

# **Annual Performance Report 2009-2010**



Western  
**Health**





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## Message from the Board Chair

It is my pleasure, on behalf of the Board of Trustees of Western Health to present our Annual Report for the year 2009-2010. This is our fifth Annual Report as a regional health authority. 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 Report.

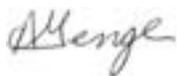
The Board continued to make significant gains in financial accountability during the past year and, as you will see in the Audited Financial Statements, for the fourth consecutive year Western Health had a budgetary surplus and continued to use this surplus for debt retirement. The support of the Department of Health and Community Services is acknowledged in this achievement.

In keeping with Western Health's commitment to achieving excellence, the Board of Trustees participated in Accreditation Canada's self assessment process and dedicated time at their meetings to discuss opportunities for continuing to meet national standards for governance.

On behalf of the Board of Trustees, we would like to thank the dedicated staff, physicians, volunteers and community partners who are committed to the health and well being of the people that we serve. We are so proud of the people who contribute so significantly in many ways to the success of Western Health.

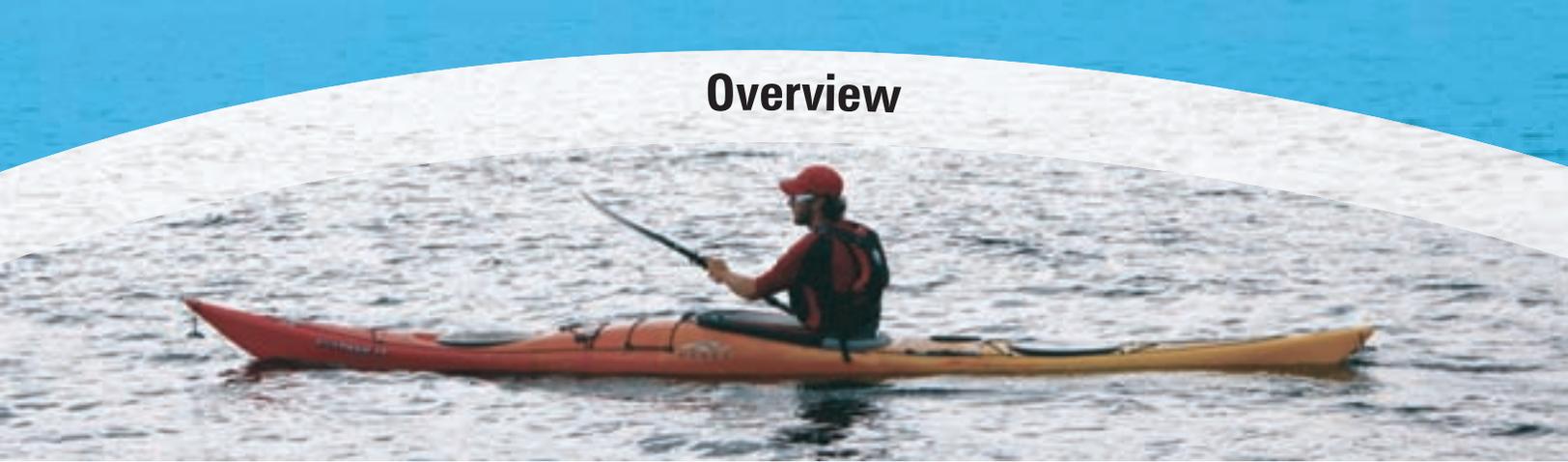
The Board also acknowledges and thanks the Chief Executive Officer of Western Health, Dr. Susan Gillam, and other members of the Senior Executive Team for their leadership. The Board is confident that the Senior Executive has worked diligently to continue to build and grow our organization with its primary focus the delivery of quality health and community services to the people of the Western region.

With Sincere Best Wishes,



Tony Genge, PhD

# Overview

A photograph of a person in a red kayak on a body of water. The person is wearing a red cap and a dark vest, and is holding a paddle. The kayak is orange and yellow. The water is dark and rippled. The background is a bright blue sky.

The **vision** of Western Health is that the people of Western Newfoundland have the highest level of health and well being possible. In the pursuit of the vision, the following **mission statement** was determined to provide direction over the next six years: by March 31, 2011, Western Health will have integrated and coordinated programs and services, starting with priority areas, to address the population health needs of the Western region within financial resources.

The **mandate** of Western Health is derived from the Regional Health Authorities Act and its regulations. Western Health is responsible for the delivery and administration of health and community services in the Western Health region in accordance with the above referenced legislation. Western Health's full mandate is delineated in its strategic plan April 2008 to March 2011.

Western Health provides a continuum of programs and services within allocated resources to the people of Western Newfoundland. These programs and services are based in acute care, long term care and community settings. Western Health operates 20 community based offices, 24 medical clinics, and nine health facilities; its regional office is located in Corner Brook. The organization employs over 3,100 staff who work in the 53 sites throughout the region. Approximately 84 per cent of staff is female.

Western Health is committed to a Population Health approach to service delivery. Inherent in all lines of business is the need for learning and education in its broadest context. An interdisciplinary team of health professionals, support staff and partners provide the care and services required to meet the mandate of Western Health.

Western Health accomplishes their mandate through six **lines of business**:

- promoting health and well being;
- preventing illness and injury;
- providing supportive care;
- treating illness and injury;
- providing rehabilitative services;
- administering distinctive provincial programs.

It is important to note that programs and services may fall under one or more headings below, and as Western Health is an evolving integrated authority there will be further realigning of programs and services during the life of its strategic plan(s).



### ***A - Promoting health and well being***

Health promotion is a process of supporting, enabling and fostering individuals, families, groups and communities to take control of and improve their health. Health promotion services address healthy lifestyles, stress management, supportive environments and environmental health. Strategies include working with partners to improve the health of citizens by:

- providing healthy public policy;
- strengthening community action;
- creating supportive environments.

Health promotion activities are integrated throughout all lines of business within Western Health and these services can be accessed by contacting one of Western Health's offices.

Health protection identifies, reduces and eliminates hazards and risks to the health of individuals in accordance with current legislation and there is a formal Memorandum of Understanding in place with Government Services. The main components of health protection are:

- communicable disease surveillance and control;
- immunization;
- travel medicine;
- monitoring environmental health factors such as water safety and food sanitation;
- disaster planning.

These services can be accessed by contacting Health Protection or one of the Community Health offices throughout the region.

### ***B - Preventing illness and injury***

Prevention services offer early intervention and best available information to members of the public to prevent the onset of disease, illness and injury, and/or the deterioration of well being. Available services vary depending on the incidence or potential for disease, illness or injury found in specific areas. Services include but are not limited to:

- screening such as cervical screening and breast screening;
- injury prevention activities such as helmet safety, water safety and violence prevention.



Information on accessing these services is available through Western Health and other provincial partners and agencies.

### ***C - Providing supportive care***

Western Health provides broad ranging supportive care services across the continuum of care and lifespan in various situations within provincial guidelines, organizational policies, legislation and resources. This includes the provision and/or coordination of access to an array of services generally at the community level, as determined by a professional needs assessment and/or financial means assessment. This promotes the safety, health and well being of the individual by supporting the existing strengths of the individual, family and community. These services are accessed in a variety of ways and this information is available by contacting one of Western Health's Community Health offices located throughout the region.

Western Health has responsibility for monitoring a number of devolved services including transition houses and residential services.

Individual family and community supportive services make up a considerable component of the work of Western Health. These include:

- Child, Youth and Family Services;
  - child care services including licensing, monitoring and providing support to child care centres, preschools and family home child care;
  - child protection services;
  - adoptions;
  - youth corrections - support for youth and their families interacting with the justice system;
  - maternal, child and family health;
  - services to families of infants, preschool and school age children who have or are at risk of delayed development;
  - services to clients who require support as a result of family and/or social issues;
  - services to clients with disabilities - physical and cognitive;
  - elder care services including community outreach services;
  - mental health and addictions services including specialized services such as Blomidon Place, Humberwood Treatment Centre, West Lane Recycling Program and Sexual Abuse Community Services (SACS);
  - home support services with eligibility criteria;
  - community health nursing including immunization, child health and school health;



- health care supplies and equipment;
- respite, convalescent and palliative care services;
- chronic disease management.

Long term care and residential services encompass an extensive range of Western Health's supports and partnerships including:

- long term care nursing homes;
- seniors' cottages;
- monitoring of personal care homes;
- alternate family care for children and adults;
- monitoring of residential services;
- hostel accommodations.

Supportive services are delivered within the context of current legislation, where applicable.

#### ***D - Treating illness and injury***

Western Health investigates, treats and cares for individuals with illness and injury. These services are primary and secondary in nature and are offered in selected locations. These services can also be accessed on an emergency or routine basis.

Primary and secondary services include:

- medical services including internal medicine, family medicine, psychiatry, pediatrics, nephrology, neurology, dermatology, medical oncology including chemotherapy, physiatry, gastroenterology, cardiology, intensive care, renal dialysis, and palliative care;
- surgical services including anesthesiology, general surgery, orthopedics, urology, ophthalmology, otolaryngology, obstetrics and gynecology, colposcopy, vascular and dental;
- maternal child services include obstetrics and pediatrics;
- hospital emergency services including emergency room services, ambulance services and other client transport - government has devolved responsibility for monitoring community based, private provider and hospital based emergency medical services;
- ambulatory services including day procedures, surgical day care, endoscopic services, diagnostic and laboratory services, specialist clinics both regular and visiting, diabetes education, cardio-pulmonary services, nutritional services and a variety of clinical support services;
- treatment services by physicians, nurses and/or nurse practitioners including primary health care services are available in a number of medical clinics and community health offices.



### ***E - Providing rehabilitative services***

Western Health offers a variety of rehabilitative services for individuals following illness or injury. These services are offered in selected locations through a referral process and include:

- post acute nursing services both in clinic and home settings;
- rehabilitation services such as physiotherapy, occupational therapy, speech-language, audiology and social work;
- adult rehabilitation inpatient program.

### ***F - Administering distinctive provincial programs***

Western Health operates the Western Regional School of Nursing. A Bachelor of Nursing (BN) program is offered in co-operation with Memorial University of Newfoundland and the Centre for Nursing Studies. A fast track program is available to individuals who wish to pursue a baccalaureate degree in nursing at an accelerated pace. The Inuit Nursing Access program is offered in conjunction with the College of the North Atlantic.

Western Health has the administrative responsibility for the Provincial Cervical Screening Initiatives Program. The provincial program is responsible for developing a comprehensive, organized approach to cervical screening. The core concept of the cervical screening program is to enhance the quality of health interventions as it relates to cervical cancer across the cancer care continuum. The scope of the program encompasses public/professional education, identification and recruitment of the target population, standardization of cytology and management of cytological diagnosis, continuous quality improvements, and coordination with other health authorities, organizations and stakeholders on a provincial and national scale. The goal of enhanced participation rates in cervical screening will facilitate the reduction of both incidence and mortality of cervical cancer and improve health outcomes for women in Newfoundland and Labrador.

As well, Western Health has responsibility for the provincial addictions inpatient facility, Humberwood, which is based in Corner Brook. This facility provides treatment to adults 19 years and older for chronic addiction to alcohol, drugs and/or gambling. The program offers clients the ability to detox prior to treatment.

In 2009-2010, Western Health had a budget of \$299 million with most of its revenue coming from provincial plan funding through the Department of Health and Community Services. Major expenditures include: salaries, direct client payments, fixed capital costs and diagnostic and therapeutic services. Additional information about Western Health is located online at [www.westernhealth.nl.ca](http://www.westernhealth.nl.ca).



## Shared Commitments

Western Health continued to make every effort to build and strengthen partnerships within the Western region. The need for partnership and collaboration is integral to the achievement of the vision of Western Health "...that the people of Western Newfoundland have the highest level of health and well being possible." Collaboration is also a value of the organization and is defined as "each person works with others to enhance service delivery and maximize the use of resources."

The work of Western Health is provided by a broad range of dedicated staff across the full continuum of care: acute, long term and community based services. Staff supports the vision, mission and values of Western Health and works in collaboration extensively with many partners. The support and collaboration of the Department of Health and Community Services, Government of Newfoundland and Labrador is acknowledged and valued.

During 2009-2010, staff was very active on regional and provincial committees that support improving population health and/or access to priority services. Some examples included: Regional Wellness Coalition; Regional Foster Care Committee; Tobacco Free Network; Violence Prevention Initiatives; Fetal Alcohol Syndrome Committees; Breastfeeding Committee; Primary Health Care working groups; AIDS Committee and Elder Abuse Education and Training Committee. Additional to the Primary Health Care working groups, four Community Advisory Committees, in Port aux Basques, Deer Lake, Bonne Bay, and Port Saunders areas, brought communities and Primary Health Care teams together with a goal to improve the population health status of communities. One successful initiative of the Community Advisory Committee in Bonne Bay was the Youth Engagement Wellness Strategy which saw youth ambassadors engaging peers, parents and community members in the development of wellness initiatives.

Family Resource Centers and Healthy Baby Clubs continued to grow in the region. In partnership with the Family Resource Center in Corner Brook, the Family Resource Program is being expanded to the South Shore of the Bay of Islands. As part of this program expansion, a Healthy Baby Club was established on the South Shore of the Bay of Islands. Healthy Baby Clubs also expanded to Stephenville.

The Daily Physical Activity initiative and the Active School Playgrounds partnerships between Western Health and Western School District continued to grow in the region. Ten additional schools participated in the Daily Physical Activity initiative; training sessions and resource kits have now been distributed to 48 schools in the region. Western School District and Western Health continued to work together on a number of initiatives including Healthy Students/Healthy Schools, Social Work in Schools Project, Blomidon Place and Sexual Abuse Community Services.



The Provincial Cervical Screening Initiatives (CSI) Program maintained a strong collaborative relationship between the program and the Provincial Cytology Registry, the Regional Cytology Labs and the Provincial Public Health Lab. Through the Provincial Cytology Registry partnership, rebuilding of the Provincial Cytology Registry database was initiated to expand capacity for quality monitoring and capacity to achieve an invitation system for under screened women. The CSI program continued to fund improvements in databases, technology, and operational expenditures for supplies. The program continued to support a structured reporting relationship for quality measures and performance indicators.

Western Health and Reliable Ambulance recently partnered to convert an ambulance to accommodate non-ambulatory bariatric patients. Modifications to the ambulance were necessary in order to protect bariatric patients and paramedics from injury and to provide a safe mode of medical transport. The capacity for bariatric care was enhanced when an ambulance that is used within the fleet was outfitted with a special stretcher, winch system, ramps, and reinforced straps and floor necessary for responding to a bariatric patient.

Western Regional School of Nursing collaborated with Memorial University School of Nursing and the Centre for Nursing Studies to plan, implement and evaluate the BN (Collaborative) Program.

Western Health continued to work jointly with educational institutions, the Department of Health and Community Services, the Public Service Secretariat, other regional health authorities and the Newfoundland and Labrador Health Boards Association to develop and implement strategies to assist in the recruitment and retention of health professionals. The Provincial Physician Recruitment Office of the Newfoundland and Labrador Health Boards Association continued to support Western Health's physician recruitment initiatives. Through this partnership, a formal comprehensive, orientation program for new physicians has been developed. In 2009-2010, 15 new physicians were hired by Western Health. Partnerships with regional health authorities and the Newfoundland and Labrador Health Boards Association related to provincial human resource planning and labour relations, ensured consistency in the development and implementation of strategies related to these areas.



## Highlights and Accomplishments

### ***Improving Population Health***

In a continuing effort to improve population health through healthy eating and obesity prevention, in 2009-2010, five arenas participated in the Healthy Eating in Arenas Project, three Community Kitchens were implemented in the Western region and resources were developed and distributed to public health nurses to address prevention of Type II Diabetes. Nutrition Services continued to position healthier foods at the forefront of menus and services. This past year, when available, all food tenders were modified to specify low sodium varieties in all food categories. Some new products, like Healthy Workplace Mix were introduced in our cafeterias.

Heart health promotion remained a population health priority as 49 leaders were trained and 260 children participated in the Ticker Tom program. The Ticker Tom program is a health education program, targeted for children, that promotes healthy eating, smoke free and active living.

A falls prevention initiative was successfully piloted in the Community Support program. All nurses, social workers, occupational therapists and behavior management specialists in Community Support now provide falls prevention screening and prevention services to clients receiving Community Support services. A similar initiative was implemented at all rural health centres and expansion to Corner Brook Long Term Care was initiated. An evaluation of the project will be completed in the next fiscal year.

A Regional Community Addiction Prevention and Promotion Fund was established to support community groups in their efforts to enhance addiction prevention. This fund, along with funding distributed by the Regional Wellness Coalition, was extremely beneficial in supporting community capacity building.

The PARTY (Preventing Alcohol and Risk Related Trauma in Youth) was delivered to six high schools in the region.

Western Health staff, working with the University of Victoria British Columbia, completed a research study to identify strategies to enhance the success of smoke free environment policies. Implementation of recommendations from the research study began, including recommendations related to policy implementation in long term care and nicotine replacement therapies.



As part of Western Health's strategic goal to support healthy aging, local age friendly working groups were established in Corner Brook, Stephenville/Stephenville Crossing and Port aux Basques. The initial objective of these local groups was to respond to local needs with respect to planning for seniors month activities.

Western Health was involved in the development of a needs assessment lead by the Federation of Newfoundland Indians to identify the health needs of off reserve Mi'kmaq Indians. The needs assessment will guide planning to address aboriginal health needs beyond 2010.

Improving population health continued to be a focus for education and training on various topics including addictions, eating disorders, cervical screening, early learning, healthy living, sexual health and autism. In an interesting approach to public education, the waiting rooms in the emergency departments at Sir Thomas Roddick Hospital and Western Memorial Regional Hospital were equipped with television monitors that showed health promotion and patient safety videos.

### ***Strengthening Public Health Capacity***

Without question, the most significant public health event facing the country and the world for some time was the threat presented by the H1N1 Pandemic Influenza. As a priority issue for communicable disease surveillance and health emergency planning, Western Health devoted significant resources to planning and response in 2009-2010. Throughout the region, Western Health officials, local municipalities, school board officials, church groups, community volunteers and others worked together to respond to this public health event through the planning and delivery of a mass immunization campaign, flu assessment, acute/critical care and public awareness. The mass immunization campaign alone saw the entire community of services within Western Health, together with the Department of Health and Community Services, external agencies and additional temporary resources, work together through months of planning leading up to the roll out of the regional mass immunization campaign that responded to unanticipated concerns with vaccine supply. Overall, the mass immunization campaign was seen as a successful event: over 70 per cent of the population in the Western region was vaccinated and 87 per cent of employees were vaccinated.

In addition to employee vaccination, Western Health's respiratory protection program demonstrated organizational commitment to staff safety. A shortage in the supply of personal protective respirators, identified during planning for the H1N1 Pandemic Influenza, required Western Health to Fit Test employees for another respirator. In approximately two months, 90 per cent of priority employees were Fit Tested. By March 31, 2010, 93 per cent of all employees at Western Health were successfully



Fit Tested for a respirator.

Preparation for H1N1 Pandemic Influenza also required significant planning for critical care and emergency departments in order to ensure space, equipment and personnel would be available. Many former intensive care nurses participated in knowledge and skills refresher training to prepare them to work with current nurses in critical care, if they were needed. Western Health purchased six mechanical ventilators with modes suitable for ventilating critically ill patients from small children to adults. The organization also purchased six transport ventilators for Western Memorial Regional Hospital, Sir Thomas Roddick Hospital, Dr. Charles L. LeGrow Health Centre, Calder Health Centre, Rufus Guinchard Health Centre and Bonne Bay Health Centre to facilitate patient transport within the region or province. Other respiratory equipment purchases included oxygen flowmeters, regulators, suctioning equipment and pulse oximeters. Respiratory therapy staff provided educational sessions and telephone consultations to support staff with concerns regarding various practices and equipment. As an unexpected outcome, H1N1 Pandemic Influenza planning and operations also stimulated improved reorganization of processes that enhanced our compliance with best practice guidelines for infection control in hemodialysis units: a new buttonhole needling procedure was implemented to enhance longevity of access sites and lessen access related complications. Two staff will do a poster presentation on this topic at a national nephrology convention in the next fiscal year.

Beyond the H1N1 mass immunization campaign, the entire vaccination program in Western Health continued to be successful. Although the number of clients accessing the international travel vaccination program decreased slightly to 1,949 individuals (as compared to 2,077 in 2008-2009), the number of vaccinations given to these clients increased to 2,656. Ninety-eight point nine per cent (98.9 per cent ) of two year olds received four doses and 97.8 per cent of kindergarten students received the additional one dose of the DaPTP/Hib vaccine (against diphtheria, pertussis, tetanus, polio and haemophilus influenza type B) last year. Finally, 86 per cent of grade six students and 91 per cent of grade 9 students received the HPV vaccine.

Western Health's commitment to environmental health was recognized during Waste Reduction Week as the Multi Materials Stewardship Board (MMSB) named Western Health as a Community Hero for its many green initiatives.



### ***Improving Accessibility to Priority Services***

Access to community based mental health and addictions services was improved with the introduction of the Assertive Community Treatment team in the Corner Brook/Deer Lake/Bay of Islands area. In 2009-2010, Western Health hired a mental health worker, a peer support specialist and a case management nurse to complete the nine full time equivalent positions comprising the team. This interdisciplinary team provided intensive intervention to clients with severe and persistent mental illness.

In response to waitlist concerns, the provincial addictions inpatient facility Humberwood increased its beds from 10 to 11 and also introduced nicotine replacement therapy to support programming.

The recruitment of a regular emergency physician at Sir Thomas Roddick Hospital and the nurse practitioner at Western Memorial Regional Hospital had a positive impact on access to appropriate primary health services. The nurse practitioner worked to improve patient flow for Canadian Triage Acuity Standards (CTAS) level four and five patients during the day shift Monday to Friday, through decreased wait times for these less acute patients and ultimately improved patient satisfaction. As well, major renovations at Western Memorial Regional Hospital emergency department resulted in improvements in the service and work environment. For example, treatment spaces and the resuscitation room were redesigned with glass doors allowing better visibility from the central station thereby enhancing patient safety. In addition, the department now has a "negative air pressure room." This prevented contaminated air from escaping the room. The creation of a new and larger central station allowed for a more organized work area for nurses, physicians, specialists and other providers.

Working in collaboration with Telehealth, Nutrition Services successfully delivered clinical nutrition services to clients in the Port Saunders area. After almost a year without dietitian services to the area, Telehealth facilitated the provision of services from Bonne Bay Health Centre.

Through the Acute Care Replacement program, Western Health has been successful in implementing a Home Intravenous (IV) Chemotherapy program for colorectal cancer patients who meet the eligibility criteria. Previously initiated in the Corner Brook, Bay of Islands and Pasadena areas, in 2009-2010, this program was expanded to Stephenville, Stephenville Crossing, Piccadilly and Port aux Basques. Also with respect to improving access to home care services, the provision of negative pressure wound therapy continued successfully in the community.

In partnership with the Department of Health and Community Services, program changes supported



improved access to long term care and support services. These changes included: funding for 14 new personal care home subsidies; changed policy direction to enable the transfer of portable personal care home subsidies across regions, increased access to the special assistance program and the introduction of an income based financial assessment process for home support and the special assistance program. Changes in the assessment process resulted in 12 per cent (111 cases) increase in the number of new people accessing home support in 2009-2010. Increased efforts to recruit alternate family care homes in the region resulted in the recruitment of four new homes bringing the total number of alternate family care homes in the Western region to 53.

A qualitative and quantitative study designed to evaluate components of the Protective Community Residences was continued. The Protective Community Residences - an enhanced assisted living environment for individuals with mild to moderate dementia - was officially opened by the Department of Health and Community Services and the Honorable Danny Williams, Premier, in September 2009.

Through a partnership between Child, Youth and Family Services and the Bay St. George Youth Assessment Centre, residential options were expanded for youth receiving child, youth and family services who require a structured, supportive environment. Traditionally, the Bay St. George Youth Assessment Centre provided services to youth involved in the youth corrections program.

Supporting access to quality early learning and child care continued to be a priority. Parenting programs continued to be offered throughout the Western region including Strengthening Families, Parenting Adolescents and Parenting Young Children. A parenting committee was established to better coordinate and monitor efforts.

In July 2009, severe water damage in the lower level of Western Memorial Regional Hospital resulted in the relocation of Out-Patient Blood Collection Services to the Western Health Medical Clinic. Because of the positive feedback from clients and staff on ease of access, as well as the benefits to infection control during the H1N1 Pandemic Influenza and other outbreaks, the move was made permanent.

Capital equipment replacement in 2009-2010, continued to support enhanced access, patient safety, quality management and staff safety. With the support of the Department of Health and Community Services, the regional bed replacement and nursing in-patient equipment procurement programs continued. Funding was also received for the purchase a nuclear medicine camera, a medication dispensing system, laboratory automation equipment and X-ray equipment. Work was begun to address a number of occupational health and safety issues throughout the region including the



installation of a sprinkler system and replacement of a fire alarm system at Western Memorial Regional Hospital. As well, Western Health received \$500,000 for repairs and renovations to the cottages for seniors, adjacent to the Corner Brook Interfaith Home.

***Improving Accountability and Stability in the Delivery of Health and Community Services***

The Provincial Breast Screening Program received accredited status from the Canadian Association of Radiologists in January 2010, for the new digital mammography unit in Corner Brook. This continued to be a significant achievement in staff's commitment to achieving excellence. The decision of the Canadian Association of Radiologists, with respect to accreditation of Western Health's digital mammography units at Western Memorial Regional Hospital and Sir Thomas Roddick Hospital, is expected in May 2010.

Western Health continued to work with other regional health authorities and the Department of Health and Community Services to respond to the recommendations from the Commission of Inquiry on Hormone Receptor Testing (Cameron) report. On March 24, 2010, the Minister of Health and Community Services presented, to the House of Assembly, a report which detailed the progress on each of the 60 recommendations. Western Health completed work related to policies and training on disclosure and contacting the next of kin of deceased patients whose specimens were retested as part of the ER/PR review. Western Health made substantial progress with recommendations related to laboratory quality monitoring, external auditing, proficiency testing and/or performance appraisal of staff and continuing education of staff. Western Health initiated work related to multidisciplinary morbidity and mortality rounds, corrective actions to prevent laboratory occurrences and implementation of standard operating procedures for laboratory staff.



## Report on Performance

This section of the annual performance report will highlight Western Health's progress toward achievement of its mission and strategic goals in support of Government's strategic directions. The measure and indicators for the year two objectives will also be delineated.

### **Mission**

By March 31, 2011, Western Health will have integrated and coordinated programs and services, starting with priority areas, to address the population health needs of the Western region within financial resources.

### **Measure 1**

Programs and services are integrated and coordinated to address the population health needs of the Western region.

#### **INDICATORS**

Mechanism established for ongoing evaluation of community needs in the Western region.

#### **PROGRESS**

The mechanisms for ongoing evaluation of community needs include environmental scanning, strategic planning, evaluation and community health needs and resources assessment. Frameworks for each of these mechanisms were established and implemented.

In February 2009, *A Summary Report on the Community Health Needs and Resources Assessment Study of the Western Region* was completed in partnership with Memorial University of Newfoundland School of Nursing. The information from the study was shared with the public at the October 2009 Annual General Meeting.

From 2009 to 2010, the framework for community health needs and resources assessment was reviewed and revised to incorporate activities from the regional primary health care plan. Primary health care managers accepted responsibility for leading community assessments every three years to support the strategic planning cycle.



## INDICATORS

Improved access to programs and services starting with five key priority areas identified by federal and provincial ministers.

## PROGRESS

Western Health identified and implemented strategies for improving access in four of the priority areas identified by the federal and provincial ministers: joint replacement (hip and knee replacement and hip fixation); vision restoration (cataract surgery); cancer surgery and diagnostic imaging. One priority area, cardiac surgery, is a tertiary service not provided by Western Health.

The strategies for improving access were implemented in each of the four (of the five) priority areas and included utilization monitoring protocols to assess appropriate utilization and reviewing resource requirements. In keeping with provincially standard definitions, Western Health tracked wait time data related to the four priority areas and reported it quarterly to the Department of Health and Community Services. Our performance was measured against national benchmarks established for joint replacement and vision restoration.

For the first three quarters of 2009 to 2010, median wait times for joint replacement decreased from the previous year and continued to remain lower than the national benchmarks. The median wait time for vision restoration increased slightly in the first three quarters of 2009 to 2010, up to 43 days (up from 39 days in 2008 to 2009), but continued to remain below the national benchmark of 112 days. Median wait times for cancer surgery remained low. National benchmarks for cancer surgery median wait times were not established.

Information from wait time measurement and utilization monitoring, initiated a review of the resource requirements to increase capacity in diagnostic imaging. Implemented changes included expanded hours of work and/or new equipment. Access to computerized tomography improved as the median wait time decreased from 101 days (in 2006-2007) to six days (in 2009-2010). Median wait times for other non-urgent diagnostic imaging (magnetic resonance imaging and ultrasound) remained over the provincial benchmark of 30 days.

In preparation for immunization,  
please remove outerwear and roll  
up your sleeve. Thank you.

## INDICATORS

The development of a Regional Health Services Plan, in keeping with the foundational components developed by Department of Health and Community Services.

Implementation of components of a Regional Health Services Plan:

(a) Integration of services based on current needs and fiscal resources within priority areas within community based services to Children and Youth: (i) A framework is in place for community-based services to children and youth; (ii) Initiated program and service changes to reflect coordination;

## PROGRESS

Western Health developed its regional health services plan in the priority areas for integration of community based programs for children and youth, priority areas for integration of community based and acute care mental health and addictions services, access to priority services and priority areas of the provincial framework for primary health care. Development of the regional health services plan to support priority areas of the provincial healthy aging framework and chronic disease prevention and management was continued.

Western Health initiated implementation of components of its regional health services plan.

With respect to priority areas for integration of community based programs for children and youth, Western Health consolidated information from a literature review and stakeholder consultation process to identify three priority areas for integration: education and support standards for prenatal, birth and early parenting; healthy beginnings long term follow up; and child protection services. The Model for the Coordination of Services to Children and Youth served as the framework to support integration of services. Three integration committees developed action plans, in the identified priority areas, to support policy development, orientation/training and collaborative practice. Implementation of the action plans was initiated. Some examples of program and service changes that reflect coordination include: the initiation of training events for staff in community based and secondary services to support consistent application of the standards guiding pregnancy, birth and early parenting education and support; the introduction of a new prenatal assessment tool to address gaps in the referral process from physicians and nurse practitioners to public/community health nurses; the formation of a parenting committee to coordinate and monitor the delivery of parenting programs; and, through a partnership with the Bay St. George Youth Assessment Centre, expanded residential options for youth receiving



## INDICATORS

*(continued from previous section)*

(b) Integration of priority areas of community based and acute care mental health and addiction services: (i) A framework is in place for mental health and addiction services; (ii) Initiated program and service changes to reflect coordination;

## PROGRESS

Child, Youth and Family Services who require a structured supportive environment.

In 2009, the Government of Newfoundland and Labrador announced the creation of a new Department of Child, Youth and Family Services. Provincial and regional activities, to facilitate the transfer of programs, services and resources from Western Health to the new Department were initiated. Western Health will be the first region to complete this planned transfer, with the transition process scheduled to begin June 2010. The creation on a new Department of Child, Youth and Family Services will necessitate the review and revision of the action plan to support policy development, orientation/training and collaborative practice in the priority area of child protection services.

With respect to priority areas for integration of community based and acute care mental health and addictions services, Western Health consolidated information from a literature review and stakeholder consultation process to identify priority areas for integration. The summary report "Enhancing Services: The integration of Acute and Community Mental Health and Addiction Services" served as the framework to support integration of services. An integration working group developed the action plan to support enhanced coordination of services from acute to community based care, improved coordination of services to high risk families in receipt of child protection services and the integration of the health promotion framework. Implementation of the action plan was initiated. Some examples of program and service changes that reflect coordination include: the introduction of a mental health/emergency room liaison nurse position to assess and direct mental health and addictions emergencies; the introduction of intake/consultation services to inpatients at Port Saunders and Norris Point rural health centres; the introduction of the Assertive Community Treatment team in the Corner



## INDICATORS

*(continued from previous section)*

(c) Implementation of priority areas within regional primary health care plan in keeping with the Provincial Framework for Primary Health Care;

## PROGRESS

Brook, Bay of Islands, Deer Lake area to provide intensive intervention to clients with severe and persistent mental illness.

The regional primary health care management committee developed a plan for the expansion of primary health care for the region, building upon the provincial primary health care framework. At the end of 2008-2009, in keeping with the action plan, primary health care teams were established in six of the seven primary health care team areas: Bonne Bay, Port Saunders, Deer Lake/White Bay, Corner Brook, Burgeo and Port aux Basques areas. In 2009-2010, maintenance of the primary health care team in Burgeo was challenged by staff vacancies and meeting logistics. In 2009-2010, the community needs assessments for the Burgeo and Bay St. George areas were completed; formalization of the primary health care teams, in these areas, will be required. Four community advisory councils facilitated public participation in primary health care team areas of Bonne Bay, Port aux Basques, Deer Lake/White Bay and Port Saunders.

A nurse practitioner position was established in the Deer Lake/White Bay area to impact positively on the access to primary care. The establishment of weekly pap test clinics in Deer Lake was one outcome of this position. The regional Telehealth program was launched to improve access to, and/or coordination of, services in rural areas. The Bonne Bay and Port Saunders primary health care teams received funding for a Vial of LIFE project.

In addition to the staff and leadership development modules, a primary health care introduction session was incorporated into general orientation to facilitate staff development.



## INDICATORS

(d) Improved access to programs and services starting with five key priority areas identified by federal and provincial ministers;

(e) Devolution of programs and services identified by the Department of Health and Community Services to Western Health;

(f) Development of a Health Promotion Framework;

(g) Implemented programs and services supporting the provincial Healthy Aging Framework in priority areas;

(h) Implemented chronic disease management and prevention model in priority areas.

## PROGRESS

Progress on this indicator was discussed previously.

Western Health worked with the Department of Health and Community Services to complete the devolution of the following programs and services: emergency medical services, transition house, family resource centres, family child care agency, school childcare project, community youth network, youth correction group homes and residential group homes. Service agreements, to guide devolved services, were completed.

The Health Promotion Framework was approved and implementation initiated.

An environmental scan to identify the health service needs of the aging population within the Western region was completed. A plan that supported the Provincial Healthy Aging Framework was developed for implementation in priority areas. This work set the foundation for the implementation of programs and services supporting the Healthy Aging Framework in priority areas.

A chronic disease prevention and management model was approved. The implementation plan for the chronic disease prevention and management model was developed for priority areas. This work set the foundation for the implementation of a model in priority areas.



**Measure 2**

Programs and services are provided within financial resources.

INDICATORS	PROGRESS
<p>Financial Plan, is developed in consultation with the Department of Health and Community Services, to achieve an operating budget up to the level of expected revenues, and outlines implications for service delivery.</p>	<p>The financial plan was developed in consultation with the Department of Health and Community Services in keeping with the indicator.</p>
<p>Financial Plan is implemented.</p>	<p>The financial plan was implemented.</p>
<p>Programs and service indicators are developed and reported on a regular basis to the Board including provincial or national benchmarks where available and targets.</p>	<p>The balanced scorecard provided the framework for indicator development and reporting on a regular basis to the Board. The balanced scorecard approach supported performance measurement in four areas: how we strengthen our relationship with the client/community, if we provide services in the best possible way considering evolving knowledge and benchmarks, if we achieve desired benefits for clients cost effectively and how we provide a work atmosphere conducive to excellence.</p>
<p>A plan is developed to address the organization’s operating deficit that outlines implications for service delivery.</p>	<p>A plan was developed and implemented. The plan included the identification of the need for additional financial resources, the implementation of utilization efficiency measures and agreement, with the Department of Health and Community Services, on the operational plan. A balanced operating budget was achieved for four of the past five fiscal years. The accumulated operating deficit was reduced from \$31 million to \$20 million.</p>



### **Strategic Issue One: Healthy Aging**

Western Health recognizes that the population of the Western region has declined by nearly 11 per cent from 1996 to 2001 (the second largest decline in the province), while the segment of the region's total population over age 65 actually increased nine per cent during the same period. The proportion of population aged 65 and older is marginally greater in the Western region (13.1 per cent) when compared to the provincial proportion (12.3 per cent). It is predicted that within 10 years, 20 per cent of Newfoundland's residents will be over the age of 65. In 2007, 13.9 per cent of the population in Newfoundland and Labrador were aged 65 and older (data compiled by the Community Accounts Unit based upon information from the Census of Population 1986, 1991, 1996 and 2001, Statistics Canada). In 2004, 37 per cent of all admissions to Western Health facilities were aged 65 and older. In June 2007, the province released its healthy aging policy framework. The document outlines the key issues and strategic directions that will prepare the province to respond to the needs of seniors now and in the future. In keeping with Government's strategic direction to improve population health, supporting healthy aging and a culture of respect for older adults through the development of a plan for the implementation of the provincial framework is a strategic issue for Western Health.

### **Strategic Goal One**

By March 31, 2011, Western Health will have implemented programs and services which support the Provincial Healthy Aging Framework to meet the needs of the aging population of the Western region.

### **Objective Year One (2008-2009)**

By March 31, 2009, Western Health will have identified the health service needs of the aging population within the Western region.

### **Measure Year One (2008-2009)**

Needs of the aging population identified.

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#### **INDICATORS FOR THE 2008-2009 OBJECTIVE**

Environmental scan completed.

#### **ACCOMPLISHMENTS**

In keeping with the directions of the Provincial Healthy Aging Framework to respond to the identified needs of seniors now and in the future, an environmental scan of Western Health strengths and opportunities for improvement was completed.



**Objective Year Two (2009-2010)**

By March 31, 2010, Western Health will develop a plan which supports the Provincial Healthy Aging Framework to meet the health services needs of the aging population in the Western region.

**Measure Year Two (2009-2010)**

A plan is developed.

**INDICATORS FOR THE 2009-2010 OBJECTIVE**

A plan with an evaluation component and a communication strategy is developed.

The Provincial Healthy Aging Framework is supported.

**ACCOMPLISHMENTS**

In keeping with the directions of the Provincial Healthy Aging Framework to respond to the identified needs of seniors now and in the future and Western Health's environmental scan of strengths and opportunities for improvement, a plan was developed. Development of the evaluation component and communication strategy was initiated but not completed. This variance occurred as a result of vacancies in positions with responsibility for the timely completion of these components. Development of the evaluation component and communication strategy will be completed in year three.

The Provincial Healthy Aging Framework was supported in the following priority directions: Recognition of Older Persons; Supportive Communities and Health and Well Being.

**Measure Goal One (2008-2011)**

Implemented programs and services.

**INDICATORS FOR THE 2008-2011 GOAL**

Implemented programs and services in priority areas of the Framework.

**PROGRESS IN YEAR TWO OF THREE**

Considering information from the completed environmental scan, priority areas were identified in year one. The plan for implementation in the priority areas was developed in year two. This progress in years one and two kept us on target for achievement of our three year plan.



## **Discussion of Results**

A regional advisory committee was established with membership linkages to the provincial division of aging and seniors. In 2008-2009, an environmental scan of Western Health programs and services was completed. This scan identified strengths and opportunities with respect to our support of healthy aging and/or a culture of respect for older adults, in keeping with the directions of the Provincial Healthy Aging Framework. Priorities for improvement were identified in two areas: (i) promoting an age friendly culture and (ii) implementing best practices in the care of seniors with respect to dementia, medication use and challenging behaviours. In 2009-2010, a plan was developed to meet the health services needs of the aging population in the Western region in the priority areas.

To promote an age friendly culture, a regional working group established work plans to support: (i) screening of older adults upon admission to acute care and interventions to prevent decline; (ii) provider education and (iii) seniors' recognition. In keeping with the Recognition of Older Persons direction of the Provincial Healthy Aging Framework, Western Health participated in a poster awareness campaign to promote positive images with regard to aging, supported the Seniors of Distinction Awards campaign, utilized the provincial materials related to application of an age friendly lens in the development of screening tools and facilitated local working groups planning for seniors month.

To implement best practices in the care of seniors with respect to dementia, medication use and challenging behaviours, working groups identified key areas in dementia care, drafted policy to guide medication reviews and planned for the implementation of the P.I.E.C.E.S. (physical, intellectual, emotional, capabilities, environment, social) approach to care for challenging behaviours. In keeping with the Supportive Communities direction of the Provincial Healthy Aging Framework, Western Health opened the third protective community residence providing supportive housing and care to people with mild to moderate dementia. Research to evaluate satisfaction and quality of care in the protective community residences was continued.

Additional to the priority areas, Western Health supported the Provincial Healthy Aging Framework's Health and Well Being direction through: implementation of the income based financial assessment for home support and the special assistance program which helped more senior clients to be eligible for these programs; initiation of implementation of a fall prevention program in long term care facilities and development of an implementation plan for a chronic disease management and prevention model in priority areas.

This work set the foundation for implementation in priority areas, to help ensure that our programs



and services support healthy aging, in keeping with the Provincial Healthy Aging Framework.

**Objective Year Three (2010-2011)**

By March 31, 2011, Western Health will have implemented a plan which supports the Provincial Healthy Aging Framework in priority areas.

**Measure Year Two (2010-2011)**

A plan is implemented.

**Indicators Year Three (2010-2011)**

- A plan with an evaluation component and a communication strategy is developed.
- A plan is implemented in priority areas.
- The Provincial Healthy Aging Framework is supported.



**Strategic Issue Two: Chronic Disease Prevention and Management**

The incidence of chronic diseases especially diabetes, heart disease and some cancers contribute to poorer health outcomes for residents of Newfoundland and Labrador. In the Western region, the percentage of the population aged 12 years and older, with diabetes, rose from 5.8 per cent in 2003 to 7.6 per cent in 2005 (Canadian Community Health Survey, 2003 and 2005). The 2005 western regional mortality rate (per 100,000 population) for stroke was 48.4 as compared to 37.0 nationally. In 2003, the leading causes of death for the province and regional integrated health authorities were diseases of the circulatory system and cancer (Mortality Statistics Newfoundland and Labrador Regional Integrated Health Authorities, 2000-2004). The incidences of the chronic diseases such as diabetes, heart disease, and cancer, may be attributable to unhealthy behaviors and health practices. The Canadian Community Health Survey in 2005 reported that 24.9 per cent of the population aged 12 years and older reported that they were occasional smokers, 41.9 per cent of the population aged 18 years and older reported that they were overweight, 23.6 per cent of the population aged 20 to 64 years reported that they were obese. To support Government's strategic direction of improving population health, strengthening chronic disease prevention and management through the implementation of an integrated chronic disease prevention and management model is a strategic issue for Western Health.

**Strategic Goal Two**

By March 31, 2011, Western Health will have enhanced service delivery to support chronic disease prevention and management.

**Objective Year One (2008-2009)**

By March 31, 2009, Western Health will have approved a chronic disease prevention and management model.

**Measure Year One (2008-2009)**

Board approved model.

INDICATORS FOR THE 2008-2009 OBJECTIVE	ACCOMPLISHMENTS
Chronic disease prevention and management model with priority action areas.	Chronic disease prevention and management model with identified priority action areas was approved by the Board of Trustees. The three priority areas for action included:



**INDICATORS FOR THE 2008-2009 OBJECTIVE**

**ACCOMPLISHMENTS**

*(continued from previous section)*

- (i) diabetes prevention and management;
- (ii) heart and stroke prevention and management;
- (iii) cervical cancer prevention and management.

**Objective Year Two (2009-2010)**

By March 31, 2010, Western Health will have developed an implementation plan for a chronic disease management and prevention model in priority areas.

**Measure Year Two (2009-2010)**

A plan for implementation in priority areas is developed.

**INDICATORS FOR THE 2009-2010 OBJECTIVE**

**ACCOMPLISHMENTS**

The implementation plan for the chronic disease management and prevention model in priority areas is developed.

The implementation plan for the chronic disease prevention and management model was developed for the three priority areas for action:

- (i) diabetes prevention and management;
- (ii) heart and stroke prevention and management;
- (iii) cervical cancer prevention and management.

The implementation plan is developed with an evaluation component and a communication strategy.

The implementation plan included an evaluation component for each of the priority areas and a communication strategy.

**Measure Goal Two (2008-2011)**

Enhanced service delivery.

**INDICATORS FOR THE 2008-2011 GOAL**

**PROGRESS IN YEAR TWO OF THREE**

Implemented a chronic disease prevention and management model in priority areas.

In year one, the model was approved and three priority areas were identified. The process to identify strengths and gaps with current service provision was initiated. In year two, the implementation plan for the model, in the priority areas was developed. This progress kept us on target for achievement of our three year plan.



### **Discussion of Results**

A regional advisory committee led the review of best practices and current service activities in the Western region. Linkages with the policy and planning division of the Department of Health and Community Services were initiated to ensure that model development proceeded in keeping with provincial directions. Western Health's chronic disease prevention and management model was approved. The model was based upon V. J. Barr's (2003) expanded chronic care model which integrated concepts and strategies from population health promotion including the role of social determinants of health. The three priority areas for action were identified; they included diabetes, heart and stroke, and cervical cancer prevention and management. Linkages with regional and/or provincial initiatives supporting chronic disease prevention and management in each of the priority areas were established. The regional advisory committee initiated the process to identify strengths, gaps and strategies for improvement with respect to regional programs and services that support chronic disease prevention and management in the three priority areas. In consultation with stakeholders, the regional advisory committee identified the need for six working groups to develop work plans to support implementation of the model in priority areas. The six working groups include the following: (i) self management; (ii) measuring and monitoring; (iii) heart health; (iv) organized stroke care; (v) diabetes health and (vi) cervical cancer care. The development of detailed work plans set the foundation for implementation in priority areas, to help enhance service delivery to support chronic disease prevention and management.

### **Objective Year Three (2010-2011)**

By March 31, 2011, Western Health will have implemented a chronic disease management and prevention model in priority areas.

### **Measure Year Two (2010-2011)**

A model is implemented.

### **Indicators Year Three (2010-2011)**

- A chronic disease prevention and management model is implemented in priority areas.



### **Strategic Issue Three: Patient Safety**

In Canada, the emphasis on patient safety increased with the Canadian Adverse Events Study: The Incidence of Adverse Events Among Hospital Patients in Canada (Baker et al. 2004). In Newfoundland and Labrador, the Commission of Inquiry on Hormone Receptor Testing (Cameron) report provided additional emphasis on patient safety (2009). Following the Canadian Adverse Events Study, the National Steering Committee on Patient Safety presented a national strategy on patient safety. In support of the strategy, Western Health defines patient safety as: the reduction and mitigation of unsafe acts within the health care system, as well as through the use of best practices shown to lead to optimal patient outcomes (The Canadian Patient Safety Dictionary, October 2006). Western Health recognizes this definition and is committed to the following: (a) creating a culture that supports the identification and reporting of unsafe acts; (b) effective measurement of client/patient/resident injuries and other relevant outcome indicators; (c) tools for developing or adapting structures and processes to reduce reliance on individual vigilance. In keeping with Government's strategic direction of improving accountability and stability in the delivery of the health and community services, the development, implementation and evaluation of priority initiatives, in a patient safety work plan, to enable a culture of safety is a strategic issue for Western Health.

### **Strategic Goal Three**

By March 31, 2011, Western Health will have implemented priority initiatives in a patient safety work plan for improved performance outcomes.

### **Objective Year One (2008-2009)**

By March 31, 2009, Western Health will have identified the components of a patient safety work plan.

### **Measure Year One (2008-2009)**

Components of the work plan identified.

<b>INDICATORS FOR THE 2008-2009 OBJECTIVE</b>	<b>ACCOMPLISHMENTS</b>
Completed literature review.	Literature review of patient safety programs and services was completed. Key themes were presented to the patient safety advisory committee January 2009.
Completed regional environmental scan.	Environmental scan of regional patient safety programs and services was completed November 2008.



**INDICATORS FOR THE 2008-2009 OBJECTIVE**

Identified components of a patient safety work plan.

**ACCOMPLISHMENTS**

Components of a patient safety work plan were identified. The components included fostering a culture of safety; identifying patient safety priorities and monitoring priority initiatives through effective measurement of performance indicators; facilitating a coordinated approach to patient safety; facilitating the implementation of information technology to support patient safety and enhancing public awareness related to patient safety.

**Objective Year Two (2009-2010)**

By March 31, 2010, Western Health will have developed and implemented a consultative process for identifying and prioritizing the components of a patient safety work plan.

**Measure Year Two (2009-2010)**

Consultative process implemented.

**INDICATORS FOR THE 2009-2010 OBJECTIVE**

Implemented processes for stakeholder involvement.

**ACCOMPLISHMENTS**

The regional patient safety advisory committee identified key stakeholders and implemented the mechanisms for stakeholder involvement.

Priority components of patient safety work plan identified.

Priority components of a patient safety work plan for 2009-2010 were identified and implementation initiated.

**Measure Goal Three (2008-2011)**

Implementation of priority initiatives in a patient safety work plan.

**INDICATORS FOR THE 2008-2011 GOAL**

Established processes for stakeholder involvement.

**PROGRESS IN YEAR TWO OF THREE**

The regional patient safety advisory committee established and implemented processes for stakeholder involvement.

Completed environmental scan.

Environmental scan was completed.



**INDICATORS FOR THE 2008-2011 GOAL**

**PROGRESS IN YEAR TWO OF THREE**

Implemented initiatives to address the priority components of a patient safety work plan.

Priority components of a patient safety work plan for 2009-2010 were identified by the regional advisory committee. The implementation of initiatives to address priority components began and will continue in year three (2010-2011). This progress in year two kept us on target for achievement of our three year plan.

Regional processes for reporting, analyzing and evaluating patient safety performance outcomes.

Regional processes for quarterly reporting and analysis of patient safety performance indicators, initiated in year one, were continued in year two. Quarterly reports were shared with staff, management and the Board of Trustees. This progress in year two kept us on target for achievement of our three year plan.

Improved performance outcomes related to the initiatives.

The implementation of initiatives to address priority components began and will continue in year three (2010-2011). Quarterly reporting of patient safety performance indicators was continued to facilitate the determination of improvement. This progress in year two kept us on target for achievement of our three year plan.

**Discussion of Results**

A regional patient safety advisory committee met to lead, support and/or facilitate the ongoing development, implementation and evaluation of the patient safety program including establishing an annual work plan and indicator monitoring process. Following the completion of an environmental scan of current patient safety programs, consideration of recommendations from the Task Force on Adverse Health Events and a comparative discussion on the key themes in patient safety from the literature review, components of an annual work plan were identified. In year two, the components of the work plan were shared with the patient safety advisory committee for approval and prioritization. The approved components included:

- (a) fostering a culture of safety through leadership walkabouts, enhanced reporting of patient safety information, education and support for prospective analysis;
- (b) identifying patient safety priorities and monitoring priority initiatives through effective measurement of performance indicators including occurrences;



- (c) facilitating a coordinated approach to patient safety priority initiatives in the areas of (i) medication safety, (ii) falls prevention, (iii) improved care for acute myocardial infarction and (iv) prevention of surgical site infection;
- (d) facilitating the implementation of information technology to support patient safety;
- (e) enhancing public awareness related to patient safety.

Implementation of the work plan started in 2009-2010.

The Patient Safety Advisory Committee identified key stakeholders and the mechanisms for stakeholder participation in the consultative process. Through a review of its terms of reference, the Patient Safety Advisory Committee reconfirmed its role in the consultative process for identifying and prioritizing components of the patient safety work plan. This review also identified gaps in committee membership which did not support full stakeholder participation in the consultative process. This issue was addressed with the addition of members from identified program areas to support full stakeholder participation.

#### **Objective Year Three (2010-2011)**

By March 31, 2011, Western Health will have implemented priority initiatives of a patient safety work plan.

#### **Measure Year Two (2010-2011)**

Priority initiatives are implemented.

#### **Indicators Year Three (2010-2011)**

- Priority initiatives of a patient safety work plan are implemented.



## **Opportunities and Challenges ahead for Western Health**

### **New Acute Care Facility**

Western Health continued to partner with the Department of Transportation and Works and the Department of Health and Community Services to plan for the construction of a new acute care facility for the Western region to be located and built in Corner Brook. A consulting firm has completed the needs assessment and master program for the new facility. The functional program document will be developed in the coming months. The site of the new facility, at the top of Wheeler's Road, off the Lewin Parkway, was selected and formally announced in September 2009.

### **New Long Term Care Facility**

Construction of the new long term care facility in Corner Brook was completed in the past year and Western Health is working to finalize the building details. A move to the new facility is planned for early summer 2010. Several committees have been established to prepare and organize the move into the new building. All equipment purchases have been finalized and procurement is ongoing.

### **Child Youth and Family Services**

In the Provincial Budget 2009, Government announced the creation of a new department responsible for child, youth and family services in Newfoundland and Labrador. The coming year, staff will transition to the new department. Western Health has been identified as the first region to beginning this transition. In response to the challenge on transition, planning continues to ensure that the transition process is seamless for children and families requiring access to services and supports.

### **Accreditation 2010**

Work is ongoing to prepare for accreditation by Accreditation Canada in November 2010. Regional quality improvement teams and existing committees within Western Health have completed the self assessment process and are implementing action plans to address the identified areas of improvement prior to the accreditation visit. While the accreditation process offers an ongoing opportunity for continuous quality improvement, the significant revision of Accreditation Canada's approach to accreditation challenged Western Health's established framework and processes to prepare for an accreditation survey in 2010.

### **Green Team**

Western Health will continue to focus its efforts on reducing the organization's carbon footprint through the expansion of environmentally friendly activities. Western Health is working with its partners within the community to explore a sustainable hospitals policy which would promote a workplace environment that reduces environmental and occupational hazards while maintaining and promoting safe, quality health and community services for the people of the Western region.



### **Timely Access**

Recruitment and retention of qualified personnel, changing demands for service and information management technologies continued to present opportunities and challenges to timely access to some services. Managers and staff will continue to work to improve access in rehabilitative, residential, mental health and addictions and chronic disease prevention and management services.

### **Satellite Dialysis Unit for Port aux Basques**

The Provincial Budget 2010 announced funding for the establishment of a satellite dialysis unit in Port aux Basques. Planning is underway for the renovations, training of staff and implementation of this new program at Dr. Charles L. LeGrow Health Centre.

Western Health acknowledges the significant opportunities that come with planning for new health facilities and ways to provide service. We would like to acknowledge the significant additional efforts of staff required to move these new initiatives forward.



## **Financial Statements**

In keeping with the Transparency and Accountability Act, Western Health is pleased to share its audited financial statement for 2009-2010.



Financial Statements

Western Regional Health Authority

March 31, 2010

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## Auditors' report

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To the Board of Trustees  
Western Regional Health Authority

We have audited the statement of financial position of the Western Regional Health Authority as at March 31, 2010 and the statements of changes in deficiency, statement of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Corner Brook, Newfoundland and Labrador  
June 15, 2010

Chartered Accountants

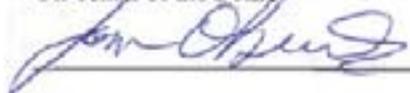
# Western Regional Health Authority

## Statement of financial position

March 31	2010	2009
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 851,658	\$ 160,069
Receivables (Note 4)	14,642,569	18,960,328
Inventory (Note 5)	5,224,088	3,512,510
Prepaid expenses	<u>6,807,514</u>	<u>5,934,819</u>
	27,525,829	28,567,726
Due from associated funds (Note 6)	725,950	775,487
Capital assets (Note 7)	68,561,950	63,179,552
Trust funds on deposit (Note 8)	543,725	490,343
Restricted cash and investments	<u>129,145</u>	<u>116,586</u>
	<u>\$ 97,486,599</u>	<u>\$ 93,129,694</u>
<b>Liabilities</b>		
Current		
Bank indebtedness (Note 9)	\$ 900,892	\$ 8,383,974
Payables and accruals	23,315,659	22,252,988
Deferred contributions – operating	5,980,913	4,205,265
Deferred contributions - capital	18,283,370	19,292,033
Vacation pay accrual	9,381,457	7,983,362
Current portion of severance pay accrual	1,500,000	1,500,000
Current portion of long term debt (Note 10)	<u>881,000</u>	<u>831,900</u>
	60,243,291	64,449,522
Severance pay accrual	26,916,001	24,361,378
Trust funds payable	543,725	490,343
Long term debt (Note 10)	3,482,848	4,363,818
Deferred contributions		
– unamortized portion of capital asset grants	<u>60,947,519</u>	<u>54,548,530</u>
	<u>152,133,384</u>	<u>148,213,591</u>
<b>Net assets (deficiency)</b>		
Net assets invested in capital assets	3,250,580	3,435,301
Restricted net assets, endowments	136,172	121,032
Unrestricted deficiency (Note 11)	<u>(58,033,537)</u>	<u>(58,640,230)</u>
	<u>(54,646,785)</u>	<u>(55,083,897)</u>
	<u>\$ 97,486,599</u>	<u>\$ 93,129,694</u>

Contingencies and commitments (Note 13)

On behalf of the Board

 Member

 Member

See accompanying notes to the financial statements.

## Western Regional Health Authority

### Statement of changes in deficiency

March 31

	2010	2009			
	Unrestricted	Capital	Endowments (Restricted)	Total	Total
Net assets (deficiency), Beginning of year	\$ (58,640,230)	\$ 3,435,301	\$ 121,032	\$ (55,083,897)	\$ (55,556,905)
Operating surplus	437,112	-	-	437,112	473,008
Principal repayment of long term debt	(173,650)	173,650	-	-	-
Principal repayment of capital lease	(658,220)	658,220	-	-	-
Restricted interest income	(15,140)	-	15,140	-	-
Amortization of capital assets					
Shareable	831,870	(831,870)	-	-	-
Non-shareable	6,834,728	(6,834,728)	-	-	-
Amortization of deferred capital asset grants	<u>(6,650,007)</u>	<u>6,650,007</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets (deficiency), end of year	<u>\$ (58,033,537)</u>	<u>\$ 3,250,580</u>	<u>\$ 136,172</u>	<u>\$ (54,646,785)</u>	<u>\$ (55,083,897)</u>

See accompanying notes to the financial statements.

# Western Regional Health Authority

## Statement of operations

Year ended March 31	2010	2009
Revenue		
Provincial plan	\$ 257,801,362	\$ 231,126,172
Other	<u>46,766,929</u>	<u>42,857,270</u>
	<u>304,568,291</u>	<u>273,983,442</u>
Expenditures		
Administration	23,224,356	21,618,344
Support services	53,353,298	50,374,684
Nursing inpatient services	73,275,739	67,638,434
Medical services	17,595,220	16,485,418
Ambulatory care services	20,870,643	18,971,431
Diagnostic and therapeutic services	28,438,599	26,074,640
Community and social services	74,114,397	62,953,065
Educational services	4,855,476	4,387,760
Undistributed	<u>3,434,142</u>	<u>1,974,934</u>
	<u>299,161,870</u>	<u>270,478,710</u>
Operating surplus before shareable amortization and non-shareable items	5,406,421	3,504,732
Shareable amortization	<u>831,870</u>	<u>785,841</u>
Operating surplus for government reporting before non-shareable items	<u>4,574,551</u>	<u>2,718,891</u>
Adjustments for non-shareable items		
Amortization expense	6,834,728	6,243,658
Accrued vacation expense – increase	1,398,095	315,510
Accrued severance expense – increase	2,554,623	1,727,861
Amortization of deferred capital equipment grants	<u>(6,650,007)</u>	<u>(6,041,146)</u>
	<u>4,137,439</u>	<u>2,245,883</u>
Surplus on operations	<u>\$ 437,112</u>	<u>\$ 473,008</u>

See accompanying notes to the financial statements.

# Western Regional Health Authority

## Statement of cash flows

Year ended March 31

2010

2009

Decrease in cash and cash equivalents

### Operating

Operating surplus	\$ 437,112	\$ 473,008
Increase in severance and vacation pay accrual	3,952,718	2,043,371
Amortization of capital assets – non-shareable	6,834,728	6,243,658
Amortization of capital assets – shareable	831,870	785,841
Amortization of capital asset grants	<u>(6,650,007)</u>	<u>(6,041,146)</u>

5,406,421 3,504,732

### Changes in

Receivables	4,317,759	(6,591,928)
Inventory	(1,711,578)	(148,658)
Prepaid expenses	(872,695)	(345,763)
Due from associated funds	49,537	(234,860)
Deferred contributions - operating	1,775,648	867,181
Payables and accruals	<u>1,062,671</u>	<u>(2,218,898)</u>

10,027,763 (5,168,194)

### Financing

Decrease in bank indebtedness	(7,483,082)	(5,313,099)
Capital contributions	12,040,333	20,214,016
Repayment of long term debt – operating	<u>(831,870)</u>	<u>(785,841)</u>

3,725,381 14,115,076

### Investing

Purchase of capital assets	(13,048,996)	(8,974,180)
(Increase) decrease in restricted cash and investments	<u>(12,559)</u>	<u>18,913</u>

(13,061,555) (8,955,267)

Net increase (decrease) in cash and cash equivalents 691,589 (8,385)

Cash and cash equivalents

Beginning of year 160,069 168,454

End of year \$ 851,658 \$ 160,069

See accompanying notes to the financial statements.

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# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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### 1. Nature of operations

The Western Regional Health Authority (“Western Health”) is constituted under the Regional Health Authority’s Act (formerly known as the Hospital’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.

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### 2. Summary of significant accounting policies

#### **Basis of presentation**

These financial statements include the assets, liabilities, revenues, and expenditures of the operating, capital, and endowment funds.

#### **Fund accounting**

The Authority applies fund accounting principles in recording its financial transactions in the operating fund or net investment in capital assets.

The operating fund contains all the operating assets, liabilities, revenue and expenditures of the Authority related to the provision of health care services. The assets of the operating fund are available for the satisfaction of debts, contingent liabilities and commitments of the Authority.

The net investment in capital assets represents assets purchased with the operating fund.

#### **Use of estimates**

In preparing Western Health’s financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, and reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

#### **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.

#### **Inventory**

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

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# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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

#### 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 acquired after January 1, 1996 are recorded at cost. Assets are not amortized until placed in use. Assets that are acquired through long term borrowing are amortized at an amount equal to the annual principal repayment of the debt obligation. The remaining assets in use are amortized on a declining balance basis at the following rates:

Land improvements	2 1/2%
Buildings	6 1/4%
Parking lot	6 1/4%
Equipment	15%
Equipment under capital lease	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.

#### Severance and vacation pay liability

An accrued liability for severance and vacation pay is recorded in the accounts for all employees who have a vested right to receive such payments. Severance pay vests after nine years of continuous service and no provision has been made for employees with less than nine years of service.

#### 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.

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# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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

#### **Revenue recognition**

Provincial plan revenue is recognized in the period in which entitlement arises. Revenue received for a future period is deferred until that future period and is reflected as deferred contributions - operating.

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

Capital contributions expended are recorded as deferred contributions and amortized to income on a declining balance basis using the same rates as depreciation expense related to the capital assets purchased. Capital contributions expended for non-depreciable capital assets are recorded as direct increases in net assets. Non-expended capital contributions are deferred and are not amortized until expended.

Revenue from the sale of goods and services is recognized at the time the goods are delivered or the services are provided.

The Authority 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 the Authority. The annual contributions for pensions are recognized in the accounts on a current basis.

#### **Financial instruments**

Section 3855, "Financial Instruments - Recognition and Measurement", requires the Authority to revalue all of its financial assets and liabilities at fair value on the initial date of implementation and at each subsequent financial reporting date.

This standard also requires the Authority to classify financial assets and liabilities according to their characteristics and management's choices and intentions related thereto for the purposes of ongoing measurements. Classification choices for financial assets include: a) held for trading - measured at fair value with changes in fair value recorded in net earnings; b) held to maturity - recorded at amortized cost with gains and losses recognized in net earnings in the period that the asset is no longer recognized or impaired; c) available-for-sale - measured at fair value with changes in fair value recognized in net assets for the current period until realized through disposal or impairment; and d) loans and receivables - recorded at amortized cost with gains and losses recognized in net earnings in the period that the asset is no longer recognized or impaired.

# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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

#### Financial instruments (cont'd)

Classification choices for financial liabilities include: a) held for trading - measured at fair value with changes in fair value recorded in net earnings and b) other - measured at amortized cost with gains and losses recognized in net earnings in the period that the liability is no longer recognized.

Subsequent measurement for these assets and liabilities are based on either fair value or amortized cost using the effective interest method, depending upon their classification. Any financial asset or liability can be classified as held for trading as long as its fair value is reliably determinable.

In accordance with the standard, the Authority's financial assets and liabilities are generally classified and measured as follows:

<b>Asset/Liability</b>	<b>Classification</b>	<b>Measurement</b>
Cash and cash equivalents	Held for trading	Fair value
Receivables	Loans and receivables	Amortized cost
Due from associated funds	Loans and receivables	Amortized cost
Trust funds on deposit	Held for trading	Fair value
Restricted cash and investments	Held for trading	Fair value
Bank indebtedness	Held for trading	Fair value
Payables and accruals	Other liabilities	Amortized cost
Long term debt	Other liabilities	Amortized cost
Trust funds payable	Held for trading	Fair value

Other balance sheet accounts, such as inventory, prepaid expenses, capital assets, and deferred contributions are not within the scope of the accounting standards as they are not financial instruments.

Embedded derivatives are required to be separated and measured at fair values if certain criteria are met. Under an election permitted by the standard, management reviewed contracts entered into or modified subsequent to April 1, 2003 and determined that the Authority does not currently have any significant embedded derivatives in its contracts that require separate accounting treatment.

The fair value of a financial instrument is the estimated amount that the Authority would receive or pay to terminate the instrument agreement at the reporting date. To estimate the fair value of each type of financial instrument various market value data and other valuation techniques were used as appropriate. The fair values of cash approximated its carrying value.

# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

### 3. Control of not-for-profit entities

The Authority controls Gateway Apartments, Emile Benoit House & Units, Interfaith Home and Cottages, Bay St. George Cottages and LHC Cottages. These entities were established to provide housing to senior citizens.

The Authority is responsible for policy direction, distribution of operating funds and capital grants, and providing certain services to the homes, which are individually controlled.

The above not-for-profit entities have not been consolidated into the Authority's financial statements; however separate financial statements are available on request. Financial summaries of these non-consolidated entities as at March 31, 2010 and 2009 and for the years then ended are as follows:

	<u>2010</u>	<u>2009</u>
<b>Financial position</b>		
Total assets	\$ <u>7,661,881</u>	\$ <u>8,143,139</u>
Total liabilities	7,641,034	8,020,351
Total net assets	<u>20,847</u>	<u>122,788</u>
	<u>\$ 7,661,881</u>	<u>\$ 8,143,139</u>
<b>Results of operations</b>		
Total revenue	\$ 1,551,258	\$ 1,564,034
Total expenditures	1,590,757	1,649,658
Transfer from NLHC	<u>10,296</u>	<u>28,634</u>
Excess of expenditures over revenue	<u>\$ (29,203)</u>	<u>\$ (56,990)</u>
<b>Cash flows</b>		
Cash from operations	\$ 356,742	\$ 458,118
Cash used in financing and investing activities	<u>(405,716)</u>	<u>(376,783)</u>
(Decrease) increase in cash	<u>\$ (48,974)</u>	<u>\$ 81,335</u>

# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

<b>4. Receivables</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Province of Newfoundland and Labrador		
Capital contributions	\$ 669,945	\$ 6,380,434
Provincial plan	7,393,684	6,732,084
MCP	2,014,762	2,018,652
Patient services	1,224,515	1,448,758
Employees' pay and travel advances	477,178	498,706
Harmonized sales tax rebate	607,457	527,317
Other	<u>2,255,028</u>	<u>1,354,377</u>
	<b><u>\$ 14,642,569</u></b>	<b><u>\$ 18,960,328</u></b>

<b>5. Inventory</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Dietary	\$ 119,995	\$ 86,670
Pharmacy	1,776,457	1,491,295
Pandemic	991,235	-
Supplies	<u>2,336,401</u>	<u>1,934,545</u>
	<b><u>\$ 5,224,088</u></b>	<b><u>\$ 3,512,510</u></b>

<b>6. Due from associated funds</b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Cottages	\$ 677,958	\$ 727,985
Foundations	<u>47,992</u>	<u>47,502</u>
	<b><u>\$ 725,950</u></b>	<b><u>\$ 775,487</u></b>

Amounts due from associated funds are non-interest bearing with no set terms of repayment.

# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

### 7. Capital assets 2010

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 674,808	\$ -	\$ 674,808
Land improvements	435,091	238,608	196,483
Buildings	51,706,863	23,515,388	28,191,475
Parking lot	1,141,682	601,708	539,974
Equipment	96,276,411	58,880,730	37,395,681
Equipment under capital lease	7,162,767	5,922,756	1,240,011
Motor vehicles	944,842	649,628	295,214
Leasehold improvements	<u>232,458</u>	<u>204,154</u>	<u>28,304</u>
	<u>\$ 158,574,922</u>	<u>\$ 90,012,972</u>	<u>\$ 68,561,950</u>

2009

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 674,808	\$ -	\$ 674,808
Land improvements	435,091	233,572	201,519
Buildings	48,774,688	21,879,840	26,894,848
Parking lot	1,141,682	565,709	575,973
Equipment	86,159,590	53,659,626	32,499,964
Equipment under capital lease	7,162,767	5,234,725	1,928,042
Motor vehicles	944,842	575,824	369,018
Leasehold improvements	<u>232,458</u>	<u>197,078</u>	<u>35,380</u>
	<u>\$ 145,525,926</u>	<u>\$ 82,346,374</u>	<u>\$ 63,179,552</u>

Book value of capitalized items that have not been amortized \$5,854,308 (2009 - \$2,656,123)

### 8. Trust funds

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

# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

### 9. Bank indebtedness

The Authority has access to a line of credit with the Bank of Montreal in the amount of \$21,500,000 (2009 - \$23,500,000) 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, 2010 is \$900,892. Interest is being charged at prime less 1.15% on any overdraft (March 31, 2010 - 1.1%; March 31, 2009 - 1.35%).

10. Long term debt	<u>2010</u>	<u>2009</u>
4.26% mortgage on the Bay St. George Seniors Home, maturing in 2021, payable in blended monthly payments of \$13,544	\$ 1,444,752	\$ 1,543,949
8% mortgage on the Bay St. George Seniors Home, maturing in 2026, payable in blended monthly payments of \$9,523	1,057,741	1,087,466
7.875% mortgage on the Corner Brook Interfaith Home, maturing in 2022, repayable in blended monthly payments of \$6,056	567,243	594,763
4.56% mortgage on the Woody Point Clinic, maturing in 2020, repayable in blended monthly payments of \$2,304	223,032	240,240
Obligations under capital lease, 5.83%, maturing in 2011, payable in blended monthly payments of \$61,759	<u>1,071,080</u>	<u>1,729,300</u>
	4,363,848	5,195,718
Less: Current portion	<u>881,000</u>	<u>831,900</u>
	<u>\$ 3,482,848</u>	<u>\$ 4,363,818</u>

As security for the mortgages, Western Health has provided a first mortgage over land and buildings at the Corner Brook Interfaith Home, the Bay St. George Senior Citizens Home and Woody Point Clinic having a net book value of \$3,292,768 (2009 - \$3,466,418).

As security for the capital leases Western Health has provided specific capital equipment having a net book value of \$1,240,011 (2009 - \$1,928,043).

See Note 12 for five year principal repayment schedule.

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# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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<b>11. Unrestricted deficiency</b>	<u>2010</u>	<u>2009</u>
Accumulated operating deficit	\$ 20,236,079	\$ 24,795,490
Accrued severance pay	28,416,001	25,861,378
Accrued vacation pay	<u>9,381,457</u>	<u>7,983,362</u>
	<u>\$ 58,033,537</u>	<u>\$ 58,640,230</u>

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### 12. Obligations under long term debt and leases

Western Health has acquired building additions and equipment under the terms of long term debt and capital leases. Payments under these obligations, scheduled to expire at various dates to 2015 are as follows:

Fiscal year ended

2011	\$ 881,000
2012	558,000
2013	204,600
2014	216,200
2015	<u>228,700</u>
	<u>\$ 2,088,500</u>

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### 13. Contingencies and commitments

#### Claims

As of March 31, 2010, there were a number of claims against the Authority 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 the Authority 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, in addition to those disclosed under Note 10. These leases are accounted for as operating leases. Future minimum lease payments under operating leases are estimated to be \$2,000,000 per year for the next five years.

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# Western Regional Health Authority

## Notes to the financial statements

March 31, 2010

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### 13. Contingencies and commitments (cont'd)

#### **Capital assets**

During the year, the Authority entered into a contract with GE for the purchase and installation of 4 x-ray units. At year end, the Authority has a commitment to pay \$83,271 once the equipment is installed.

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### 14. Subsequent event

Subsequent to year end the Child Youth & Family Services activities were transferred to a new government department of the same name. As of the date of the audit report, the administrative task of determining which activities, account balances and staff members etc, that would be transferred to the new department was still in process. As a result, management was not able to determine the full impact of the transfer of these activities at the time of completion of the financial statements.

Western Regional Health Authority  
Expenditures – operating/shareable  
Schedule I

Year ended March 31	2010	2009
Administration		
General administration	\$ 9,076,337	\$ 8,672,086
Finance	2,996,312	2,601,970
Personnel services	3,339,738	3,033,875
System support	2,994,153	2,876,512
Other administrative	<u>4,817,816</u>	<u>4,433,901</u>
	<u>23,224,356</u>	<u>21,618,344</u>
Support services		
Housekeeping	8,879,292	8,763,195
Laundry and linen	2,487,591	2,374,766
Plant services	17,777,495	17,555,359
Patient food services	11,245,110	10,893,717
Other support services	<u>12,963,810</u>	<u>10,787,647</u>
	<u>53,353,298</u>	<u>50,374,684</u>
Nursing inpatient services		
Nursing inpatient services – acute	48,535,820	44,987,569
Medical services	17,595,219	16,485,418
Nursing inpatient services – long term care	<u>24,739,920</u>	<u>22,650,865</u>
	<u>90,870,959</u>	<u>84,123,852</u>
Ambulatory care services	<u>20,870,643</u>	<u>18,971,431</u>
Diagnostic and therapeutic services		
Clinical laboratory	9,355,396	8,337,570
Diagnostic imaging	7,943,808	7,398,521
Other diagnostic and therapeutic	<u>11,139,395</u>	<u>10,338,549</u>
	<u>28,438,599</u>	<u>26,074,640</u>

Western Regional Health Authority  
Expenditures – operating/shareable  
Schedule I (cont'd)

Year ended March 31	2010	2009
Community and social services		
Mental health and addictions	5,446,838	4,419,042
Community support programs	39,384,366	32,809,346
Family support programs	18,558,503	16,133,355
Community youth corrections program	2,419,751	2,380,890
Health promotion and protection program	<u>8,304,939</u>	<u>7,210,432</u>
	<u>74,114,397</u>	<u>62,953,065</u>
Education	<u>4,855,476</u>	<u>4,387,760</u>
Undistributed	<u>3,434,142</u>	<u>1,974,934</u>
Shareable amortization	<u>831,870</u>	<u>785,841</u>
Total expenditures	<u>\$ 299,993,740</u>	<u>\$ 271,264,551</u>

Western Regional Health Authority  
 Revenue and expenditures for government reporting  
 Operating fund  
 Schedule II

Year ended March 31	2010	2009
<b>Revenue</b>		
Provincial plan	\$ 257,801,362	\$ 231,126,172
MCP physician	14,502,037	13,774,444
ELCC	1,614,935	1,393,509
NCB	1,424,222	1,489,571
ECD	1,039,073	587,154
Inpatient	2,150,953	2,054,689
Outpatient	1,701,154	1,339,077
LTC resident	7,361,501	7,144,407
Mortgage interest subsidy	40,507	40,507
Food service	2,745,474	2,754,782
Other recoveries	8,587,152	7,971,063
Other	<u>5,599,921</u>	<u>4,308,067</u>
Total revenue	<u>304,568,291</u>	<u>273,983,442</u>
<b>Expenditures</b>		
Worked and benefit salaries and contributions	159,055,531	145,547,170
Benefit contributions	<u>27,514,425</u>	<u>25,591,512</u>
	<u>186,569,956</u>	<u>171,138,682</u>
Supplies – plant operations and maintenance	5,686,499	6,471,328
Supplies – drugs	7,360,739	7,094,451
Supplies – medical and surgical	9,366,780	8,643,455
Supplies – other	<u>14,213,513</u>	<u>12,765,879</u>
	<u>36,627,531</u>	<u>34,975,113</u>
Direct client costs – mental health and addictions	200,803	158,330
Direct client costs – community support	27,796,578	23,687,934
Direct client costs – family support	8,291,379	6,873,742
Direct client costs – community youth corrections	<u>13,654</u>	<u>26,072</u>
	<u>36,302,414</u>	<u>30,746,078</u>
Other shareable expenses	<u>39,376,362</u>	<u>33,287,106</u>

Western Regional Health Authority  
 Revenue and expenditures for government reporting  
 Operating fund  
 Schedule II (cont'd)

Year ended March 31	2010	2009
Long term debt – interest	202,724	211,658
Long term debt – principal	173,650	164,811
Capital lease – interest	82,883	120,073
Capital lease – principal	<u>658,220</u>	<u>621,030</u>
	<u>1,117,477</u>	<u>1,117,572</u>
Total expenditures	<u>299,993,740</u>	<u>271,264,551</u>
Operating surplus for government reporting	4,574,551	2,718,891
Long term debt - principal	173,650	164,811
Capital lease – principal	<u>658,220</u>	<u>621,030</u>
Surplus inclusive of other operations	5,406,421	3,504,732
Shareable amortization	<u>831,870</u>	<u>785,841</u>
Surplus before non-shareable items	<u>4,574,551</u>	<u>2,718,891</u>
Non-shareable items		
Amortization expense	6,834,728	6,243,658
Accrued vacation expense increase	1,398,095	315,510
Accrued severance expense - increase	2,554,623	1,727,861
Amortization of deferred capital equipment grants	<u>(6,650,007)</u>	<u>(6,041,146)</u>
	<u>4,137,439</u>	<u>2,245,883</u>
Surplus inclusive of non-shareable items	<u>\$ 437,112</u>	<u>\$ 473,008</u>

Western Regional Integrated Health Authority

Funding and expenditures for government reporting

Capital transactions

Schedule III

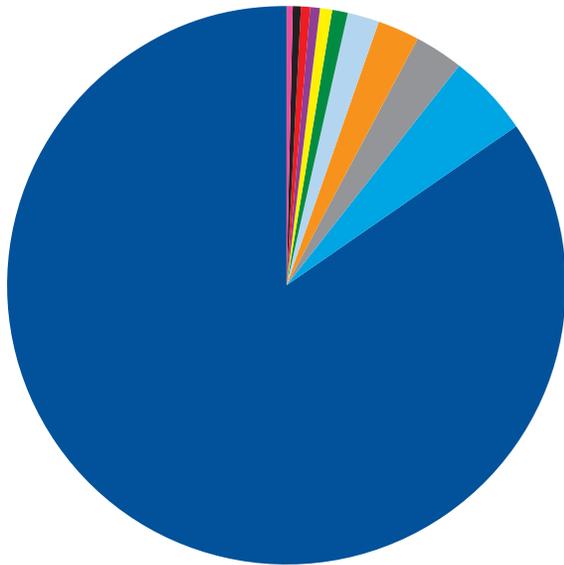
Year ended March 31	2010	2009
Sources of funds		
Provincial capital equipment grant for current year	\$ 8,305,453	\$ 13,983,135
Provincial facility capital grant in current year	4,990,000	7,690,000
Add: Deferred capital grant from prior year	19,292,033	8,052,198
Less: Capital facility grant reallocated for operating fund purchases	(2,458,095)	(2,405,594)
Less: Deferred capital grant from current year	<u>(18,283,370)</u>	<u>(19,292,033)</u>
	11,846,021	8,027,706
Other contributions		
Foundations, auxiliaries and other	<u>1,202,975</u>	<u>946,474</u>
Total funding	<u>13,048,996</u>	<u>8,974,180</u>
Capital expenditures		
Asset, building and land	2,932,175	388,832
Asset, equipment	<u>10,116,821</u>	<u>8,585,348</u>
	13,048,996	8,974,180
Total expenditures	<u>13,048,996</u>	<u>8,974,180</u>
Surplus on capital purchases	<u>\$ -</u>	<u>\$ -</u>

**Western Regional Health Authority**  
**Accumulated operating deficit for government reporting**  
**Schedule IV**

Year ended March 31	2010	2009
Accumulated operating deficit		
Current assets		
Cash and cash equivalents	\$ 851,658	\$ 160,069
Accounts receivable	14,642,569	18,960,328
Inventory	5,224,088	3,512,510
Prepaid expenses	6,807,514	5,934,819
Due from associated funds	725,950	775,487
Other	<u>(7,024)</u>	<u>(4,443)</u>
Total assets	<u>\$ 28,244,755</u>	<u>\$ 29,338,770</u>
Current liabilities		
Bank indebtedness	\$ 900,892	\$ 8,383,974
Accounts payable and accrued liabilities	23,315,659	22,252,988
Deferred contributions – operating	5,980,913	4,205,265
Deferred contributions - capital	<u>18,283,370</u>	<u>19,292,033</u>
Total current liabilities	<u>48,480,834</u>	<u>54,134,260</u>
Accumulated operating deficit	<u>\$ (20,236,079)</u>	<u>\$ (24,795,490)</u>
<b>Reconciliation of operating deficit – operating fund only</b>		
Accumulated operating deficit – beginning of year	\$ (24,795,490)	\$ (27,530,483)
Add: Net operating income per schedule II	4,574,551	2,718,891
Less: Restricted interest (income) loss	<u>(15,140)</u>	<u>16,102</u>
Accumulated operating deficit –end of year	<u>\$ (20,236,079)</u>	<u>\$ (24,795,490)</u>

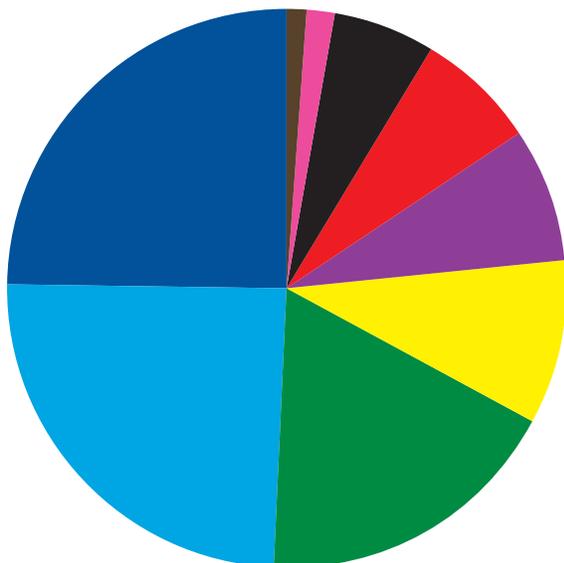
# Operating Revenue and Expenses

**OPERATING REVENUE**



- Provincial Plan \$257,801,362
- MCP Physician \$14,502,037
- Other Recoveries \$8,587,152
- LTC Resident \$7,361,501
- Other \$5,599,921
- Food Service \$2,745,474
- Inpatient \$2,150,953
- Outpatient \$1,701,154
- Early Learning and Child Care \$1,614,935
- National Child Benefit \$1,424,222
- Early Childhood Development \$1,039,073
- Mortgage Interest Subsidy \$40,507

**EXPENSES**



- Community and Social Services \$74,114,397
- Nursing Inpatient Services \$73,275,739
- Support Services \$53,353,298
- Diagnostic and Therapeutic Services \$28,438,599
- Administration \$23,224,356
- Ambulatory Care Services \$20,870,643
- Medical Services \$17,595,220
- Educational Services \$4,855,476
- Undistributed \$3,434,142

# Western Health Regional Map





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