the Authority will encounter difficulty in meeting the obligations associated with its financial liabilities. The Authority is exposed to this risk mainly in respect of its long term debt, contributions to the pension plan and accounts payable. There was no significant change in exposure from the prior year.

The Authority mitigates this risk by having access to a line of credit in the amount of $41,000. In addition, consideration will be given to obtaining additional funds through third party funding in the Province, assuming these can be obtained.

**Market risk**
Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Authority is not significantly impacted by foreign exchange risk or interest rate risk.

### 14. Subsequent events

Since March 31, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

# Western Regional Health Authority
## Consolidated expenditures – operating/shareable
## Schedule I

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| Administration | | |
| General administration | **$ 7,806** | $ 8,523 |
| Finance | **3,253** | 3,923 |
| Personnel services | **4,135** | 4,614 |
| System support | **3,485** | 6,785 |
| Other administrative | **5,912** | 6,578 |
| | **24,591** | 30,423 |
| Support services | | |
| Housekeeping | **10,379** | 11,451 |
| Laundry and linen | **2,934** | 3,268 |
| Plant services | **17,139** | 17,488 |
| Patient food services | **12,974** | 14,216 |
| Other support services | **15,799** | 17,372 |
| | **59,225** | 63,795 |
| Nursing inpatient services | | |
| Nursing inpatient services – acute | **61,621** | 61,091 |
| Medical services | **21,532** | 22,358 |
| Nursing inpatient services – long term care | **30,024** | 31,658 |
| | **113,177** | 115,107 |
| Ambulatory care services | **32,956** | 31,371 |
| Diagnostic and therapeutic services | | |
| Clinical laboratory | **11,530** | 13,061 |
| Diagnostic imaging | **10,163** | 10,714 |
| Other diagnostic and therapeutic | **14,259** | 16,599 |
| | **35,952** | 40,374 |

# Western Regional Health Authority
## Consolidated expenditures – operating/shareable
## Schedule I (cont'd)

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| Community and social services | | |
| Mental health and addictions | **10,349** | 10,345 |
| Community support programs | **94,984** | 89,944 |
| Family support programs | **3,997** | 4,251 |
| Health promotion and protection program | **7,186** | 6,563 |
| | **116,516** | 111,103 |
| Education | **5,978** | 5,650 |
| Undistributed | **3,656** | 3,514 |
| Shareable amortization | **537** | 505 |
| Total expenditures | **$ 392,588** | $ 401,842 |

# Western Regional Health Authority

## Consolidated revenue and expenditures for government reporting

## Schedule II

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| Revenue | | |
| Provincial plan – operating grant | **$ 323,176** | $ 335,418 |
| Capital grant – provincial | **11,003** | 3,754 |
| Capital grant – other | **387** | 532 |
| MCP physician revenue | **18,571** | 19,383 |
| National child benefit | **294** | 951 |
| Early childhood development | **359** | 359 |
| Inpatient | **1,348** | 1,515 |
| Outpatient | **2,241** | 2,313 |
| Resident revenue – long term care | **7,797** | 8,075 |
| Mortgage interest subsidy | **21** | 21 |
| Food service | **1,783** | 1,775 |
| Other recoveries | **11,073** | 11,369 |
| Other | **3,523** | 3,210 |
| Total revenue | **381,576** | 388,675 |
| Expenditures | | |
| Worked and benefit salaries and contributions | **198,675** | 211,628 |
| Benefit contributions | **34,498** | 36,352 |
| | **233,173** | 247,980 |
| Supplies – plant operations and maintenance | **6,303** | 6,486 |
| Supplies – drugs | **11,061** | 10,613 |
| Supplies – medical and surgical | **11,882** | 11,732 |
| Supplies – other | **13,499** | 13,578 |
| | **42,745** | 42,409 |
| Direct client costs – mental health and addictions | **782** | 613 |
| Direct client costs – community support | **71,715** | 66,679 |
| Direct client costs – family support | **1,778** | 1,677 |
| | **74,275** | 68,969 |
| Other shareable expenses | **41,691** | 41,786 |

# Western Regional Health Authority

## Consolidated revenue and expenditures for government reporting Schedule II (cont'd)

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| Expenditures (cont'd) | | |
| Long term debt – interest | **50** | 64 |
| Long term debt – principal | **234** | 224 |
| Capital lease – interest | **117** | 126 |
| Capital lease - principal | **303** | 281 |
| | **704** | 695 |
| Total expenditures | **392,588** | 401,839 |
| Less: Capital grant – provincial | **11,003** | 3,754 |
| Less: Capital grant – other | **387** | 532 |
| Deficit for government reporting | **(22,402)** | (17,450) |
| Long term debt - principal | **234** | 224 |
| Capital lease – principal | **303** | 281 |
| Deficit inclusive of other operations | **(21,865)** | (16,945) |
| Shareable amortization | **537** | 505 |
| Deficit before non-shareable items | **(22,402)** | (17,450) |
| Non-shareable items | | |
| Amortization expense | **7,349** | 7,167 |
| Accrued vacation expense – increase (decrease) | **1,629** | (423) |
| Accrued severance expense – decrease | **(10,850)** | (20,652) |
| Accrued sick expense – increase | **193** | 224 |
| Cottages | **(194)** | (154) |
| Capital grant – provincial | **(11,003)** | (3,754) |
| Capital grant - other | **(387)** | (532) |
| | **(13,263)** | (18,124) |
| (Deficit) surplus as per Statement of Operations | **$ (9,139)** | $ 674 |

# Western Regional Health Authority

## Consolidated funding and expenditures for government reporting – Capital transactions

## Schedule III

| Year ended March 31<br>(in thousands of dollars) | | **2020** | | 2019 |
|---|---|---|---|---|
| Sources of funds | | | | |
| Provincial capital equipment grant for current year | **$** | **8,748** | $ | 3,939 |
| Provincial facility capital grant in current year | | **2,750** | | 2,840 |
| Add: Deferred capital grant from prior year | | **11,558** | | 8,653 |
| Less: Capital facility grant reallocated for operating fund purchases | | **(494)** | | (120) |
| Less: Deferred capital grant from current year | | **(11,559)** | | (11,558) |
| | | **11,003** | | 3,754 |
| Other contributions | | | | |
| Foundations, auxiliaries and other | | **387** | | 532 |
| Total funding | | **11,390** | | 4,286 |
| Capital expenditures | | | | |
| Assets - building and land | | **1,466** | | 1,544 |
| Assets - equipment | | **9,767** | | 2,682 |
| Total expenditures | | **11,233** | | 4,226 |
| Surplus on capital purchases | **$** | **157** | $ | 60 |

# Western Regional Health Authority

## Accumulated operating deficit for government reporting - excluding cottage operations

## Schedule IVA

Year ended March 31
(in thousands of dollars)

| | 2020 | 2019 |
|---|---|---|
| Accumulated operating deficit | | |
| Current assets | | |
| Temporary investments | **$ -** | $ 130 |
| Accounts receivable | **12,196** | 15,589 |
| Due from associated funds | **2,054** | 2,018 |
| Inventory | **5,808** | 5,147 |
| Prepaid expenses | **3,451** | 3,794 |
| Other | **(103)** | (104) |
| Total assets | **23,406** | 26,574 |
| Current liabilities | | |
| Bank indebtedness | **33,890** | 8,864 |
| Accounts payable and accrued liabilities | **23,625** | 29,918 |
| Deferred contributions – operating | **4,717** | 4,374 |
| Deferred contributions – capital | **11,559** | 11,558 |
| Total current liabilities | **73,791** | 54,714 |
| Accumulated operating deficit | **$ (50,385)** | $ (28,140) |
| Reconciliation of operating deficit | | |
| Accumulated operating deficit – beginning of year | **$ (28,140)** | $ (10,750) |
| Add: Net operating deficit per schedule II | **(22,402)** | (17,450) |
| Add: Net surplus on capital purchases per schedule III | **157** | 60 |
| Accumulated operating deficit – end of year | **(50,385)** | (28,140) |
| Less: Net surplus on capital purchases – prior years | **1,365** | 1,305 |
| Less: Net surplus on capital purchases – 2019 | **-** | 60 |
| Less: Net surplus on capital purchases – 2020 | **157** | - |
| Accumulated operating deficit – per Department of Health and Community Services | **$ (51,907)** | $ (29,505) |

# Western Regional Health Authority

## Reconciliation of consolidated accumulated operating deficit for government reporting

## Schedule IVB

| Year ended March 31<br>(in thousands of dollars) | **2020** | 2019 |
|---|---|---|
| Accumulated operating deficit – end of year per Schedule IVA | **$ (50,385)** | $ (28,140) |
| Adjustments: | | |
| Intercompany – cottages elimination | **(1,866)** | (1,641) |
| Cottages – current assets | **644** | 529 |
| Cottages – current liabilities | **(41)** | (123) |
| Other assets | **103** | 104 |
| Replacement reserve | **214** | 142 |
| Vacation pay accrual | **(9,648)** | (8,019) |
| Severance pay accrual | **(2,804)** | (13,654) |
| Sick pay accrual | **(18,884)** | (18,691) |
| Long term debt | **(6,018)** | (6,927) |
| Tangible capital assets | **67,922** | 64,796 |
| | **29,622** | 16,516 |
| Accumulated deficit per Statement of Financial Position | **$ (20,763)** | $ (11,624) |


Staff with Code Stroke clock

Western Health

## Our Vision

**The vision of Western Health is Our People, Our Communities - Healthy Together**

www.westernhealth.nl.ca

YouTube