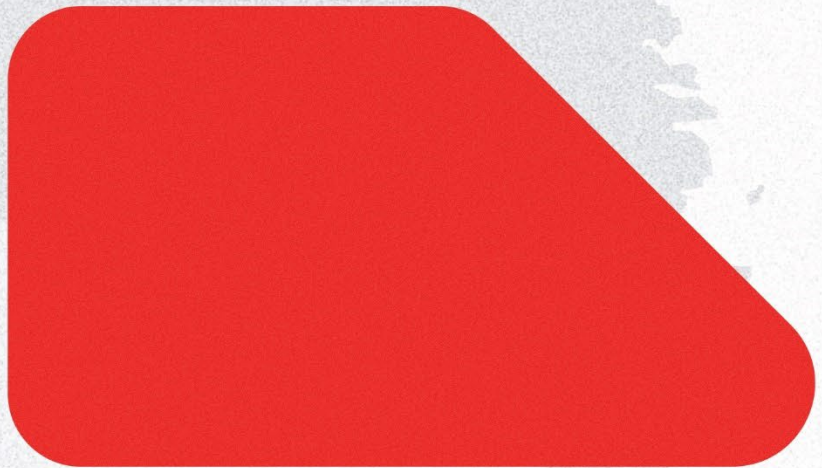




**NL Health
Services**



2023

2024

**Annual
Performance
Report**

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Message from the Board of Trustees

With the full endorsement of the Board of Trustees, it is my pleasure to submit Newfoundland and Labrador (NL) Health Services' 2023-24 Annual Report on Performance. As a Category 1 entity within the province's **Transparency and Accountability Act**, this document provides a performance report on NL Health Services' first year as a single provincial health authority. Our Board of Trustees is accountable for the results reported in this document, which highlights the progress made toward achieving the objectives outlined in the one-year strategic plan developed to guide the organization during its transition from five health entities to one.

On April 1, 2023, NL Health Services officially began as a newly-formed provincial organization. Since then, in alignment with strategic directions of the Government of Newfoundland and Labrador and the recommendations / calls to action of Health Accord NL, we have embarked on a pathway to transform the health-care system and deliver quality care that meets the needs of the people of Newfoundland and Labrador. To do this, **transformation, access, our people, and quality** were the four main priorities identified for NL Health Services to focus on in the 2023-24 Strategic Plan.

As we became provincial, integration mechanisms were required to ensure a strategic approach to align services, initiatives, and planning across zones and provincial programs. Over the past year, health transformation and quality frameworks were developed to identify these key mechanisms for integration and transformation across NL Health Services. The frameworks align to support the vision for transformation within NL Health Services and outline an approach that will enable the Provincial Health Authority to become a Learning Health and Social System. A learning health system is one that supports a people-centred focus; shifts to preventative and outcomes-based models of care; embraces digital and technology enablers; and advances innovative approaches that drive improvements in health equity, quality of care and access to services.

As structures and processes are adjusted on a provincial scale, it is important that we remain focused on our people-centred philosophy. As a province with vast geography and a significant rural and remote population, maintaining and improving access to services is more important than ever. Access is about having the right intervention, for the right client, at the right time and place. As a health authority, we must be innovative in our approach to improve timely access to the most appropriate level of care and service and minimize unnecessary barriers.

Finally, our people are NL Health Services' greatest strength. As change is upon us, we must continue to ensure that our dedicated employees, physicians, and volunteers continue to be a priority. They bring compassion and expertise to services and programs in hospitals, long-term care homes, and communities every single day. Over the past year, NL Health Services has been working to put tools and resources in place to foster a healthy and inclusive workplace. Recruitment of health-care professionals has been at the

forefront of our priorities, as well as retaining the talent that exists throughout all areas of the province.

With that said, the Board of Trustees would like to extend our sincerest gratitude to those who have played a pivotal role in the transition to the Provincial Health Authority. As we continue to build this new organization, we look forward to navigating a path forward that is collaborative, innovative, and above all else, supports health and well-being for every person and every community in Newfoundland and Labrador.

A handwritten signature in black ink, appearing to be 'R. Andrews', with a long horizontal stroke extending to the right.

Robert Andrews KC
Board Chair

Meet NL Health Services Board of Trustees

NL Health Services is governed by a voluntary Board of Trustees. Each member brings their own unique background and experience to help ensure the delivery of safe, high-quality care for our patients, clients, residents, and families within our region. Below is NL Health Services' Board of Trustees for the 2023-24 fiscal year.



Robert B. Andrews
Chairperson



Michelle Baikie



Dr. Catherine Bradbury



Janet Bradshaw



Sharon Forsey



Edward Goudie



Colleen Hanrahan



Tara Laing



Candace Matthews



David Oxford



Hon. David Peddle



Dr. David Sutherland



David Thornhill



Lloyd Walters
Vice Chairperson

NL Health Services Executive Team

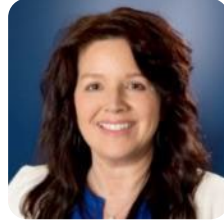
as of March 31, 2024



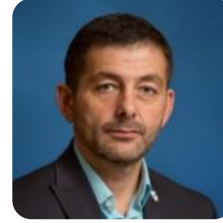
David Diamond
Chief Executive Officer



Lynette Oates
Chief - Public Engagement
and Communications



Joanne Pelley
Vice President and Chief
Operating Officer –
Central, and Provincial
Chief Nursing Officer



Ron Johnson
Vice President and Chief
Operating Officer –
Eastern Urban



Debbie Walsh
Vice President and Chief
Operating Officer –
Eastern Rural



Teara Freake
Vice President and Chief
Operating Officer –
Western



Sandy Penney
Vice President and Chief
Operating Officer –
Labrador-Grenfell



Kenneth (Ken) Baird
Vice President – Transition



Scott Bishop
Vice President – Corporate
Services and Chief
Financial Officer



Steve Greene
Vice President – Digital
Health and Chief
Information Officer



Dr. Gena Bugden
Vice President – Medical
Services



Kelli O'Brien
Vice President –
Quality and Learning
Health System



Debbie Molloy
Vice President –
Human Resources



Darla King
Vice President –
Transformation
Well-being



Cassie Chisholm
Vice President –
Transformation
Health Systems

NL HEALTH SERVICES OVERVIEW

NL Health Services provides a full continuum of health and community services, including public health, long-term care, and acute (hospital) care to the people of Newfoundland and Labrador across five zones: Central, Eastern-Rural, Eastern-Urban, Labrador-Grenfell, and Western.

The **Provincial Health Authority Act** outlines the mandate and responsibilities of NL Health Services. NL Health Services accomplishes its mandate through four lines of business:

- Promoting Health and Well-Being
- Providing Supportive Care and Rehabilitative Services
- Treating Illness and Injury
- Advancing Knowledge and Transforming Health Systems

Please visit <https://nlhealthservices.ca/our-organization/> for more information on NL Health's Services mandate and lines of business. Please refer to Appendix A for a Glossary of Terms and Appendix B for a listing of Acronyms used in this document.



Delivering health services to more than **541,391** Newfoundlanders and Labradorians



Approximately **22,174** employees, **1,165** physicians, and **1,844** volunteers



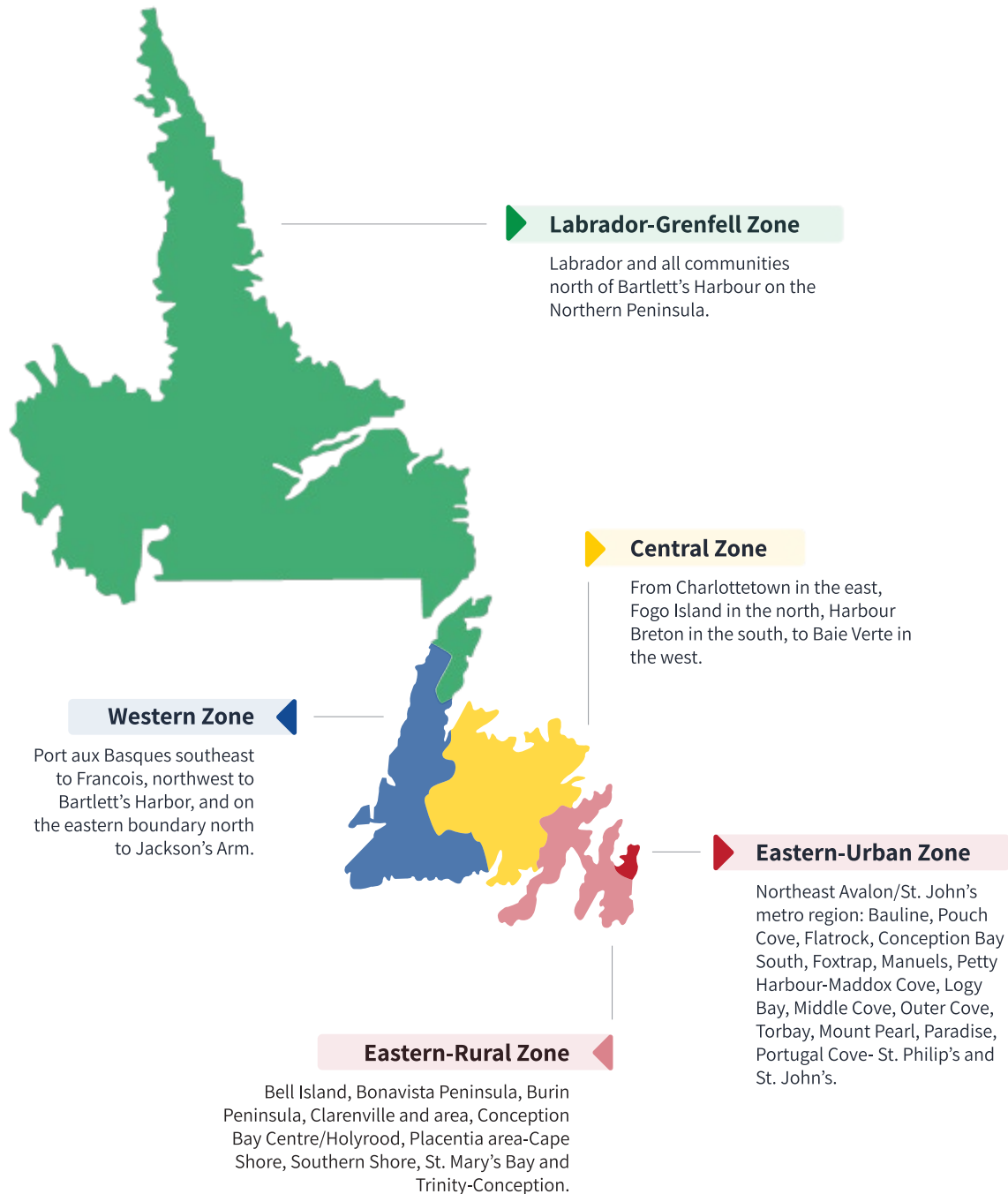
Operating in **5** geographic zones throughout Newfoundland and Labrador



Approximate budget **\$3.1 billion**

Regional Zone Boundaries

NL Health Services is comprised of five health zones, as listed below. Health zones ensure regional representation, as recommended by Health Accord NL.



Vision and Mission

NL Health Services works collaboratively with residents, communities, and partners to achieve its vision of **Health and Well-being. Every Person. Every Community**. This vision highlights the important role that residents and communities throughout the province play in promoting and achieving improvements in health and well-being. NL Health Services' mission statement outlines how we intend to get there, which is by **working together to improve health outcomes through an innovative, integrated, and sustainable health system**.

Values

The core values of NL Health Services: **Innovation, Compassion, Accountability, Respect, and Excellence (I CARE)** represent a guiding framework for all employees, physicians, volunteers, and leadership. Our values enhance our people-centred care philosophy, where the person we serve, and their family, are at the heart of every decision we make and every action we take. Values influence all decision making and encourage us to strive for excellence as we support the health and well-being of the people of Newfoundland and Labrador.



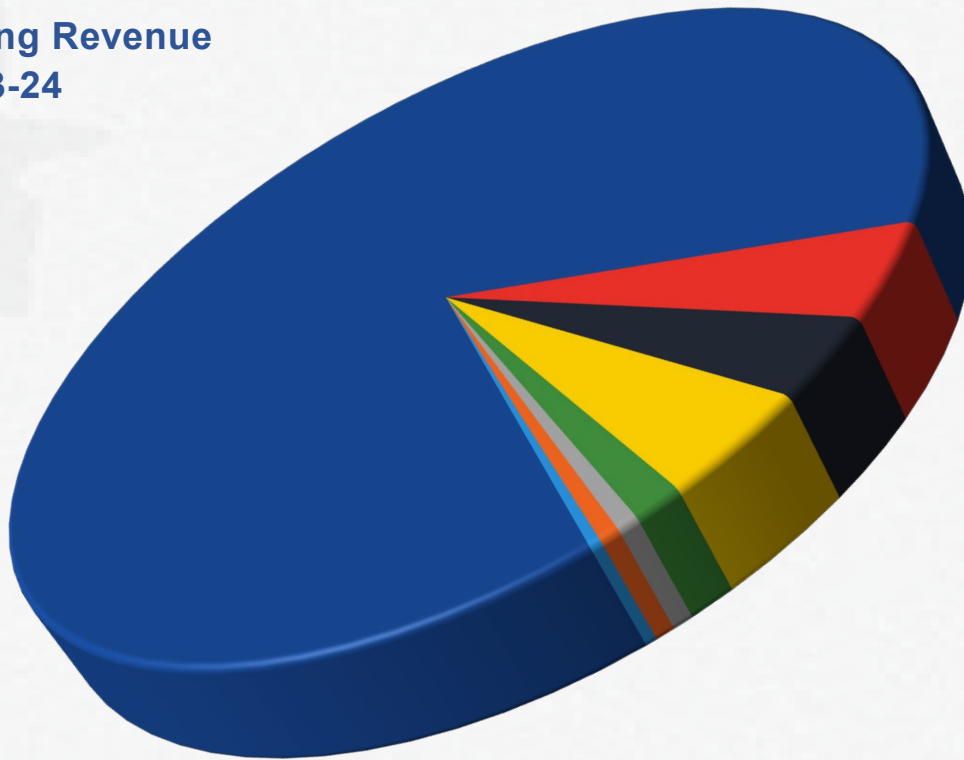
- ▶ **Innovation**
- ▶ **Compassion**
- ▶ **Accountability**
- ▶ **Respect**
- ▶ **Excellence**

- ▶ **Innovation** - We are creative and collaborative. We use the talent and ideas of our employees and partners in seeking solutions.
- ▶ **Compassion** - We are kind, caring and committed to people-centred care.
- ▶ **Accountability** - We are honest, transparent, responsible and serve with integrity. We build relationships based on open communication.
- ▶ **Respect** - We are inclusive and embrace diversity. We provide care in ways that are fair and reflective of the knowledge, values, beliefs and cultures of the people we serve.
- ▶ **Excellence** - We deliver safe high-quality care and measure our performance in pursuit of continuous improvement.

Revenues and Expenditures

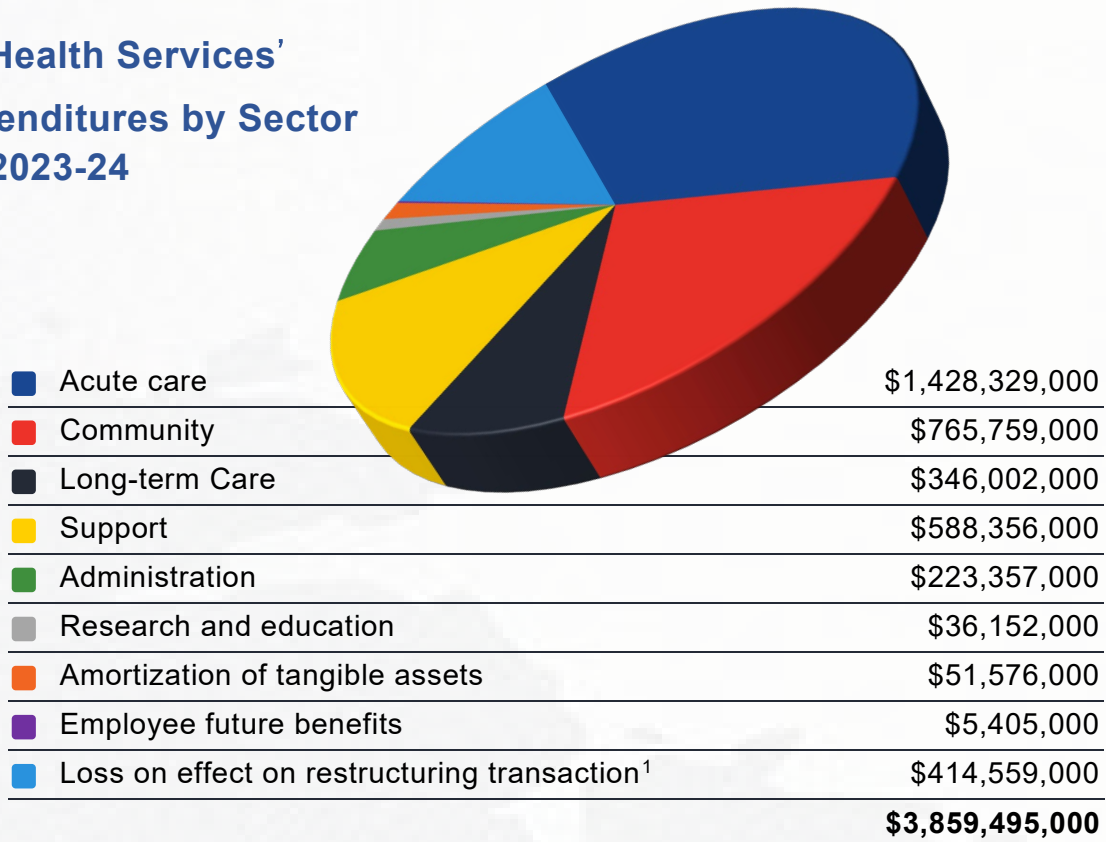
The figure below shows NL Health Services' operating revenue and expenditures for 2023-24. See Appendix C for audited financial statements in full detail.

NL Health Services' Operating Revenue for 2023-24

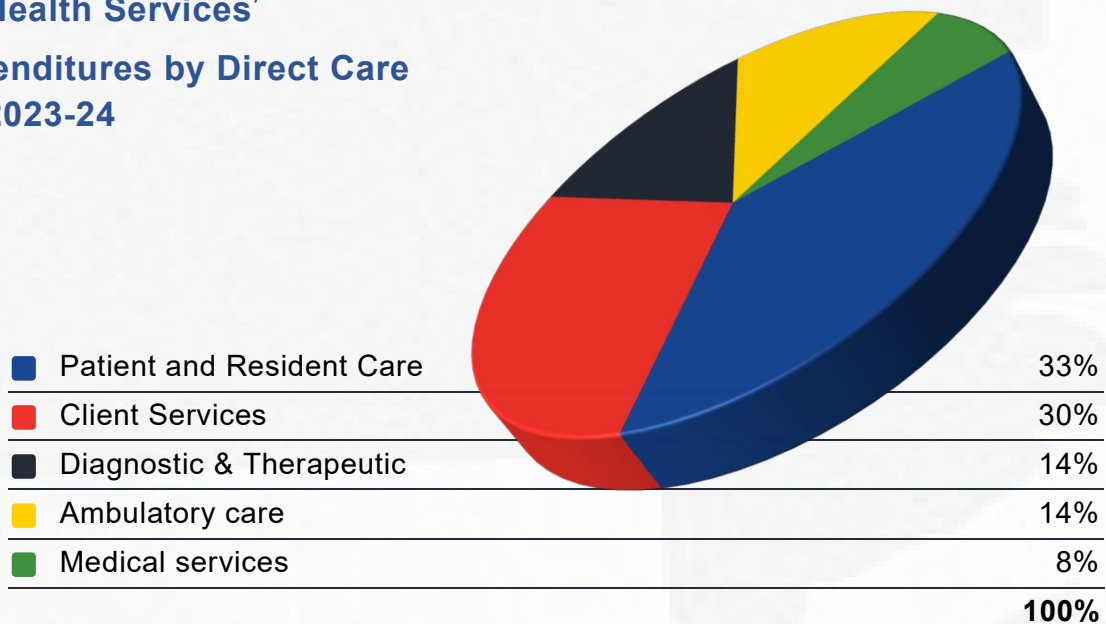


■ Provincial Plan	\$2,766,034,000
■ Medical Care Plan	\$133,931,000
■ Other	\$103,934,000
■ Provincial Plan Capital Grant	\$127,209,000
■ Resident	\$41,637,000
■ Inpatient	\$18,225,000
■ Outpatient	\$17,345,000
■ Other Capital Contributions	\$10,244,000
	\$3,218,559,000

NL Health Services' Expenditures by Sector for 2023-24



NL Health Services' Expenditures by Direct Care for 2023-24



¹ NL Health Services has recognized in the Statement of Financial Position, the assets and liabilities received from the five entities at their carrying amount on the date of the restructuring. No adjustments were made to the carrying amounts of the assets or liabilities.

HIGHLIGHTS AND PARTNERSHIPS

NL Health Services has benefitted from the significant efforts of its many partners in helping to achieve its mandate and strategic priorities. The following section outlines some of the highlights and partnerships from the 2023-24 fiscal year that also align with NL Health Services priorities of focus.

Transforming our system through partnership, modernization, and response to the health needs of our population.

Innovation Partnership Pilots Discharge Planning Solution

In January 2024, NL Health Services announced a collaboration with two of its strategic innovation partners, Seafair Capital and Mobia Health, on the development and pilot of a software and process solution to streamline and coordinate the discharge of alternative level of care patients. Alternative level of care (ALC) is defined as patients who no longer require acute care in a hospital setting but are occupying a hospital bed while they await discharge or transfer to another facility such as long-term care, rehabilitation, or to home with supports. The purpose of this innovative solution, DischargeHUB, is to plan and optimize how ALC patients are discharged from hospital, supporting NL Health Service's goal in providing appropriate levels of care. The six-month pilot project began in January 2024 at the Health Sciences Centre and St. Clare's Mercy Hospital and is focused on patients who can safely be discharged back to their homes with the correct supports to meet their care needs.

First Mobile Clinic Launched in New-Wes-Valley Providing Another Way to Access Health-Care Services in Rural Locations

In November 2023, the province's first mobile primary health-care clinic was launched in New-Wes-Valley, located in the Central Zone. Mobile clinics are supported by a collaborative team of health-care professionals offering primary health-care services. These services include assessment and treatment of common ailments, education and awareness of chronic disease prevention and management, preventative screening, and referral to additional services or facilities where required. This new and innovative approach to primary health-care delivery in the province will increase access to care for underserved and vulnerable populations.

Supporting Healthy Aging in Newfoundland and Labrador

Successful enhancements that occurred during the 2023-24 fiscal year in partnership with the Department of Health and Community Services included:

The Health of the Older Adult Strategic Health Network (SHN)

The Health of the Older Adult Strategic Health Network is one of four initial SHNs announced for NL Health Services during the 2023-24 fiscal year. Early priorities for the network align with the Provincial Government's commitment to establishing Centres of Excellence in Aging to enhance the quality of care provided to older adults, supporting aging in place. These include working toward building senior-friendly hospitals and establishing Acute Care of Elderly (ACE) Units at St. Clare's Mercy Hospital and Western Memorial Regional Hospital. Through an interdisciplinary team approach, ACE units aim to support the identification of frailty in acute care settings, reduce patient length of stay, prevent deconditioning and social isolation, and minimize readmissions. To support this work, the SHN received funding from Healthcare Excellence Canada for participation in a national collaborative to enable aging in place. This collaborative supports organizations to implement practices that enable older adults with health and social needs to age where they call home, with formal support. Funding received for the first phase of this collaborative covered planning sessions in all zones to help identify the resources, training and support required to operationalize ACE units, ACE coaching calls from Mt. Sinai, as well as equipment purchases to support senior friendly hospital initiatives. Phase two of the collaborative will support education and training for health-care professionals caring for older adults.

Supporting Aging in Place through the "Home is Best" Symposium

The Western Zone hosted a "Home is Best" symposium across programs that included provider, patient, and community representatives. From the many recommendations, a plan was formalized to support appropriateness of care and strengthen the implementation of Home First throughout the zone. The goal is to support aging in place by wrapping services around clients and residents and preventing premature or inappropriate higher levels of institutional care.

Supporting Dementia Friendly Initiatives in the Labrador-Grenfell Zone

NL Health Services also continues to partner with the Department of Health and Community Services to implement dementia friendly initiatives. One example comes from the Labrador-Grenfell Zone where funding has been secured to support dementia inclusive environments in long-term care homes. In September 2023, Gentle Persuasive Approach training was delivered to health-care providers, equipping them with the knowledge, skills, and confidence to deliver person-centred dementia care.

Leveraged Technology to Drive Quality and Efficiency

The Provincial Pharmacy Program continues to leverage technology to support high quality and efficient service provision. Automated dispensing cabinets were implemented at the Janeway Children’s Health and Rehabilitation Centre during 2023-24, expanding the use of this important technology that allows more timely access to medication and enhances safety of medication storage. Lyfegen innovative rebate management software was implemented to streamline and improve the pharmaceutical rebate submission process for some oncology and other drug products. This improves workflow efficiency and decreases potential manual miscalculations and associated lost revenue.

Supply Chain Improvements

NL Health Services became the first member in Canada to join the Healthcare Industry Resilience Collaborative (HIRC), an American non-profit trade association with a focus on achieving a more transparent and resilient supply chain. Its purpose is to increase supply chain resiliency through alignment to standards and best practices, and foster a culture of collaboration. In addition, throughout 2023, the NL Health Services Supply Chain department hosted multiple “town halls” to discuss supply chain processes.

Enhancements to Cardiac and Stroke Care are Being Expanded Across the Province to Support Better Patient Outcomes

Successful enhancements that occurred during the 2023-24 fiscal year included:

Heart Force One Offering Same-Day Fly-in/Fly-Out Cardiac Catheterization Procedures

The Heart Force One pilot was established in January 2023 to give cardiac patients timely access to catheterization procedures without the inconvenience of an overnight stay. The innovative approach allows patients from the Labrador-Grenfell and Western Zones of the province to access cardiac catheterization procedures that are only offered in the St. John’s region via a same-day fly-in/fly-out service. Since inception, Heart Force One has facilitated 19 flights, resulting in 138 inpatient cardiac catheterization lab transfers. In February 2024, the service was expanded to the Central Zone.

Expansion of Endovascular Thrombectomy (EVT) Treatment throughout Province

EVT is a stroke treatment for patients with acute ischemic strokes which occur when blood vessels are obstructed, limiting the blood supply to the brain. EVT removes these stroke-causing clots and can substantially improve outcomes for patients. During the 2023-24 fiscal year, EVT was expanded from the Eastern Urban Zone to the Eastern Rural and Central Zones; with service hours increased to 24/7.

Thirty patients were treated with EVT during this timeframe. Plans are underway to expand the program to the Labrador-Grenfell Zone.

Launched the After Stroke Provincial Pilot Program to Aid Stroke Survivors, Their Family Members, and Caregivers in Their Transition from Hospital to Home

In partnership with March of Dimes Canada, NL Health Services launched the After Stroke Program provincial pilot in September 2023. This pilot program ensures all stroke patients, and their families, have equal access to coordinators to help navigate life after stroke. To date, the program has received approximately 167 referrals, with 1,453 client service interactions resulting in 54 referrals to programs, services, or resources, and an evaluation of the pilot program is ongoing.

Expanded Use of Virtual Care Allows Patients to Receive Specialized Services Without Travel

The Provincial Cardiovascular and Stroke Program has partnered with the Labrador-Grenfell Zone to implement virtual care technology called MEDXR HoloLens. This technology allows clinicians to teleport users to broadcast real-time video into the room using virtual reality. MEDXR allows the patient to receive specialized services without having to travel. The starting point for this initiative is to provide access virtually to Cardiac Surgery consultative services for inpatients in select sites in the Labrador-Grenfell Zone. The virtual experience enabled by technology like the HoloLens system has the potential to innovate access, particularly for those living in rural and remote areas.

Hepatitis C Testing and Treatment in Correctional Facilities

During the 2023-24 fiscal year, Correctional Health Services received funding of \$1.4 million from the Provincial Government to begin Hepatitis C treatment in correctional facilities across Newfoundland and Labrador. The Correctional Health Services team partnered with the Memorial University School of Pharmacy and provincial correctional facilities to include corrections as part of the Adaptation of Point of Care Testing (POCT) for Pharmacies to Reduce Risk and Optimize Access to Care in HIV, Hepatitis C, and Syphilis (APPROACH) study, a national community pharmacy initiative to provide confidential sexually transmitted blood borne illnesses (STBBI) POCT. The partnership included staff education around the testing process, in-person education for incarcerated individuals, and onsite visits for administration of the test. To date, more than 70 individuals have initiated Hepatitis C treatment with a goal of eradicating the virus in the correctional setting.

Enhancements in Cancer Care to Support Better Patient Outcomes

Successful enhancements that occurred during the 2023-24 fiscal year to align with best practices in cancer care included:

NL Health Services Became First Cancer Care Program in Canada to Join the Princess Margaret Cancer Care Network

In the fall of 2023, NL Health Services became the first cancer care program in Canada to join the Princess Margaret Cancer Care Network. This collaboration as a Network Partner Site provides enhanced expertise, resources, education, and research for the benefit of patients of the Provincial Cancer Care Program and their caregivers.

Responding to Regional Needs Identified in Screening Programs

In response to a screening gap identified in the Labrador-Grenfell Zone, the Newfoundland and Labrador Breast Screening Program expanded services to include a satellite breast screening centre in Happy Valley-Goose Bay. This satellite site will be evaluated, and the findings may be used to further expand to other areas of need in the future.

The Newfoundland and Labrador Colon Screening Program also worked with communities to improve access and equity to population-based screening in response to higher-than-expected inconclusive rates in the northern Labrador region. Community coastal nurses in Labrador were engaged, leading to the identification of barriers associated with the written instructions that came with the fecal immunochemical testing (FIT) testing packages. In response, instructions using step by step pictorials were developed. This solution mitigated identified barriers, increased access to usable information and ultimately created an opportunity to increase colon cancer screening.

Working to Address Transportation Needs Through Community-Driven Initiatives

In partnership with the Placentia Area Community Advisory Committee, the Placentia Chamber of Commerce, and the Placentia Housing Coalition, NL Health Services is working to address transportation needs through community-driven initiatives. In 2003, the Placentia Community Advisory Committee identified a need for accessible and affordable transportation in the region due to only having a sole taxi service, which is often unavailable or unaffordable for many residents who require transportation. The group availed of a \$24,000 Provincial Government Transportation Grant to hire a coordinator for the program and NL Health Services offered the bus on days it was not in use for clients and agreed to cover the cost of fuel and maintenance. Individuals of all incomes, socioeconomic statuses, ages, and abilities can avail themselves of the service.

The service, supported by volunteers, not only facilitates regular trips within Placentia, such as medical appointments, but also extends trips to neighboring communities with greater access to goods and services and community events, working to reduce social isolation and build community connections.

Enhancements in Mental Health and Addictions Services

Highlights and partnerships in Mental Health and Addictions Services in the 2023-24 fiscal year included:

Construction on the new Mental Health & Addictions Centre (MHAC)

As construction continues on the new MHAC in St. John's, a team of eight leaders are working in conjunction with Health Relocations Canada (HRC) to develop a new way to offer acute mental health care in the MHAC. The team is working to create an innovative way of providing care using evidence informed best practice, a psychologically-safe working culture to enhance the client and family experience, and a seamless move from the Waterford Hospital to the new MHAC. With the help of this team, this 102-bed facility will be an integral part of a mental health and addictions system that is redesigned as a community-oriented service delivery model.

Expansion of Mental Health and Addictions Services Throughout Province

Mental health inpatient services have been expanded in the Labrador-Grenfell Zone through a dedicated, regional six-bed unit in Happy Valley-Goose Bay. Efforts continue to stabilize the workforce to ensure availability of this service on a consistent basis.

Also, progress has been made to expand the Opioid Dependency Treatment (ODT) program and Managed Alcohol Program (MAP) throughout the province.

Achieved Choosing Wisely Canada Hospital Quality Improvement Status

The Health Sciences Centre in St. John's has been recognized as a Choosing Wisely Canada Hospital at the "Quality Improvement Status" level. The Health Sciences Centre is the first hospital in the country to receive this status within Choosing Wisely Canada's new designation program, which recognizes hospitals that take deliberate action to reduce overuse and demonstrate organizational commitment to minimizing waste and harm. Hospitals that achieve this designation demonstrate a strong commitment to reducing the use of unnecessary medical procedures, creating better efficiencies, optimizing health-care resources, and improving the quality and safety of patient care.

Recruitment and Retention of our Workforce

In alignment with the strategic priority of 'Our People', NL Health Services has taken innovative approaches to address the critical need for skilled health-care professionals across the province.

Recruiting Internationally Educated Health-Care Professionals

NL Health Services has been successful in its recruitment of over 200 internationally educated nurses to the province following extensive recruitment initiatives. In addition, over 600 internationally educated nurses are currently being recruited through ongoing initiatives. These initiatives include grants, bursaries, and other incentive programs; streamlining pathways to employment and licensure; and ensuring that we have welcoming and inclusive spaces once they arrive.

Moreover, a small group of internationally-educated nurses employed at health-care facilities in the St. John's area embarked on a road trip to Placentia as part of an initiative to show what rural communities can offer in terms of lifestyle and job opportunities. The trip received positive feedback and tours of other rural communities are being planned.

NL Health Services was pleased to participate in an innovative project to recruit skilled health-care workers who are living as refugees in Ethiopia. Virtual interviews with prospective candidates took place over a three-day period in October 2023 in locations across Ethiopia and potential job offers are forthcoming.

Collaborated with the Provincial Government to Support the Extraordinary Everyday Campaign

NL Health Services has partnered with the Provincial Government to support the Extraordinary Everyday campaign. Aimed at attracting and retaining health-care professionals, the campaign showcases the allure that Newfoundland and Labrador has for health-care professionals using photography that matches health-care workplace scenes with amazing landscapes and lifestyles. The goal is to encourage potential candidates to take the next steps by giving them a sense of how unique the province is and giving them a view of what their working environment might look like.

Focus on Recruiting Current Health-Care Students

NL Health Services continued to recruit current health-care students by fostering relationships with secondary and post-secondary institutions, partnering with schools to offer educational opportunities, and promoting NL Health Services as an employer of choice. For example, NL Health Services had recruiters present at Memorial University's Medical School every Tuesday, Wednesday, and Thursday to meet with learners and residents, with all residents in their final year being offered a position with the organization.

REPORT ON PERFORMANCE

The following section outlines the progress made during 2023-24 towards NL Health Services' goals and objectives in its one year, 2023-24 Strategic Plan.

The presented update is based on each of the four priority areas and their key performance indicators. Appendix A provides a Glossary of Terms within the report. To support this work, the organization prepares action plans each year that aim to make progress on each indicator in the NL Health Services Operational Plan.





STRATEGIC ISSUE ONE:

Transformation

To build a more sustainable and well-balanced health-care system that meets the needs of the population, NL Health Services has taken bold steps forward in creating new and modern integration mechanisms and structures.

A shift in the way the system previously operated is needed to better address current challenges and leverage opportunities. The amalgamation of the four Regional Health Authorities (RHA) and the Newfoundland and Labrador Centre for Health Information (NLCHI) to one provincial health authority is a fundamental change and has led to a more cohesive and integrated health-care system that is both responsive to immediate needs and forward-thinking. The re-design of the organizational structure, and subsequent pathways to integration, guiding principles, policies, strategies, and frameworks that followed, were the first steps in this transformation journey.



Objective Year One (2023-24)

By March 31, 2024, NL Health Services will have established innovative integration mechanisms and structures to improve provincial collaboration, standardization and sustainability.

Developed, approved and implemented a Health Transformation Framework

During the 2023-24 fiscal year, NL Health Services developed, approved, implemented, and communicated its Health Transformation Framework. The Health Transformation Framework identifies key mechanisms for integration and transformation across NL Health Services, including Strategic Health Networks and Service Integration Teams, and outlines how these mechanisms will function and work together to improve efficiency, sustainability, and effectiveness across zones, while reimagining health on a provincial scale.



Indicator: Increased # of Strategic Health Networks

A main pillar of the Health Transformation Framework is the establishment of Strategic Health Networks (SHNs). SHNs are inter-professional groups with provincial scope and mandate to drive the achievement of targeted, measurable, and sustainable clinical and operational improvements in health outcomes and service delivery. SHNs are intended to transform service delivery by connecting and integrating care across zones. SHNs are a new concept being implemented by NL Health Services, with the goal of having 12 established by March 31, 2026.

What did we do during 2023-24?

- SHNs were established in three key areas: primary health care, health of the older adult, and surgery. These areas were identified in consideration of the Health Accord NL or were identified as areas that require significant transformative change.

How did we perform?

NL Health Services increased the number of SHNs over the past fiscal year.

- By the end of the 2023-24 fiscal year, the first three SHNs were established.



Indicator: Increased # of Service Integration Teams

Service Integration Teams (SITs) aim to support programs that are delivered through a zone-based leadership model, where SHNs are not in place. SITs will offer a mechanism for provincial coordination and integration around operational needs, risk and quality improvement activities, implementation activities, and provide an avenue for zone counterparts to exchange information, problem-solve, discuss day-to-day operational issues, and collaborate on issues of mutual relevance. SITs are a new concept being implemented by NL Health Services, with the goal of having 12 established by March 31, 2026.

What did we do during 2023-24?

- Developed Terms of Reference in line with the Health Transformation Framework and other integration mechanisms.
- Developed a process to prioritize the establishment of SITs.
- Identified the first key areas that would establish SITs.

How did we perform?

NL Health Services identified the first four SITs to be established.

- By the end of the 2023-24 fiscal year, four key areas were identified to establish SITs: Obstetrics, Infection Prevention and Control, Diabetes, and Critical Care.

Developed, approved, and implemented a Health System Innovation Framework aimed at improving outcomes for patients

In 2023, **Innovating Together: An innovation strategy to guide creative thought and action in NL Health Services: A Living Lab** was developed and approved, and is now guiding innovation activities throughout the organization. This document enabled NL Health Services to formally articulate a path to achieve a vision that includes positioning the organization as a leader in the Canadian health innovation sector. As part of this strategy, NL Health Services continued to build local, national, and international partnerships across and within the innovation ecosystem, established a Health Innovation Acceleration Centre, and worked to cultivate a culture of innovation by building capacity within all zones.

▶ Indicator: Increased # of clients enrolled in health research studies

NL Health services is essentially a Living Lab where public and private partnerships are actively forged and driven by the goal of improving patient care and outcomes. Health Research Studies that are conducted as part of this lab provide opportunities for innovative solutions to be developed, tested, refined, and applied across all areas of health care. Participating in these studies provides opportunities for clients to avail themselves of health solutions that they would otherwise not have access to and contribute to the overall knowledge and potential application of these solutions on a larger scale.

What did we do during 2023-24?

- Completed an inventory of health research studies ongoing in the organization.
- Continued recruitment and expansion of clinical trials and participation in innovation research studies.

How did we perform?

NL Health Services increased the number of clients enrolled in health technology clinical trials in the past fiscal year.

- By the end of the 2023-24 fiscal year, 2,044 clients were enrolled in health technology clinical trials, an additional 1,831 clients in comparison to the 2022-23 fiscal year.

▶ Indicator: Estimated gross domestic product (GDP) growth invested within the province as a result of increased innovation

By investing in innovative solutions, we can introduce both economic benefits and employment opportunities to Newfoundland and Labrador. NL Health Services coordinates with the provincial Department of Finance (DOF) to determine, on an annual basis, the provincial economic benefits associated with innovation-related activities in the local healthcare sector. GDP is a measure of the value of goods and services produced in the economy within a year. The provincial DOF has several economic/financial models that allows them to estimate the direct, indirect and induced economic benefits associated with innovation-related activity on the provincial gross domestic product (GDP), employment and employment income.

The provincial DOF requires specific financial input information from private sector strategic innovation partners, including vendors, to estimate the economic impact of healthcare innovation. The GDP impact measured here only includes the health-care-related innovation activities of vendors.²

What did we do during 2023-24?

- Continued implementation of **Innovating Together: An innovation strategy to guide creative thought and action in NL Health Services: A Living Lab**. As articulated above, this document guides innovation activities throughout the organization and strives to position the organization as a leader in the Canadian health innovation sector.
- Continued to build industry and partner projects and partnerships across the local, national, and international innovation ecosystem.

How did we perform?

NL Health Services contributed to economic development in the last fiscal year as a result of increased innovation.

- The estimated GDP growth invested within the province was \$19M during the 2023 calendar year, which was an increase from \$12.2M the year prior.

² Innovation Vendors who provided 2023 data (listed alphabetically): Accenture, Aerus Active, Pure CA, Amazon Web Services, Amba, Becton Dickinson Can, Care Partners, CITS, Davis Pier Consulting, Deloitte, Flosionics Medical, HealthHub, IBM, JVP Labs, KPMG, Lifeworks Can/Telus, Medirex, Medtronic Canada, Mobia, Polyamyna, PolyUnity, Prescriby, RetinaRisk, Ricoh Canada, Seafair Capital, Sequence Bioinformatics, Surgecon, TxtSquad, Think Research Corp, and Vision 33

▶ Indicator: Increased # of innovation projects initiated

NL Health Services is committed to providing the best possible care to our patients, clients, and residents; however, we are challenged by growing health concerns and budgetary constraints. This requires us to think outside the box and to find creative solutions to improve patient outcomes and quality of care. As a new, provincial health authority, we are uniquely positioned to harness and expand our innovation projects to find creative solutions to the challenges faced in a fast-paced, ever-changing environment.

What did we do during 2023-24?

- Initiated 21 innovation-based projects or services. These include, but are not limited to, technology briefs, feasibility studies, in-clinic trials, and commercialization projects.
- Initiated 17 innovation partner projects. These projects are generally in partnership with Innovation Partners, are long-standing, and predate the creation and refinement of the service offerings described above.

How did we perform?

NL Health Services Increased the number of innovation projects initiated over the past fiscal year.

- By the end of the 2023-24 fiscal year, 38 innovation projects were initiated, an additional 15 from the year prior.

Developed, approved, and implemented a Digital Technology and Data Governance Strategy that mitigates cyber security risks

Data governance is the process of managing the availability, usability, integrity, and security of data, based on standards and policies throughout the data life cycle. Effective data governance ensures that data is consistent, trustworthy, and secure. A Data Governance Framework enables better decision making based on high quality, reliable data that will ultimately result in better care for people in Newfoundland and Labrador. In 2023, NL Health Services developed and approved a data governance structure for the organization which was informed by a jurisdictional scan to determine best practices in data governance throughout Canada. Work is ongoing to complete a current state analysis of policies and procedures related to data governance across zones and a Data Governance Committee has been established. Full implementation of the Data Governance Strategy and Framework will take place over several years.

▶ Indicator: Health Information System contract in place

NL Health Services is implementing a new transformational health information system (HIS) for the province, marking the beginning of the largest digital health system to be undertaken to date in Newfoundland and Labrador. This new system will introduce modernized software that will replace various applications and systems used in acute and long-term care areas, and which were put in place by NL Health Services' legacy organizations. As envisioned by Health Accord NL, this new HIS will transform the organization's information technology infrastructure and establish consistent and uniform practices across the province, which will result in improved efficiency in the delivery of health-care services.

What did we do during 2023-24?

- Completed the request for proposal, vendor selection, contract negotiations, and received final government approval to sign the contract for the new HIS.

How did we perform?

The HIS contract was signed and approved during the 2023-24 fiscal year.

▶ Indicator: Project team resources are successfully secured

Consolidating the province's health zones to a unified HIS to securely store, access, and organize health records will take approximately 24 months. To support the implementation of this vendor-based software, NL Health Services is currently building a team, which will consist of clinicians and specialists in the areas of project management, change management, communications and training, clinical informatics, analytics, and technology.

What did we do during 2023-24?

- Developed a Workforce Planning Roadmap to define and outline specific actions required to build project team resources.
- Initiated a Workforce Advisory Committee.
- Commenced recruitment of team resources.

How did we perform?

- A portion of the project team resources was successfully secured in 2023-24 but recruitment is still ongoing.

▶ Indicator: Project kick off is successfully achieved

To mark the successful start of the HIS transformation agenda, a project kick off is a significant milestone. Upon successful execution of a contract, as well as establishing the workforce, NL Health Services will officially begin implementation with the successful vendor, Epic. Epic is a widely-used health information system that helps health-care organizations manage various aspects of patient care, including electronic health records, billing, patient scheduling, patient registration, and lab results among other functionalities. NL Health Services is transitioning to Epic, which will improve the efficiency and effectiveness of health-care delivery in the province. Epic provides a unified, integrated system to manage patient care across all departments, improving communication and workflow.

What did we do during 2023-24?

- Offered engagement sessions for NL Health Services employees and physicians (in-person and virtually) to introduce the project and opportunities, to hear from Epic, and to discuss next steps.
- Developed and began implementation of an Epic Project Engagement Session Survey to identify employee and physician needs and preferences to guide the Epic Project.

How did we perform?

The Epic Project kick off was achieved in 2023-24.

Established and finalized organizational structure

Transformative change must occur to build a more sustainable and well-balanced health-care system that meets the needs of the population. To do this, our new organization must be structured and resourced appropriately. Prior to the amalgamation and beyond, working groups were brought together to review best practices and experiences of other jurisdictions that have undergone transitional changes. This review helped build recommendations on a provincial health authority structure suitable to Newfoundland and Labrador that maintains local decision-making ability and responds to health needs of the population currently served by legacy RHAs.

► Indicator: Front-line management structure in place within the fiscal year

Bringing together the management of the four RHAs and NLCHI into NL Health Services will provide a more cohesive and integrated health-care service for our patients, clients, and families.

What did we do during 2023-24?

- Developed guidelines for establishment and implementation of program structures.
- Established a process for communicating to, and supporting, managers with HR and structure changes.

How did we perform?

All structures have been identified down to frontline management positions. Programs are at various stages of implementing these structures.

► Indicator: Maintained a neutral cost of operations

It was important for NL Health Services to maintain a neutral cost of operations as the management structure was built and implemented for the consolidated health authority. As the organization worked with Accenture, a global consulting firm, to build the different levels of the management reporting structure from the CEO to frontline managers, it was critical to ensure it was completed as efficiently as possible from a financial perspective. Given the on-going pressures in many different aspects of the health-care system, as well as global economic pressures, it further highlights the significance of redesigning the health authority within the existing envelope of funding.

What did we do during 2023-24?

- Worked with Accenture to ensure a cost neutral approach was incorporated into the methodology of forming the new management structure for NL Health Services and continuing this work with programs to ensure the same methodology is applied as subsequent levels of the organizational structures are implemented.
- Continued to provide monthly updates to Executive and Senior Management that highlights the year-to-date budget variance in management compensation.

How did we perform?

NL Health Services maintained a neutral cost of operations throughout the 2023-24 fiscal year.

DISCUSSION OF RESULTS

- NL Health Services is working towards transformative change that is modernized and integrated across zones, embeds evidence into policy and practice, and engages patients and families to ensure we are building a sustainable and well-balanced health-care system that meets the needs of the population, both now and into the future.
- NL Health Services developed and implemented The Health Transformation Framework in 2023-24, which identifies key mechanisms for integration and transformation across the organization, including SHNs and SITs. The first three SHNs were established in areas that require significant transformation change, such as primary health care, health of the older adult, and surgery. Similarly, the first four SITs were identified in Obstetrics, Infection Prevention and Control, Diabetes, and Critical Care. SITs aim to support programs that are delivered through a zone-based leadership model and provide an avenue for zone counterparts to exchange information and problem-solve collectively.
- The organization continues to harness innovation through the Living Lab which provides opportunities for innovative solutions to be developed, tested, refined, and applied across all areas of health care. Enrollment in health research studies, GDP growth, and the number of innovation projects increased as a result of an increased focus on innovation.
- NL Health Services will be replacing Meditech Magic, Meditech Client Server, and Client Referral Management System (CRMS) with a new HIS as part of the Provincial Health Accord for Newfoundland and Labrador. The implementation of the new HIS will be the largest health-care system implementation ever launched in Newfoundland and Labrador. The Epic system will replace upwards of 100 instances of applications currently in use across the province, and it will serve as a single patient record, connecting patient health information in real time. During 2023-24, the new HIS contract was signed and approved, the project kick-off began, and project team resources were successfully secured, but remain ongoing.
- Transformative change must occur to build a more sustainable and well-balanced health-care system that meets the needs of the population. During the first year of the new provincial organization, the organization structure was established down to frontline management positions, and a neutral cost of operations was achieved, resulting from vacancies.

1

TRANSFORMATION





STRATEGIC ISSUE TWO: **Our People**

Our People are NL Health Services' greatest strength. They bring compassion and expertise to services and programs in hospitals, long-term care homes, and communities every single day. To support our people, NL Health Services must provide a healthy workplace that is inclusive, psychologically and physically safe, runs with optimal staffing and volunteer levels, and delivers opportunities to learn and grow.



Objective Year One (2023-24)

By March 31, 2024, NL Health Services will have enhanced focus on recruitment and retention strategies to support a safe, engaged and inclusive work culture.

Developed, approved, and implemented recruitment and retention strategies

NL Health Services developed and approved a Recruitment and Retention Strategy that is made up of five components: (1) Healthcare Learner and Residents Program, (2) Process and procedure alignment, (3) Distributed Medical Education (DME) program support, (4) Retention, and (5) Engagement. The implementation of recruitment and retention strategies is ongoing to ensure the required health-care professionals and physicians are in place to provide high quality care. This includes the addition of a retention focused strategy to strengthen positive workplace culture and practice environments, as well as increasing representation from equity-deserving groups (e.g., Indigenous, racialized, 2SLGBTQ+) in health workforce initiatives.

There is also an ongoing partnership with the Provincial Government on the Work in Health NL campaign (<https://workinhealthnl.ca/>) which features opportunities and incentives to work in all fields of health care in Newfoundland and Labrador. Resulting from extensive recruitment initiatives, NL Health Services has been successful in recruiting more than 200 internationally educated nurses to Newfoundland and Labrador since 2022. These nurses are working in various health-care facilities throughout the province. In addition, over 600 internationally educated nurses are currently being recruited through ongoing initiatives.

► **Indicator: Reduction in physician attrition rate**

An attrition rate quantifies the rate at which employees depart an organization and represents the pace of employee turnover. Measuring physician attrition rates will help evaluate the effect of retention efforts and better understand organizational dynamics. A shortage of physician resources can lead to lower morale, loss of knowledge, recruitment challenges, and impacts on client care and access to services.

What did we do during 2023-24?

- Conducted a review of available data regarding salaried physician positions to establish a reporting baseline. Baseline anticipated by March 31st, 2025.

How did we perform?

The review of data availability and validation had to occur before an attrition rate could be calculated. This work was completed in 2023-24 and data entry into the Human Resource Information System will allow for real time updates on physician movements for analysis and reporting.

► **Indicator: Reduced physician vacancies in category B Emergency Rooms**

A Category B Emergency Room offers 24-hour care, with a physician on-call after hours and limited diagnostics. NL Health Services has Category B Emergency Rooms in three zones (Eastern Rural, Western, and Central). The impact of retention and recruitment efforts, in conjunction with other initiatives aimed at improving the sustainability of Category B Emergency Rooms (ER) (i.e., virtual care), was measured in hours of ER closures and diversions.

What did we do during 2023-24?

- Participated in various recruitment events, provincially, nationally, and internationally, with a focus on ER physicians.
- Continued to incentivize offers to physicians including a Come Home Incentive and Physician Signing Bonus.
- Maintained and enhanced relationships with learners and residents at the Memorial University Medical School to initiate recruitment opportunities.
- Implemented mixed models of care that includes both virtual and in-person options.
- Implemented a strategy to fill temporary (locum) positions by encouraging family members to come with the physician on a working holiday. Promotions and campaigns are underway to encourage people to experience rural areas in hopes of finding permanent placements.

- Implemented a campaign utilizing promotions on both NL Health services and "Extraordinary Everyday" social media and web platforms to promote physician recruitment to Category B sites that highlights incentives for both in-person and virtual emergency coverage.

How did we perform?

NL Health Services reduced the number of hours of ER closures and diversions in Category B sites in 2023-24.

- The average number of hours of ER closures and diversions in Category B sites was 1,081 hours in 2023-24, a reduction in comparison to 1,684 hours in 2022-23.

Developed, approved and implemented an action plan to measure and address Psychological Health and Safety

Providing a healthy workplace that is inclusive, psychologically and physically safe, runs with optimal staffing and volunteer levels, and delivers opportunities to learn and grow, is key to retaining and recruiting talent. It is also inextricably linked to a quality patient experience. A psychologically healthy and safe workplace is a respectful and productive environment that makes every reasonable effort to promote and protect the mental health of employees. During the 2023-24 fiscal year, a provincial working group was established to determine the current state in each zone to measure and address psychological health and safety. This group will use the information gathered from the zones to develop an action plan to be implemented in 2024-25.

► **Indicator: Established a baseline for psychological health and safety of employees, physicians, and volunteers**

A provincial baseline for psychological health and safety is required as the basis for future comparisons. To know if the actions carried out by NL Health Services to address psychological health and safety are impacting employees, physicians, and volunteers, a measurement must be put in place for continuous quality improvement.

What did we do during 2023-24?

- Established a provincial psychological health and safety working group.
- Completed a current state analysis of zone activities ongoing to measure and address psychological health and safety and determine feasibility of calculating a baseline with existing information.
- Identified and agreed upon a survey to be administered province-wide to collect a baseline measure.

How did we perform?

Although all legacy organizations measured and addressed psychological safety, the information that was collected was specific to the organization at the time and it varied. Therefore, despite efforts to calculate an existing baseline measure from legacy organization survey results, the information was not able to be compared.

A province-wide survey to measure psychological health and safety was identified to be administered in 2024-25, in which a baseline will be identified.

► **Indicator: Worked with union partners to negotiate transition agreements**

The Human Resources department is working with its union partners to negotiate transition agreements to align the collective agreement language to be represented as one provincial employer, as opposed to the four former RHAs. This will reduce barriers for employees moving positions throughout NL Health Services.

What did we do during 2023-24?

- Established a working group with Treasury Board Secretariat (TBS) to review Registered Nurses' Union Newfoundland and Labrador (RNUNL) transition agreements.

How did we perform?

Despite efforts to have a transition agreement signed with RNUNL by the end of the fiscal year, meetings and discussions were delayed due to competing priorities regarding the structure of NL Health Services.

DISCUSSION OF RESULTS

- A healthy workplace is one that is diverse, equitable and inclusive, psychologically and physically safe, runs with optimal staffing and volunteer levels, and delivers personal health resources in the workplace (support and encouragement of healthy lifestyles). In pursuit of this goal, NL Health Services developed and implemented recruitment and retention strategies, including initiatives to recruit internationally educated nurses and increase representation from equity-deserving groups in the health workforce.
- Physician attrition and vacancies was an area of focus identified in NL Health Services 2023-24 Strategic Plan. To address this concern, NL Health Services conducted a review of available data regarding salaried physician positions to

establish a reporting baseline for measuring physician attrition rates, thereby enabling better performance monitoring of retention strategies in the future. NL Health Services also participated in many recruitment events, incentivized offers to physicians, and maintained relationships with learners and residents to recruit ED physicians and reduce physician vacancies in Category B Emergency Rooms.

- NL Health Services was not successful in establishing a baseline for psychological health and safety of employees, physicians, and volunteers during 2023-24. Although all legacy organizations measured and addressed psychological safety, how and what information was collected was specific to the organization at the time, and therefore, a baseline could not be calculated. In response to this, NL Health Services established a provincial working group to measure and address psychological health and safety, completed a current state analysis, and identified a survey to be administered province-wide in 2024-25, which will establish a baseline measure at that time.
- Despite efforts to have a transition agreement signed with RNUNL by the end of the fiscal year, there was a delay due to a lack of a provincial leadership structure and competing human resources priorities regarding the structure of NL Health Services. This work is anticipated to resume during the first quarter of 2024-25.

2



OUR PEOPLE





STRATEGIC ISSUE THREE: **Access**

To achieve the best possible health outcomes, people require the ability to see the most appropriate health-care provider, in the most suitable care setting, in a timely manner, and without barriers.

To improve access to services, NL Health services must be innovative in our approach to provide the most appropriate level of care and services, address areas that are experiencing high demands, and empower individuals and families with the skills and ability to understand and navigate the health-care system.



Objective Year One (2023-24)

By March 31, 2024, NL Health Services, will have commenced redesign of its community-based and hospital-based service delivery for better balance and improving access to remote and rural locations of the province.

Implemented mechanisms to support booking, cancelling, and rescheduling of appointments

Current systems used to support booking, cancelling, and rescheduling of appointments include Community Wide Scheduling (CWS), CRMS Scheduler, and Telus EMR. To support this work, NL Health Services developed a provincial policy intended to help guide clinicians around appropriate evidence-based scheduling and booking practices, implemented a central location for residents of the province to update demographic and contact information, and is also working to create data visualizations for no show appointments. Integration of supportive services, streamlining workflows, and increasing accessibility associated with the current booking systems will allow available capacity to be utilized appropriately.

▶ Indicator: Increased # of programs or services using central booking

Central booking refers to the utilization of technology to book appointments through a scheduling application. CWS is widely-used to complement the automated notification system campaign and continues to be deployed throughout the province.

What did we do during 2023-24?

- Continued to onboard new programs into central booking systems, such as CWS.

How did we perform?

NL Health Services increased the number of programs or services using central booking throughout 2023-24.

- 75 new providers were added to CWS during 2023-24.

▶ Indicator: Increased # of programs or services using automated notification system

The automated notification system allows NL Health Services to electronically notify and/or remind patients of upcoming scheduled appointments via Telephone, Email, or SMS Text message.

What did we do during 2023-24?

- Completed clinical workflow mapping within the Eastern Urban Zone for Primary Healthcare Total Joint Assessment Clinic, and the Cardiology Program. Clinical workflow mapping encompasses all preparation required to bring a new clinic online with automated notification system and includes agreement of common definitions required for onboarding.
- Onboarded the automated notification system to two of the four remaining services in the Eastern Urban Zone.

How did we perform?

NL Health Services increased the number of programs using an automated notification system in 2023-24.

- Two new services in the Eastern Urban Zone were onboarded into the automated notification system in 2023-24.

Implemented alternative and/or innovative ways to provide the most appropriate level of care/services

Transforming health care requires new and innovative ways of approaching the system across the continuum of care. In 2023-24, some of the major areas of focus to improve access to services and patient flow within the system were Primary Health Care and Emergency, using ALC rates as an indication of whether patients are being cared for in the most ideal setting. In Primary Health Care, one of the main ongoing priorities is the implementation of Family Care Teams throughout the province. The sustainability of EDs is another area of focus, with virtual care being implemented in various sites.

▶ Indicator: Increased individuals attached to Family Care Teams

Family Care Teams are an innovative approach to re-imagine and re-design the health system in Newfoundland and Labrador. Family Care Teams aim to improve access and continuity of primary health care (PHC) for individuals and families in their community. They represent a significant shift from solo-based community practice and program-based models of service delivery to an inter-disciplinary team-based model. Family Care Teams offer seamless access to multiple health-care professionals that focus on meeting the health and social needs of individuals and families.³

What did we do during 2023-24?

- Developed indicators with consistent meaning and interpretation and established consistent reporting requirements.
- Developed a dashboard to provide aggregate information provincially and by zone. The goal of the dashboard is to enable each local Family Care Team access to performance monitoring data.
- Developed targets for roster size of each Family Care Team based on current staffing levels to help local Family Care Teams identify areas for improvement.

How did we perform?

NL Health Services increased the number of individuals attached to Family Care Teams in 2023-24 comparison to the year prior.

- During 2023-24, the number of individuals connected to a family care team increased from 28,895 in April 2023 to 55,455 as of March 2024.

³ Source: Family Care Teams. A Health Policy Framework for Newfoundland and Labrador, 2023

▶ Indicator: Increased # of approved Family Care Teams established

Health care isn't one size fits all. Every person (and community) is unique, and therefore a needs-based approach to planning teams and an individualized approach to care is required. The implementation of additional Family Care Teams throughout the province is intended to improve access and continuity of PHC for individuals and families in their community through an inter-disciplinary team-based model. This model enables streamlined access to a team of health-care professionals that focus on meeting both health and social needs.

What did we do during 2023-24?

- Identified common definitions of the status of Family Care Teams (e.g., partially vs. fully operational status).
- Established a provincial working group to assess the status of, and barriers to, establishing Family Care Teams and developed strategies to address barriers for each zone.

How did we perform?

NL Health Services increased the number of approved Family Care Teams established in 2023-24.

- The number of Family Care teams established doubled from 8 at the end of 2022-23 to 16 at the end of 2023-24.

▶ Indicator: Decreased Alternate Level of Care days

ALC is a clinical designation that identifies patients occupying hospital beds who no longer need the intensity of resources or services provided with acute care. Beds occupied by ALC patients are not available to other patients who need hospital care. A higher ALC rate indicates that patients are not being cared for in an ideal setting (such as their home, assisted living, or residential care) and can contribute to congested EDs and surgery cancellations.

What did we do during 2023-24?

- Created a provincial working group to develop a dashboard to view ALC data at various levels.
- Completed current state analysis to understand zone specific ALC challenges and barriers, identify opportunities for improvement, and determine priority areas of focus is ongoing.

- Launched a pilot project, in collaboration with two strategic innovation partners, Seafair Capital and Mobia Health, to develop and pilot a software and process solution to streamline and coordinate the discharge of ALC patients. The purpose of the solution, DischargeHUB, is to plan and optimize how ALC patients are discharged from hospital. The six-month pilot project began in January 2024 at the Health Sciences Centre and St. Clare's Mercy Hospital and is focused on patients who can safely be discharged back to their home with the correct supports to meet their care needs.

How did we perform?

NL Health Services realized a organization-wide reduction in ALC days in acute care in 2023-24.

- The number of ALC days for acute inpatient care as a per cent of total patient days decreased from 25.25% in quarter one to 23.41% in quarter four of the fiscal year.

▶ Indicator: Improved sustainability of Emergency Departments through increased use of virtual care

Virtual emergency room (ER) care is one method used by NL Health Services to help improve sustainability of EDs. It brings remote emergency care doctors to virtually support emergency services in select Newfoundland and Labrador communities. A virtual ER operates much like a traditional ED. In communities with this service in place, you may be seen by a nurse or clinician in-person, and you may then be connected to a virtual ER doctor or nurse practitioner via a remote device, thereby expanding access for patients/clients and families. The virtual ER doctor will work closely with on-site nurses and other clinicians who will use remote technology to recreate an in-person patient/doctor experience. Together, they will determine a diagnosis and necessary treatment. Success on this indicator is measured by a reduction in hours of ED closures/diversions.

What did we do during 2023-24?

- Established a Virtual ER Steering Committee.
- Implemented Teledoc, a virtual vendor that provides virtual physician coverage, to fill gaps in sites with physician vacancies.
- Implemented Nurse Practitioner (NP) and Registered Nurse (RN) models of care with access to virtual physicians.

How did we perform?

NL Health Services improved the sustainability of EDs through increased use of virtual care.

- The average number of hours of ED closures and diversions in Category B sites was 1,081 hours in 2023-24, a reduction in comparison to 1,684 hours in 2022-23.
- In 2023-24, Western Zone continued to successfully keep all Category B EDs open using NP and RN models with access to virtual care physicians.

Increased volume of hip and knee replacements and cataract surgeries performed

To reduce the current surgical backlog and surgical wait times in Newfoundland and Labrador, and in support of the Provincial Surgical Backlog Taskforce Report recommendations, NL Health Services selected hip and knee replacements and cataract surgeries as an area of focus in the 2023-24 Strategic Plan. Additionally, surgery was chosen as one of the first four areas to become a Strategic Health Network with an early focus on orthopedics and ophthalmology.

► Indicator: Increased volume of hip and knee replacements and cataract surgeries performed

A report by the Canadian Institute for Health Information (CIHI) in March 2023 showed that, nationally, there has been a decrease in surgeries performed in the years since the pandemic when compared to 2019. As a result, there is a backlog of people waiting for various types of surgeries, including total joint replacements and cataract surgeries. Increasing volumes of surgeries performed will reduce wait times and, in turn, improve access to these services.

What did we do during 2023-24?

- In collaboration with NL Health Services' innovation partner, Mobia Technology Solutions, NL Health Services substantially completed the development of a surgical Central Intake solution in 2023-24, which will improve communications with patients, reduce wait times, and improve equitable patient-centred access to surgical services in Newfoundland and Labrador. This solution will facilitate the submission of electronic referrals and utilize triage and prioritization information to queue patients appropriately based on urgency and time waiting.
- Began development of a Surgical Performance Dashboard, which will improve accessibility of information on surgical wait times and wait list volumes, help contribute to data informed decision making, and promote improvements within the health system. The interactive dashboard will provide aggregate information provincially, or by zone, on priority surgical procedures including cataracts and total joint replacements.
- Initiatives to identify opportunities to increase surgical capacity and utilization are ongoing in the zones. For example, visiting orthopedic clinics providing orthopedic

surgeries for inpatients and outpatients have been established at Carbonear General Hospital and Charles S. Curtis Memorial hospital in St. Anthony.

How did we perform?

NL Health Services increased the volume of hip and knee replacements and cataract surgeries performed in 2023-24 in comparison to the year prior.

- 2,288 hip and knee replacement surgeries were performed in 2023-24 in comparison to 1,635 in 2022-23.
- 11,507 cataract surgeries were performed in 2023-24 in comparison to 10,085 in 2022-23.

Improved health system navigation for patients

Client navigation in health care means helping guide patients and families through the health-care system to provide basic information, to connect with the right program or service provider, or even to understand diagnoses, treatment options, and available resources. Client navigators can help individuals to overcome barriers to health care, access and bridge gaps in transitions of care, and effectively contribute towards an efficient, equitable, and people-centred health-care system. In 2023-24, NL Health Services has completed work to strengthen its wayfinding and navigation resources to support quality and timely access to information.

► Indicator: Expanded access to health system navigation resources

NL Health Services, through the legacy organizations, has various navigation resources in place to help guide patients and families through parts of the health-care system. With the amalgamation to one health authority, it is important that this substantial change is met with the necessary resources for patients and families to navigate the new structure and what it means for them. There is also an opportunity to expand resources that exist within the zones or certain program areas on a provincial scale to provide better, more seamless patient experiences.

What did we do during 2023-24?

- Partnered with the Newfoundland and Labrador Centre of Applied Health Research (NLCAHR) to complete a jurisdictional scan and evidence report to inform best practices in health-care navigation.
- Conducted an in-depth analysis of current navigation programs within NL Health Services, engaging seven navigation teams (Indigenous Health, Mental Health and Addictions, Palliative Care, Central Zone Navigation, Community Support Services, Cancer Care, and Spinal Cord Injury).

- Held engagement sessions with identified partners that would enable and support the strengthening of navigation resources, including Patient and Family Experience Advisors, Digital Health, Quality, and Senior Executive.
- Developed recommendations and next steps to strengthen navigation services organizationally.

How did we perform?

In 2023-24, NL Health Services completed required foundational work to expand access to navigation resources.

▶ Indicator: Established organization standards for wayfinding

Wayfinding in health care serves the crucial purpose of guiding patients, visitors, and staff efficiently and effectively throughout a health-care environment. Clear wayfinding systems enhance patient experience, reduce anxiety, and minimize the risk of getting lost, ultimately improving patient satisfaction. The approach to wayfinding should be consistent throughout the organization and province as clients entering any facility within the province shall have a similar experience and/or interaction with the built environment.

What did we do during 2023-24?

- Drafted a provincial policy for wayfinding.
- Partnered with the Cygnus Design Group to develop a common wayfinding strategy to be used in all zones and in alignment with the NL Health Services brand. This includes the use of Indigenous symbols and pictograms, as well as consistent naming conventions, colours, fonts, and signage.

How did we perform?

In 2023-24, establishment of organization standards for wayfinding was completed.

DISCUSSION OF RESULTS

- Access to health-care services means that people can see the most appropriate health-care provider, receive care in a suitable setting, and receive timely care without barriers. By improving access, NL Health Services aims to ensure that individuals and families can receive the care they need when they need it, leading to better health outcomes and overall satisfaction with the health-care system.
- NL Health Services continued to implement mechanisms to support booking, cancelling, and rescheduling of appointments, including the use of CWS, CRMS Scheduler, and Telus EMR during 2023-24. This work also included developing a

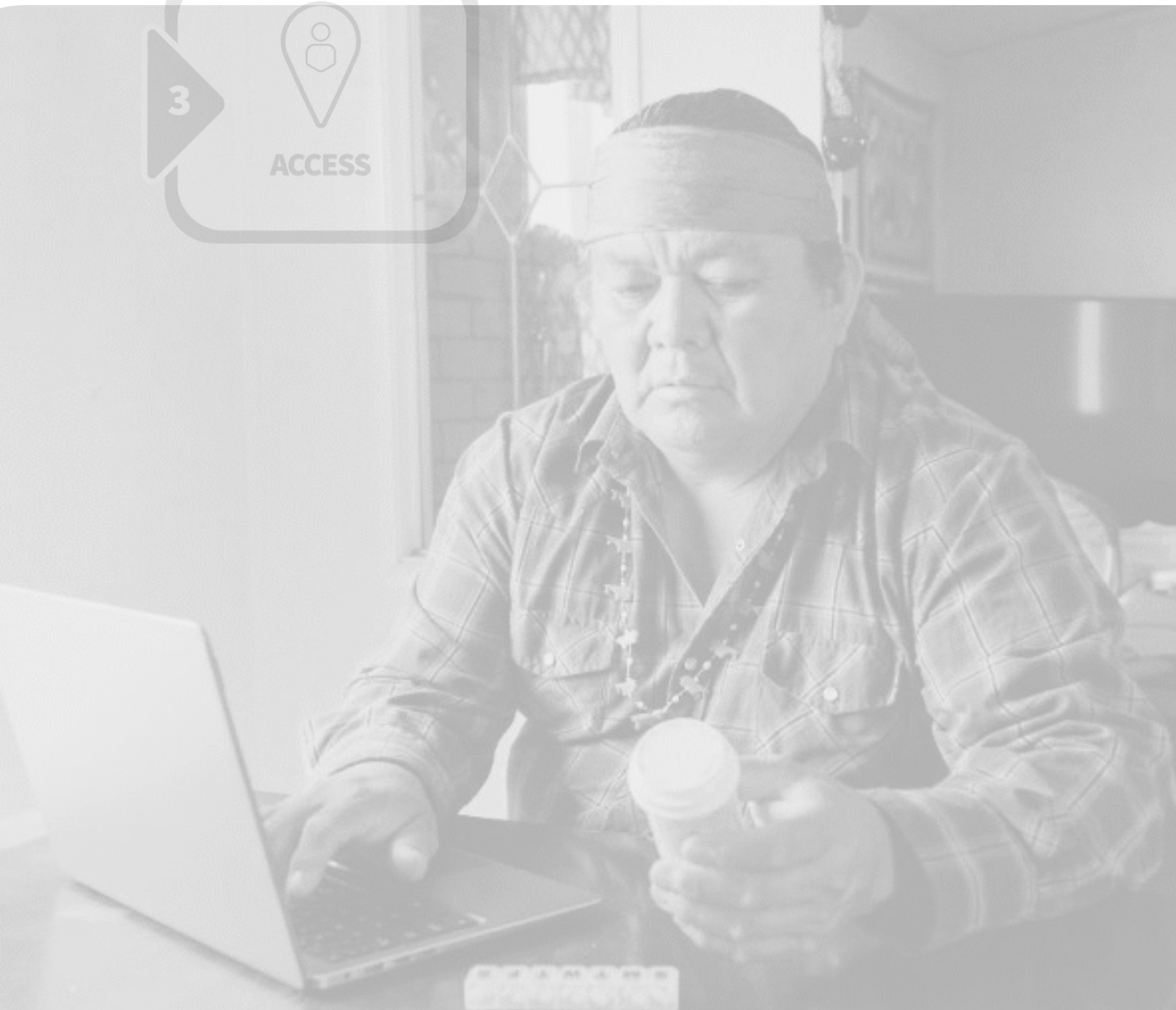
provincial policy to guide clinicians in evidence-based scheduling and booking practices.

- Attaching patients to a primary care provider continues to be a priority for NL Health Services and the expansion of Family Care Teams continues across the province. During 2023-24, NL Health Services increased the number of individuals attached to Family Care Teams, as well as doubled the number of approved Family Care Teams established.
- NL Health Services realized a reduction in ALC days in acute care in 2023-24 as a result of continuous monitoring and analysis of ALC data through the creation of dashboards, as well as launching a pilot called DischargeHUB, aimed at streamlining and coordinating the discharge of ALC patients.

3



ACCESS





STRATEGIC ISSUE FOUR: **Quality**

Quality refers to safe care that improves the health outcomes and care experiences of patients, residents, clients, and families. It requires robust standards and processes delivered by a healthy and sustainable workforce in an environment that is inclusive and respectful. It integrates equitable access to health services and information and reflects the voice of the patient and family in the care provided.

To support a culture of continuous quality improvement, NL Health Services is guided by eight dimensions of quality: population focus, accessibility, safety, work-life, client-centred services, continuity, appropriateness, and efficiency. These dimensions, along with people-centred care, contribute to a safe and efficient care model that serves individuals, families, and communities.



Objective Year One (2023-24)

By March 31, 2024, NL Health Services will have initiated activities to improve all dimensions of quality to ensure the right service is being offered to the right person, in the right place, at the right time.

Developed, approved and implemented an Integrated Quality and Learning Health and Social System Framework

In 2023-24, NL Health Services developed a Quality and Learning Framework with the Learning Health and Social Systems approach embedded as a foundational enabler. The Quality and Learning Framework is intended to guide the organization in our commitment to support an inclusive culture of quality, safety, learning, accountability, cultural safety, and people-centred care. It supports a clear, coordinated, and consistent approach to organizational and program-level planning for quality measures and quality improvement. NL Health Services follows Accreditation Canada's Qmentum Global program. As part of this ongoing process of quality improvement, Accreditation Canada assesses the organization's ability to meet standards of safety and quality. The Quality and Learning Framework will inform the components of the Quality Plan for NL Health Services and help to lead the organization in meeting accreditation standards every day, ensuring safe delivery of high-quality services at all times.

▶ **Indicator: Developed, approved, and implemented the Quality Action Plan including relevant quality measures**

A quality improvement action plan includes essential information about how to manage, deploy, and review quality throughout an organization. It demonstrates an organization-wide commitment to safety and quality at all levels. It also serves as the road map for improving quality throughout the organization and aligns with the quintuple aim for health care improvement and other strategic priorities for the organization.

What did we do during 2023-24?

- Assembled a working group and completed consultation with key stakeholders to develop the content on the plan.
- Drafted a plan with approval from senior leadership with a process to provide progress updates.

How did we perform?

In 2023-24, the Quality Improvement Action Plan was developed, approved, and implemented.

▶ **Indicator: Improved compliance to required timelines for access to data and decision support to support a learning health and social system**

To ensure the success of the Learning Health and Social System, timely access to data and information will be required. To report on compliance with required timelines for access to data and decision support, efforts first need to focus on developing supporting structures and processes, identifying appropriate metrics and establishing reasonable time expectations.

What did we do during 2023-24?

- Began development of a central intake for requests for data and information by external stakeholders.
- Identified metrics to measure timeliness of data and information requests.

How did we perform?

NL Health Services was unable to assess compliance to required timelines for access to data and decision support in 2023-24. The organization identified metrics to measure timeliness of response to data and information requests and is working to define a baseline and set targets for turnaround times.

▶ **Indicator: Developed, approved, and implemented an Integrated Risk Management (IRM) framework**

The IRM Framework, as well as an implementation plan, were developed and approved in 2023-24. The framework is a foundational document that supports a clear, coordinated, and structured approach to NL Health Services risk management. It outlines the risk management process, as well as the accountability, reporting, and monitoring of risks. The IRM implementation plan is a roadmap or guide to operationalize the IRM Framework. Implementation of the plan will lead to effective integration of risk management for the health authority.

What did we do during 2023-24?

- Developed an IRM framework.
- Completed the organization IRM Profile.
- Completed risk identification activities with the executive team, provincial, and zonal leadership to identify strategic, organization-wide risk, as well as engaged patients in the strategic risk identification process.
- Documented identified risks in the risk register and assigned and onboarded leadership responsible for risk response and mitigation strategies.

How did we perform?

NL Health Services completed the development, approval, and implementation of an IRM framework in 2023-24 and completed the organization IRM Profile.

Implemented the Just Culture Program

Just Culture refers to a system of shared accountability in which organizations are accountable for the systems they have designed and for responding to the behaviors of their employees in a fair and just manner. Each zone is in a different stage of implementing the Just Culture Program and NL Health Services will continue to build on the components of the program that have been developed and/or implemented within the zones to date. Components of the program include Just Culture training, which is ongoing; a policy, which is in the process of being drafted; and a communications plan, which has been initiated.

▶ **Indicator: Completed the roll-out of Just Culture training across all zones**

Just Culture is the concept of designing, implementing, and supporting a fair and just learning culture within an organization. Just Culture entails managing behavioural choices and designing safer systems to prevent errors. Just Culture training includes educating leaders about the principles of Just Culture to ensure our leaders foster an environment where everyone is physically and psychologically safe, encouraged, and enabled to discuss and report quality and safety concerns. Leaders are also educated on how to use a standardized set of tools to support a thorough and consistent approach to investigation and a fair and consistent approach for managing behavioral choices, contributing to learning and improvement as an overall goal.

What did we do during 2023-24?

- Developed and launched a staff education module on the NL Health Services' Learn platform.
- Developed a Communications Plan to accompany the rollout of training across the province.

How did we perform?

As of the end of the fiscal year, Just Culture training has commenced and is ongoing in all zones.

Identified and built on existing mechanisms to improve meaningful partnerships with Indigenous peoples and communities

To understand the health and health-care needs of the Indigenous Peoples it serves, develop a culturally-competent workforce, deliver culturally-safe care, and address social determinants of health (within the health system's scope of influence), NL Health Services must meaningfully partner with Indigenous Peoples in a distinctions-based approach. These balanced partnerships should be developed and fostered in the spirit of reconciliation. To begin this journey as a newly-formed organization, in 2023-24, NL Health Services conducted an environmental scan of best and leading practices across Canada and existing practices and initiatives within the legacy organizations. From there, NL Health Services continued to build on existing partnerships and initiatives through both formal and informal mechanisms. Membership in groups such as the Innu Round Table, Atlantic First Nations Health Partnership, and Labrador Inuit Tripartite Committee has been reestablished and NL Health services is now co-chairing a Health Action Circle in response to First Voice Calls to Action. Additionally, a steering committee to support the Health Services Integration Fund (HSIF) project aimed to improve meaningful partnerships is active and most Indigenous groups are actively engaged in the project.

This committee has agreed on broad recommendations/statements to be included in a memorandum of understanding between NL Health Services and Indigenous Governments around how to work together.

▶ **Indicator: Established an Office of Indigenous Health and Cultural Safety**

An Office of Indigenous Health and Cultural Safety will serve a key quality function and internal resource to NL Health Services governance, executive, and employees. Reflecting the Patient and Family Centred Care philosophy, and in the spirit of reconciliation, this office will lead and support the health authority's efforts to develop a culturally-competent workforce, develop and deliver culturally-safe care, and ensure an Indigenous lens is applied to strategic planning and all levels of decision-making.

What did we do during 2023-24?

- Ongoing work with Indigenous partners to develop a job description and hire a senior leader for Indigenous Health and Cultural Safety.

How did we perform?

The office of Indigenous Health and Cultural Safety was not officially established in 2023-24.

▶ **Indicator: Developed formal communication processes with each Indigenous people**

NL Health Services partnerships with Indigenous organizations and service providers depend on strong, reciprocal relationships and shared decision making. A partnership agreement will outline specific and defined roles and responsibility for each party to the agreement, accountabilities and reporting requirements, engagement processes, communication methods and processes, and regular engagement opportunities.

What did we do during 2023-24?

- Completed a current state analysis across zones of communication processes that already exist.
- Updated membership on formal tables based on new positions and roles within NL Health Services.
- Progressed work to develop distinctions-based formal and informal protocols with First Nations and Inuit governing bodies to support improved communication and engagement.

How did we perform?

NL Health Services began its journey to enhance partnerships with Indigenous communities in 2023-24 and began the development of formal communication processes with each Indigenous people.

Improved mechanisms to promote meaningful engagement of patients, families and communities

NL Health Services strives to live by a people-centred care philosophy, where the person served, and their family, are at the heart of every decision made and every action taken. People-centred care is a way of thinking and doing things that envisions the people using health and social services as equal partners in planning, developing, and monitoring care to ensure it meets their needs. This means putting people and their families at the centre of decisions and seeing them as experts, working alongside professionals to get the best outcome. To build on work already ongoing within the legacy organizations, in 2023-24 the zones came together on a provincial scale to enhance and standardize mechanisms that would effectively and meaningfully engage our patients, families, and communities. Mechanisms included Patient and Family Experience Advisors, Community Advisory Committees, and Regional Health Councils.

▶ **Indicator: Increased meaningful involvement of Patient Family Advisors**

Patient and family experience advisors volunteer to partner with NL Health Services health-care professionals to help make better decisions, shape policy, enhance programs, and improve day-to-day person-centred care interactions. This indicator reflects improved activities that promote meaningful engagement of patient and family experience advisors. Measurement is based on the perception as to whether their engagement in NL Health Services activities was meaningful.

What did we do during 2023-24?

- Co-developed a People-Centred Care (PCC) Engagement Framework with Patient and Family Experience Advisors
- Co-developed and administered a survey to evaluate work with, and the meaningful involvement of, Patient and Family Experience Advisors in order to establish a provincial baseline.
- Co-developed an improvement plan based on results from the evaluation.
- Established a provincial PCC Steering Committee.
- Established a working group to develop a PCC engagement policy.
- Completed a current state analysis to inform the development of a provincial policy for family presence and general visitation.

- Initiated a current state analysis of PCC education and materials available across NL Health Services.

How did we perform?

A provincial baseline for meaningful involvement of Patient and Family Experience advisors was identified at 58.5% with an internal improvement target of 75%.

Strategies to improve meaningful involvement of Patient and Family Experience Advisors are at different stages of development throughout NL Health Services and were therefore identified as an influencing factor of the baseline measurement.

Improvement initiatives will support streamlining NL Health Services' processes across all zones for onboarding and education of advisors. Barriers and challenges to engagement is also a focus of improvement planning. Together this will reduce variation throughout NL Health Services.

▶ **Indicator: Increased meaningful involvement of Community Advisory Committee members**

Community Advisory Committees (CACs) engage with community members, including clients and their families, in planning, implementing, and evaluating primary health-care services in their designated area and collaborate in efforts to improve the health status of the population. The CAC functions to provide opportunity for collaboration between the health zone and the community and work together to address priority health needs that the group identifies. CACs help NL Health Services better service our clients, families, and communities by allowing community members to influence the primary health-care planning of the health zone.

This indicator reflects improved activities that promote meaningful engagement of patient and family experience advisors and CACs. Measurement is based on the perception as to whether their engagement in NL Health Services activities was meaningful.

What did we do during 2023-24?

- Continued zone-specific work to actively establish and engage CACs. All CACs are at varying levels of maturity.
- Established a provincial working group to develop a standard policy and terms of reference for all CACs, as well as an orientation and onboarding process to be used by all zones.
- Identified an evaluation tool to measure meaningful engagement.

How did we perform?

Due to the varying levels of maturity of each zone, and the CACs within, meaningful involvement of CACs was not measured for the 2023-24 fiscal year. Work is ongoing on a provincial level to standardize processes across zones and establish a baseline. An evaluation tool to measure meaningful involvement has been identified.

▶ Indicator: Established Regional Health Councils

The Provincial Health Authority Act (2022) outlines the establishment and roles of Regional Health Councils. Regional Health Councils representing each of the five zones will be established to advise NL Health Services on the particular needs of various areas to deliver health care within the zones. A representative from each of the Regional Health Councils will also be appointed to the Board of Trustees for NL Health Services.

What did we do during 2023-24?

- During 2023-24, recruitment commenced for the Regional Health Councils. The recruitment process is overseen by the Independent Appointments Commission.

How did we perform?

None of the five Regional Health Councils were established in 2023-24.

DISCUSSION OF RESULTS

- NL Health Services' approach to Quality is built on robust standards, a sustainable workforce, and an inclusive environment. The organization's commitment to quality is structured around eight dimensions: population focus, accessibility, safety, work-life balance, client-centred services, continuity, appropriateness, and efficiency. These dimensions foster a culture of continuous improvement and people-centred care.
- In 2023-24, NL Health Services introduced the Quality and Learning Framework, embedding the Learning Health and Social Systems approach to enhance quality, safety, and learning. This framework guides the organization towards consistent quality improvement planning and prepares it for daily accreditation readiness.
- The organization made strides in implementing a Provincial IRM framework during 2023-24 to ensure a structured approach to managing risks, with clear processes, accountability, and monitoring, as well as initiating Just Culture training across all zones, marking a progressive step towards a safer, fairer, and more accountable organizational environment. Despite being unable to assess compliance to required timelines for access to data and decision support in 2023-24, the organization identified metrics to measure timeliness of data and information requests and is

working to define a baseline around current turnaround timelines in Data and Information Services.

- NL Health Services began its journey to enhance partnerships with Indigenous communities in 2023-24. An environmental scan of best practices across Canada was conducted and built upon existing initiatives. Memberships with key Indigenous groups were reestablished and NL Health Services is now co-chairing a Health Action Circle, aligning with First Voice Calls to Action. A steering committee is also in place to support the HSIF project, with active engagement from most Indigenous groups. These efforts are part of a broader commitment to develop a culturally-competent workforce, deliver culturally-safe care, and address social determinants of health in collaboration with Indigenous Peoples.
- In 2023-24 NL Health Services began work to standardize and improve mechanisms to promote meaningful engagement of patients, families and communities. A provincial baseline for meaningful involvement of Patient and Family Experience advisors was established and 58.5% of Patient and Family Experience Advisors reported that their engagement was meaningful. Improvement initiatives will support streamlining NL Health Services' processes for all zones for onboarding and education of advisors. Barriers and challenges to engagement is also a focus of improvement planning going forward.



OPPORTUNITIES AND CHALLENGES AHEAD

Transformation

The 2023-24 fiscal year marks the first year in NL Health Services' 2023-26 strategic planning cycle. Notably, this was NL Health Services' inaugural year serving Newfoundlanders and Labradorians as an integrated, provincial health authority. The restructuring of our province's health-care system – bringing together four RHAs and the NLCHI into a single entity, NL Health Services – was not met without its challenges. As we continue to work to standardize processes and pursue provincial accreditation, we must collaborate, recognize, and capitalize on each other's strengths. Over the next two years, we will undergo significant transformation in preparation for the implementation of a new provincial health information system - Epic. The implementation of Epic will be a landmark clinical transformation and one of the biggest changes to operations undertaken. Although there is a high degree of risk in a change of this scope and magnitude, resources and structures are being established to ensure this journey is a success.

Human Resources

NL Health Services recognizes 'Our People' as our most valuable asset. Throughout the past year, our staff, physicians, managers, and senior leaders have demonstrated remarkable resilience, dedication, and commitment to delivering high-quality, efficient care and services. Change fatigue stemming from the COVID-19 pandemic, cyberattack, and transition to NL Health Services has directly impacted our workforce and brought forth staffing challenges across the province. Amidst the transition to a provincial organization, and the subsequent creation of a new shared identity, lies the opportunity to reshape and reimagine health-care service delivery in our province. As we continue through the 2023-2026 planning cycle, NL Health Services is committed to improving access to health-care services, retaining and recruiting health-care professionals, and addressing resource gaps and service discrepancies across Newfoundland and Labrador. To address the human resource gaps, NL Health Services is committed to improving recruitment and retention strategies through workplace well-being initiatives, bursaries and incentives, opportunities for growth and development, and international recruitment. The current and future demand for health human resources nationally and internationally necessitates continued efforts to build a people-centred culture based on the shared values of Innovation, Compassion, Accountability, Respect, and Excellence (I CARE). We extend our utmost gratitude and appreciation to all NL Health Services employees and volunteers, as well as the Board of Trustees.

Environmental Sustainability

This year, and in the future, our focus will extend beyond conventional health-care practices as we develop and implement an organization-wide environmental conservation

strategy. By integrating environmental conservation practices into our operations, such as the Steamplicity program implemented in the Carbonear General Hospital, we can minimize our carbon footprint and ensure sustainable health-care delivery across the province. From reducing waste to establishing an Environmental Sustainability Committee, NL Health Services is dedicated to promoting environmental responsibility and contributing to a healthier future for generations to come.

Fiscal Sustainability

Ensuring fiscal sustainability remains a top priority for NL Health Services. Financial constraints will continue to challenge NL Health Services, as ever-increasing demands on our health-care system persist. NL Health Services remains committed to optimizing resources and improving efficiency in health-care delivery, while maintaining the highest standards of care for the communities we serve. Operating as one organization provides us with an opportunity to explore differences within the province and to learn from each other to improve efficiency and outcomes. NL Health Services will remain focused on sustainability, building on our successes to date while setting targets for improved outcomes and efficiencies.

Health Equity

Health equity is achieved when everyone can attain their full potential for health and well-being and are not disadvantaged by social, economic and environmental conditions. Health and health equity are determined by the conditions in which people are born, grow, live, work, play and age, which are referred to as the social determinants of health. These determinants include both 'downstream factors' such as living and working conditions, as well as 'upstream factors' such as economic inequality and structural racism. NL Health Services serves a geographically diverse, aging population, facing health outcomes amongst the worst in the country and some of the highest rates of chronic disease. Despite these challenges, NL Health Services is committed to working collaboratively with residents, communities and various stakeholders in the province to achieve the vision outlined by Health Accord NL: improved health and health outcomes for Newfoundlanders and Labradorians. through acceptance of and interventions in social determinants of health, and a higher quality health system that rebalances community, hospital, and long-term care services; as well as our own vision: Health and Well-being. Every Person. Every Community. NL Health Services continues to face a difficult environment that requires innovative, evidence-based solutions to eliminate disparities in health status between groups due to social and structural factors.

Appendix A: Glossary of Terms

TERM	DEFINITION
Category A Emergency Room	A Category A Emergency Room is a health-care facility that provides 24/7 physician coverage with the capability to manage critically ill patients using advanced life support techniques. This category of ER ensures the availability of all necessary diagnostic evaluations, such as CT scans, to promptly and effectively address a wide range of medical emergencies.
Epic	Epic is a widely-used health information system that helps health-care organizations manage various aspects of patient care, including electronic health records, billing, patient scheduling, patient registration, and lab results among other functionalities. NL Health Services is transitioning to Epic, which will improve the efficiency and effectiveness of health-care delivery in the province. Epic provides a unified, integrated system to manage patient care across all departments, improving communication and workflow.
Health Accord NL	Health Accord NL was a task force established in November 2020 by the Government of Newfoundland and Labrador to reimagine health care in the province. In February 2022, Health Accord NL submitted its final report titled Our Province. Our Health. Our Future. A 10-Year Health Transformation . In June 2022, a companion Blueprint report was released, outlining implementation recommendations and timelines.
Learning Health and Social System	A learning health and social system is one in which science, education, informatics, incentives, and culture are aligned for continuous improvement, innovation, and equity. Best practices are seamlessly embedded in the delivery process, individuals and families are active participants in all elements, and new knowledge is generated as an integral by-product. ⁴
Quintuple Aim	The Quintuple Aim is a framework for health care improvement that includes enhancing the care experience, increasing value for care, improving population health, promoting care team well-being and advancing health equity.

⁴ The Agency for Healthcare Research and Quality (2019). About Learning Health Systems. Retrieved from <https://www.ahrq.gov/learning-health-systems/about.html#:~:text=Defining%20a%20Learning%20Health%20System,knowledge%20is%20put%20into%20practice>.

Appendix B: Acronyms Used in this Document

ACRONYM	FULL TERM
ACE	Acute Care of the Elderly
ALC	Alternate Level of Care
APPROACH	Adaptation of Point of Care Testing for Pharmacies to Reduce Risk and Optimize Access to Care in HIV, Hepatitis C, and Syphilis
CAC	Community Advisory Committee
CEO	Chief Executive Officer
CIHI	Canadian Institute for Health Information
CRMS	Client Referral Management System
CWS	Community Wide Scheduling
DME	Distributed Medical Education
ED	Emergency Department
EMR	Electronic Medical Record
ER	Emergency Room
EVT	Endovascular Thrombectomy
FIT	Fecal Immunochemical Testing
GDP	Gross Domestic Product
GP	General Practitioner
HIRC	Healthcare Industry Resilience Collaborative
HIS	Health Information System
HR	Human Resources
HRC	Health Relocations Canada
HRIS	Human Resources Information System
HSIF	Health Services Integration Fund
ICU	Intensive Care Unit
IRM	Integrated Risk Management
LTC	Long-Term Care
MAP	Managed Alcohol Program

MCP	Medical Care Plan
MHA	Mental Health and Addictions
MHAC	Mental Health and Addictions Centre
MRI	Magnetic Resonance Imaging
MUN	Memorial University of Newfoundland and Labrador
NL	Newfoundland and Labrador
NLCAHR	Newfoundland and Labrador Centre of Applied Health Research
NLCHI	Newfoundland and Labrador Centre for Health Information
NL Health Services	Newfoundland and Labrador Health Services
NP	Nurse Practitioner
ODT	Opioid Dependency Treatment
PCC	People-Centred Care
PCH	Primary Health Care
POCT	Point-of-Care-Testing
RHA	Regional Health Authority
RN	Registered Nurse
RNUNL	Registered Nurses' Union Newfoundland and Labrador
SIT	Service Integration Team
SNH	Strategic Health Networks
STBBI	Sexually Transmitted Blood Borne Illness
TBS	Treasury Board Secretariat
THN	Take Home Naloxone
2SLGBTQ+	Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, and Additional People Who Identify as Part of Sexual and Gender Diverse Communities

Appendix C: Audited Financial Statements



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

July 31, 2024

Ref: DP15-F1024

Ms. Sharon Forsey, FCPA, FCA, ICD.D
Chair of the Finance Committee of the Board of Trustees
Newfoundland and Labrador Health Services
760 Topsail Road
St. John's, Newfoundland and Labrador
A1E 2C9

Dear Ms. Forsey:

I enclose three copies of the audited non-consolidated financial statements of Newfoundland and Labrador Health Services – Operating Fund for the year ended March 31, 2024. After signing, please return a copy to me.

The Comptroller General, Treasury Board Secretariat, has indicated that a signed copy of the audited non-consolidated financial statements should also be forwarded to that Office.

Yours truly,

A handwritten signature in black ink, appearing to read 'Denise Hanrahan', written in a cursive style.

DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General

Enclosure

c.c. Honourable John Hogan, KC
Minister of Health and Community Services

Ms. Julie Moore, CPA, CMA, MBA
Comptroller General (A)

Newfoundland and Labrador Health Services – Operating Fund

Non-consolidated financial statements

March 31, 2024

Newfoundland and Labrador Health Services – Operating Fund

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March 31, 2024

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Management's Report

Management's Responsibility for Newfoundland and Labrador Health Services – Operating Fund Financial Statements

The non-consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the non-consolidated financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the non-consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized. Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

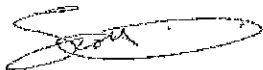
The Board of Trustees [the "Board"] is responsible for ensuring that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the non-consolidated financial statements. The Board carries out this responsibility principally through its Finance Committee [the "Committee"]. The Committee meets with management and the external auditor to review any significant accounting and auditing matters, to discuss the results of audit examinations, and to review the non-consolidated financial statements and the external auditor's report. The Committee reports its findings to the Board for consideration when approving the non-consolidated financial statements.

The Office of the Auditor General conducts an independent audit of the annual non-consolidated financial statements of Newfoundland and Labrador Health Services – Operating Fund, in accordance with Canadian generally accepted auditing standards, to express an opinion thereon. The Office of the Auditor General has full and free access to financial management of Newfoundland and Labrador Health Services – Operating Fund.

On behalf of Newfoundland and Labrador Health Services – Operating Fund.



Karen Stone, KC
Chief Executive Officer (Interim)



Scott Bishop, CPA, CGA, CHE
Vice President – Corporate Services
and Chief Financial Officer



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

INDEPENDENT AUDITOR'S REPORT

To the Chair of the Finance Committee of the Board of Trustees and Members
Newfoundland and Labrador Health Services
St. John's, Newfoundland and Labrador

Opinion

I have audited the non-consolidated financial statements of the Newfoundland and Labrador Health Services – Operating Fund, which comprise the statement of financial position as at March 31, 2024, and the statement of operations and accumulated deficit, statement of change in net debt, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Newfoundland and Labrador Health Services – Operating Fund as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of my report. I am independent of the Newfoundland and Labrador Health Services – Operating Fund in accordance with the ethical requirements that are relevant to my audit of the non-consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the non-consolidated financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the non-consolidated financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

Independent Auditor's Report (cont.)

Other Matters

I draw attention to the fact that the supplementary information included with the non-consolidated financial statements related to Newfoundland and Labrador Health Services – Operating Fund does not form part of the non-consolidated financial statements. I have not audited or reviewed this supplementary information and, accordingly, I do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Basis of Accounting and Restriction on Distribution and Use

Without modifying my opinion, I draw attention to Note 2 to the non-consolidated financial statements, which describes the basis of presentation of the non-consolidated financial statements of the Newfoundland and Labrador Health Services – Operating Fund. These non-consolidated statements have been prepared for specific users and may not be suitable for another purpose.

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

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

In preparing the non-consolidated financial statements, management is responsible for assessing the Newfoundland and Labrador Health Services – Operating Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Newfoundland and Labrador Health Services – Operating Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

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

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

Independent Auditor's Report (cont.)

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Newfoundland and Labrador Health Services – Operating Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Newfoundland and Labrador Health Services – Operating Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General


July 29, 2024
St. John's, Newfoundland and Labrador

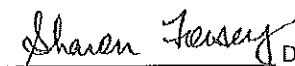
Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated statement of financial position
[in thousands of Canadian dollars]

As at March 31,	2024
	\$
Financial assets	
Cash	9,227
Restricted cash [note 3]	2,137
Accounts receivable [note 5]	153,374
Due from other entities	2,613
Sinking fund investment [note 6]	31,517
	198,868
Liabilities	
Bank indebtedness	8,331
Operating facility [note 7]	648,325
Accounts payable and accrued liabilities [note 8]	380,511
Employee future benefits	
Accrued severance pay [note 15]	2,067
Accrued sick leave [note 16]	121,148
Accrued vacation pay	134,228
Deferred contributions	
Deferred capital gains [note 9a]	94,983
Deferred operating revenue [note 9b]	79,443
Special purpose fund	2,015
Asset retirement obligation - long-term capital [note 18]	11,084
Long-term debt [note 10]	135,027
	1,617,162
Net debt	(1,418,294)
Non-financial assets	
Tangible capital assets [note 11]	688,163
Deposits on capital assets	335
Supplies inventory [note 19]	50,480
Prepaid expenses	38,380
	777,358
Accumulated deficit	(640,936)

Contingencies [note 13]
 Contractual obligations [note 14]

Approved by the Board

 Director

 Director

See accompanying notes which are integral to these financial statements.

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated statement of operations and accumulated deficit
[in thousands of Canadian dollars]

Year ended March 31,	Original Budget	Final Budget	2024
	\$	\$	\$
	<i>[unaudited]</i>	<i>[unaudited]</i>	
	[note 22]	[note 22]	
Revenue			
Provincial plan	2,559,712	2,766,034	2,766,034
Medical Care Plan	141,027	138,708	133,931
Other	84,400	111,768	103,934
Provincial plan capital grant	—	—	127,209
Resident	36,589	38,491	41,637
Inpatient	16,183	17,209	18,225
Outpatient	19,093	16,426	17,345
Other capital contributions	—	—	10,244
	<u>2,857,004</u>	<u>3,088,636</u>	<u>3,218,559</u>
Expenses [note 20]			
Patient and resident services	670,395	734,636	834,222
Client services	673,858	723,899	765,759
Diagnostic and therapeutic	346,241	351,251	363,472
Support	407,546	418,852	451,937
Ambulatory care	301,116	341,751	368,218
Administration	297,274	315,368	322,700
Medical services	179,052	194,208	208,419
Amortization of tangible capital assets	—	—	51,576
Research and education	26,354	31,941	36,152
Other	8,920	25,482	37,076
Employee future benefits			
Accrued severance pay recovery	—	—	(1,651)
Accrued sick leave expense	—	—	1,355
Accrued vacation pay expense	—	—	5,683
Loss on disposal of capital assets	—	—	18
Loss on effect on restructuring transaction [note 23]	—	—	414,559
	<u>2,910,756</u>	<u>3,137,388</u>	<u>3,859,495</u>
Annual deficit	<u>(53,752)</u>	<u>(48,752)</u>	<u>(640,936)</u>
Accumulated deficit, beginning of year	—	—	—
Accumulated deficit, end of year	<u>(53,752)</u>	<u>(48,752)</u>	<u>(640,936)</u>

See accompanying notes which are integral to these financial statements.

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated statement of changes in net debt
[in thousands of Canadian dollars]

Year ended March 31,	<u>2024</u>
	\$
Annual deficit	<u>(640,936)</u>
Changes in tangible capital assets	
Acquisition of tangible capital assets	(140,531)
Additions of tangible capital assets due to restructuring	(599,272)
Loss on disposal of capital assets	64
Amortization of tangible capital assets	51,576
Increase in net book value of tangible capital assets	<u>(688,163)</u>
Changes in other non-financial assets	
Prepaid expenses	(38,380)
Supplies inventory	(50,480)
Deposits on capital assets	(335)
Increase in other non-financial assets	<u>(89,195)</u>
Increase in net debt	(1,418,294)
Net debt, beginning of year	—
Net debt, end of year	<u><u>(1,418,294)</u></u>

See accompanying notes which are integral to these financial statements.

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated statement of cash flows
[in thousands of Canadian dollars]

Year ended March 31	<u>2024</u>
	\$
Operating transactions	
Annual deficit	(640,936)
Adjustments for	
Loss on restructuring	427,963
Amortization of tangible capital assets	51,576
Changes in non-cash working capital	
Accrued severance pay	(1,651)
Accrued sick leave	1,355
Accrued vacation	5,683
Accounts receivables	(33,193)
Accounts payable	105,148
Supplies inventory	(382)
Prepaid expenses	4,615
Cash used in operating transactions	<u>(79,822)</u>
Capital transactions	
Acquisition of tangible capital assets	(140,531)
Disposal of tangible capital assets	64
Change in deposit on capital assets	2,545
Cash used in capital transactions	<u>(137,922)</u>
Investing transactions	
Increase in restricted cash	(2,137)
Increase in sinking fund investment	(2,064)
Cash used in investing transactions	<u>(4,201)</u>
Financing transactions	
Repayment of long-term debt	(1,526)
Deferred capital contributions	(19,025)
Deferred operating	(6,797)
Special purpose funds	732
Change in operating facility, net	249,457
Cash provided by financing transactions	<u>222,841</u>
Net increase in cash	896
Cash, beginning of year	—
Cash, end of year	<u>896</u>
Cash consists of:	
Cash	9,227
Bank indebtedness	(8,331)
	<u>896</u>

See accompanying notes which are integral to these financial statements.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

1. Nature of operations

Newfoundland and Labrador Health Services ["NL Health Services"] is responsible for the governance of health services in the Province of Newfoundland and Labrador [the "Province"].

NL Health Services was established on April 1, 2023, through the amalgamation of the province's four regional health authorities, [Eastern Regional Health Authority, Central Regional Health Authority, Western Regional Health Authority, and Labrador-Grenfell Regional Health Authority] and the Newfoundland and Labrador Centre for Health Information ["NLCHI"]. See note 23 for further details.

The mandate of NL Health Services spans the full health continuum, including primary and secondary level health and community services for the Province. NL Health Services also has a mandate to work to improve the overall health of the population through its focus on public health as well as on health promotion and prevention of disease initiatives. Services are both community and institutional based. In addition to the provision of comprehensive health care services, NL Health Services also provides education and research in partnership with all stakeholders.

2. Summary of significant accounting policies

Basis of accounting

The non-consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards ["PSAS"] established by the Public Sector Accounting Standards Board of the Chartered Professional Accountants of Canada. The significant accounting policies used in the preparation of these non-consolidated financial statements are as follows:

Basis of presentation

These non-consolidated financial statements reflect the assets, liabilities, revenue, and expenses of the Operating Fund. Trusts administered by NL Health Services are not included in the non-consolidated statement of financial position (note 12). These non-consolidated financial statements have not been consolidated with those of other organizations controlled by NL Health Services because they have been prepared for NL Health Services Board of Trustees and the Department of Health and Community Services [the "Department"]. Since these non-consolidated financial statements have not been prepared for general purposes, they should not be used by anyone other than the specified users. Consolidated financial statements have also been issued.

Revenue recognition

Provincial plan revenue without eligibility criteria and stipulations restricting its use is recognized as revenue when the government transfers are authorized.

Government transfers with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met by NL Health Services, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes liability, the transfer is recognized in revenue when the liability is settled. Medical Care Plan ["MCP"], inpatient, outpatient and residential revenues are recognized in the period services are provided.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

NL Health Services is funded by the Department for the total of its operating costs, after deduction of specified revenue and expenses, to the extent of the approved budget. The final amount to be received by NL Health Services for a particular fiscal year will not be determined until the Department has completed its review of NL Health Services' non-consolidated financial statements. Adjustments resulting from the Department's review and final position statement will be considered by NL Health Services and reflected in the period of assessment.

Other revenue includes dietary revenue, shared salaries and services and rebates and salary recoveries from WorkplaceNL. Rebates and salary recovery amounts are recorded once the amounts to be recorded are known and confirmed by WorkplaceNL.

Expenses

Expenses are recorded on an accrual basis as they are incurred and measurable based on receipt of goods or services.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed, or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver healthcare services, may be consumed in normal operations and are not for resale.

Cash (bank indebtedness)

Bank balances, including bank overdrafts with balances that fluctuate from positive to overdrawn, are presented under cash or bank indebtedness, respectively.

Supplies inventory

Supplies inventory is valued at the lower of cost and replacement cost, determined on a first-in, first-out basis.

Tangible capital assets

NL Health Services has control over certain assets for which title resides with the Government of Newfoundland and Labrador [the "Government"]. These assets have not been recorded in the non-consolidated financial statements of NL Health Services. The Government does not charge NL Health Services any amount for the use of such assets. Certain additions and improvements made to said tangible capital assets are paid for by NL Health Services and are reflected in the non-consolidated financial statements.

It is expected that these rates will charge operations with the total cost of the assets less estimated salvage value over the useful lives of the assets as follows:

Land improvements	Straight-line 10 years and declining balance 2.5% - 20%
Buildings and improvements	Straight-line 40 years and declining balance 5% - 6.25%
Equipment and motor vehicles	Straight-line 5 - 7 years and declining balance 12.5% - 33.3%

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

Computer network assets Straight-line 10 years

Gains and losses on disposal of individual assets are recognized in operations in the period of disposal.

Construction in progress is not amortized until the project is substantially complete, at which time the project costs are transferred to the appropriate asset class and amortized accordingly.

Impairment of long-lived assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to NL Health Services' ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets is less than their net book value. The net write-downs are accounted for as expenses in the non-consolidated statement of operations and accumulated deficit.

Capital and operating leases

A lease that transfers substantially all of the benefits and risks associated with ownership of property is accounted for as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair value. Assets acquired under capital leases are amortized on the same basis as other similar capital assets. All other leases are accounted for as operating leases and the payments are expensed as incurred.

Employee future benefits

Accrued severance

Due to changes in collective agreements, severance benefits accrued have been paid out to eligible employees. Employees who opted not to receive eligible severance payments were given the option to defer payment but will not accrue any further severance benefits.

Accrued sick leave

Employees of NL Health Services are entitled to sick leave benefits that accumulate but do not vest. NL Health Services recognizes the liability in the period in which the employee renders service. The obligation is actuarially determined using assumptions based on management's best estimates of the probability of use of accrued sick leave, future salary and wage changes, employee age, the probability of departure, retirement age, the discount rate and other factors. Discount rates are based on the Province's long-term borrowing rate. Actuarial gains and losses are deferred and amortized over the average remaining service life of employees, which is 13 years.

Accrued vacation pay

Vacation pay is accrued for all employees as entitlement is earned.

Pension costs

Employees are members of the Public Service Pension Plan and/or the Government Money Purchase Plan [the "Plans"] administered by the Government. The Plans, which are defined benefit plans, are considered multi-employer plans, and are the responsibility of the Government. Contributions to the Plans are required from both the

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

employees and NL Health Services. The annual contributions for pensions are recognized as an expense as incurred and amounted to \$119,793,782 for the year ended March 31, 2024.

Sinking fund investment

The sinking fund was established for the partial retirement of NL Health Services' sinking fund debenture, which is held and administered by the Government.

Contributed services

Volunteers contribute a significant amount of their time each year assisting NL Health Services in carrying out its service delivery activities. Due to the difficulty in determining fair value, contributed services are not recognized in these non-consolidated financial statements.

Use of estimates

The preparation of non-consolidated financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the non-consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring the use of management estimates include the assumptions used in the valuation of employee future benefits, tangible capital asset useful life, allowance for doubtful accounts, and asset retirement obligations. Actual results could differ from these estimates.

Financial instruments

Financial instruments are classified in one of the following categories: [i] fair value or [ii] cost or amortized cost. NL Health Services determines the classification of its financial instruments at initial recognition.

Long-term debt is initially recorded at fair value and subsequently measured at amortized cost using the effective interest rate method. Transaction costs related to the issuance of long-term debt are capitalized and amortized over the term of the instrument.

Cash and bank indebtedness are classified at fair value. Other financial instruments, including accounts receivable, sinking fund investment, and accounts payable and accrued liabilities are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

3. Restricted cash

Restricted cash relates to amounts held for special purpose funds and endowment funds.

4. Change in accounting policy

On April 1, 2023, NL Health Services adopted PS 3400 Revenues. This is a new standard on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as “exchange transactions”, and transactions that do not have performance obligations, referred to as “non-exchange transactions”. The accounting change did not have a material impact on the non-consolidated financial statements.

5. Accounts receivable

	2024
	\$
Services to patients, residents and clients	32,091
Other	25,998
Government of Newfoundland and Labrador	77,072
Other government entities	25,418
Gross accounts receivable	160,579
Less allowance for doubtful accounts	(7,205)
Net accounts receivable	153,374

6. Sinking fund investment

A sinking fund investment, established for the partial retirement of the Debenture (*note 10*), is held in trust by the Government. The balance as at March 31, 2024 includes interest earned in the amount of \$14,320,872. The annual principal payment to the sinking fund investment until the maturity of the Debenture on June 15, 2040, is \$747,500.

7. Operating facility

NL Health Services has access to a line of credits totaling \$693,000,000 in the form of revolving demand loans and/or overdrafts at its financial institutions. As at March 31, 2024, NL Health Services had used \$648,325,201 from their line of credit. NL Health Services' ability to borrow has been approved by the Province's Minister of Health and Community Services.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

8. Accounts payable and accrued liabilities

	2024
	\$
Accounts payable and accrued liabilities	207,222
Salaries and wages payable	98,027
Employee and employer remittances	3,058
Government of Newfoundland and Labrador	13,838
Government of Canada	34,384
Other government entities	23,982
	<u>380,511</u>

9. Deferred contributions

	2024
	\$
Deferred capital grants [a]	
Balance as at beginning of year	-
Transfers due to restructuring	114,008
Receipts during the year	132,913
Recognized in revenue during the year	<u>(151,938)</u>
Balance as at end of year	<u>94,983</u>
Deferred operating revenue [b]	
Balance as at beginning of year	-
Transfers due to restructuring	86,240
Receipts during the year	1,866,821
Recognized in revenue during the year	<u>(1,873,618)</u>
Balance as at end of year	<u>79,443</u>

[a] Deferred capital grants represent transfers from government and other government entities received with associated stipulations relating to the purchase of capital assets, resulting in a liability. These grants will be recognized as revenue when the related assets are acquired or constructed, and the liability is settled.

[b] Deferred operating revenue represents externally restricted government transfers with associated stipulations relating to specific projects or programs, resulting in a liability. These transfers will be recognized as revenue in the period in which the resources are used for the purpose specified.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

10. Long-term debt

	2024 \$
Sinking fund debenture, Series HCCI, 6.90%, maturing June 2040, interest payable semi-annually on June 15 and December 15 [the "Debenture"]	130,000
Newfoundland and Labrador Housing ["NLHC"] [Blue Crest Seniors Home], 8.00% mortgage, maturing in November 2025, repayable in blended monthly instalments of \$7,777.	148
NLHC, [Golden Heights Manor Seniors Home], 10.50% mortgage, maturing in August 2027, repayable in blended monthly instalments of \$7,549.	266
Royal Bank of Canada, 6.99% interest rate, maturing July 2027, repayable in blended monthly payments of \$597.	22
Royal Bank of Canada, 6.99% interest rate, maturing July 2027, repayable in blended monthly payments of \$597.	22
Royal bank of Canada, 4.63% interest rate, maturing August 2027, repayable in blended monthly payments of \$1,490.	56
NLHC, [Bay St. George Seniors Home], 8.00% mortgage, maturing in October 2026, repayable in blended monthly payments of \$9,523	270
Obligations under capital lease, 3.00% maturing in May 2028, payable in blended monthly instalments which escalate on an annual basis	1,973
Canadian Imperial Bank of Commerce, ["CIBC"], [Carmelite House], 2.67%, maturing January 2027, repayable in equal blended monthly payments of \$56,108.	1,832
CIBC, [3 Twomey Drive, Botwood], 4.49%, maturing July 2027, repayable in equal blended monthly payments of \$399.	15
NLHC, [Valley Vista Senior Citizens Home], 8.00%, maturing August 2027, repayable in equal monthly payments of \$10,124	369
NLHC, [Authority offices], 7.88%, maturing August 2024, repayable in equal monthly payments of \$8,165	54
	<u>135,027</u>

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

10. Long-term debt (continued)

The semi-annual interest payments on the Debenture are \$4,485,000. The semi-annual interest payments and mandatory annual sinking fund payments on the Debenture are guaranteed by the Government.

Future principal repayments to maturity are as follows:

	\$
2025	1,583
2026	1,483
2027	1,331
2028	630
Thereafter	130,000
	<u>135,027</u>

11. Tangible capital assets

	Land and land improvements \$	Buildings and Improvements \$	Equipment and Motor Vehicle \$	Construction in progress \$	Computer Network Assets \$	Total \$
Cost						
Opening balance	-	-	-	-	-	-
Additions due to restructuring	5,175	686,149	1,076,213	99,571	53,389	1,920,497
Additions	-	53,106	97,542	(10,765)	648	140,531
Disposals	-	-	(309)	-	(14,062)	(14,371)
Closing balance	<u>5,175</u>	<u>739,255</u>	<u>1,173,446</u>	<u>88,806</u>	<u>39,975</u>	<u>2,046,657</u>
Accumulated amortization						
Opening balance	-	-	-	-	-	-
Additions due to restructuring	1,330	371,056	900,271	-	48,568	1,321,225
Additions	13	14,418	34,928	-	2,217	51,576
Disposals	-	-	(245)	-	(14,062)	(14,307)
Closing balance	<u>1,343</u>	<u>385,474</u>	<u>934,954</u>	<u>-</u>	<u>36,723</u>	<u>1,358,494</u>
Net book value	<u>3,832</u>	<u>353,781</u>	<u>238,492</u>	<u>88,806</u>	<u>3,252</u>	<u>688,163</u>

12. Trust funds

Trusts administered by NL Health Services have not been included in the non-consolidated financial statements as they are excluded from the Government reporting entity. As at March 31, 2024, the balance of funds held in trust for residents of long-term care facilities was \$4,636,372. These trust funds include a monthly comfort allowance provided to residents who qualify for subsidization of their boarding and lodging fees.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

13. Contingencies

A number of legal claims have been filed against NL Health Services. An estimate of loss, if any, relative to these matters is not determinable at this time, and no provision has been recorded in the accounts for these matters.

14. Contractual obligations

NL Health Services has entered into a number of multiple-year operating leases, contracts for the delivery of services and the use of assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Future minimum lease payments for the next five years are as follows:

	\$
2025	27,602
2026	16,730
2027	13,124
2028	9,678
2029	9,144
Thereafter	15,504
	<u>91,782</u>

15. Accrued severance pay

NL Health Services has contracts with the Newfoundland and Labrador Medical Association for salaried physicians, as well as collective agreements with various unions in each zone. All current contracts and collective agreements have resulted in the curtailment and settlement of severance benefits, however eligible employees were given the option to defer payment without accruing any further severance benefits. At March 31, 2024, the accrued severance pay is \$2,067,000.

16. Accrued sick leave

NL Health Services provides sick leave to employees as the obligation arises and accrues a liability based on anticipation of sick days accumulating for future use. In 2024, cash payments to employees for NL Health Services' unfunded sick leave benefits amounted to \$14,328,000.

The most recent actuarial valuation for the accrued sick obligation was performed effective March 31, 2021, with an extrapolation to March 31, 2024.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

16. Accrued sick leave (continued)

The accrued benefit liability and benefit expense of the sick leave are outlined below:

	2024 \$
Accrued benefit liability, beginning of year	-
<i>Benefits expense</i>	
Transfer due to restructuring	119,793
Current period benefit cost	9,898
Interest on accrued benefit obligation	4,520
Amortization of actuarial losses and gains	1,106
	<u>135,317</u>
Benefits paid	(14,328)
Unamortized actuarial (gains)/losses	159
Accrued benefit liability, end of year	<u><u>121,148</u></u>
Current period benefit cost	9,898
Interest on accrued benefit obligation	4,520
Amortization of actuarial losses and gains	1,106
Total expense recognized for the year	<u><u>15,524</u></u>

The significant actuarial assumptions used in measuring the accrued sick leave benefit expense and liability are as follows:

Discount rate – liability	4.71% as at March 31, 2024 4.47% as at March 31, 2023
Discount rate – benefit expense	4.71% in fiscal 2024 4.47% in fiscal 2023

Rate of compensation increase

NLNU salary rates will be assumed to increase 2.75% on April 1st of each of 2021, 2022, 11.75% at April 1, 2023, 2.75% on April 1st of each 2024, 2025, and 3.50% per annum thereafter.
All other contracts salary rates will be assumed to increase at 2.75% on April 1st of each of 2021, 2022, 2023, 2024, 2025, and 3.50% per annum thereafter.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

17. Related party transactions

NL Health Services' related party transactions occur with the Government and other government entities. Other government entities are those who report financial information to the Government.

Transfers from the Government are funding payments made to NL Health Services for operating expenditures, capital expenditures, and payments made from the MCP. Transfers from other related government entities are payments made to NL Health Services from WorkplaceNL. Transfers to other related government entities are payments made by NL Health Services to faith-based long-term care facilities and Memorial University. Transactions are settled at prevailing market prices under normal trade terms.

NL Health Services had the following transactions with the Government and other government entities:

	2024
	\$
Transfers from the Government of Newfoundland and Labrador	2,896,976
Transfers from other government entities	149,806
Transfers to other related government entities	88,719
	<u>3,135,501</u>

18. Asset retirement obligation

NL Health Services owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 Asset Retirement Obligations, the Province's former regional health authorities recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at April 1, 2022. This obligation is included in the restructuring transaction as noted in Note 23.

The buildings had an estimated useful life of 40 years when they were purchased prior to 1983 and are fully depreciated. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. The original buildings are recorded as tangible capital assets in the financial records of the Government of Newfoundland and Labrador and NL Health Services equipment disposal is handled by vendors as per contract. The estimated total undiscounted future expenditures are \$11,083,936. The liability is expected to be settled upon demolition or renovation of each of the buildings.

19. Supplies inventory

	2024
	\$
Supplies inventories	41,468
Pandemic inventories	9,012
	<u>50,480</u>

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

20. Expenses by object

This disclosure supports the functional display of expenses provided in the non-consolidated statement of operations and accumulated deficit by offering a different perspective of the expenses for the year. The following presents expenses by object, which outlines the major types of expenses incurred by NL Health Services during the year.

	2024
	\$
Salaries	1,678,787
Supplies - other	664,247
Direct client costs	477,615
Employee benefits	284,198
Maintenance	55,672
Supplies - medical and surgical	114,306
Drugs	109,292
Amortization of tangible capital assets	51,576
Interest on long-term debt	9,225
Other	18
Loss on effect on restructuring transaction	414,559
Total expenses	<u>3,859,495</u>

21. Financial instruments and risk management

Risks and uncertainties

NL Health Services is exposed to a number of risks as a result of the financial instruments on its non-consolidated statement of financial position that can affect its operating performance. These risks include credit risk, liquidity risk, and interest rate risk. NL Health Services Board of Trustees has overall responsibility for the oversight of these risks and reviews NL Health Services' policies on an ongoing basis to ensure that these risks are appropriately managed. NL Health Services is not exposed to interest rate risk as the majority of its long-term debt obligations are at fixed rates of interest. The sources of risk exposure and how each is managed are outlined below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligation. NL Health Services' credit risk is primarily attributable to accounts receivable. NL Health Services has a collection policy and monitoring processes intended to mitigate potential credit losses. The risk is further reduced as a significant portion of accounts receivable are associated with the Government in addition to other government entities; therefore, collection of these amounts is reasonably assured. Management believes that the credit risk with respect to accounts receivable is not material.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

21. Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk is the risk that NL Health Services will not be able to meet its financial obligations as they become due. In fiscal 2024, NL Health Services had an authorized credit facility [the "Facility"] of \$693,000,000. As at March 31, 2024, NL Health Services had \$44,674,799 in funds available on the Facility. To the extent that NL Health Services does not believe it has sufficient liquidity to meet current obligations, consideration will be given to obtaining additional funds through third-party funding or from the Province, assuming these can be obtained.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. NL Health Services' interest rate risk is primarily attributable to its operating loan, sinking funds, and long-term debt. NL Health Services is not materially exposed to interest rate risk on its long-term debt obligations as the majority are at a fixed rate of interest. The operating loan has a variable interest rate which involves the risk of default on interest and principal and price changes due to, without limitation, such as factors as interest rates and economic conditions.

22. Final Budget

NL Health Services prepares an initial budget for a fiscal period that is approved by the Board of Trustees and the Government [the "Original Budget"]. The Original Budget may change significantly throughout the year as it is updated to reflect the impact of all known service and program changes approved by the Government. Additional changes to services and programs that are initiated throughout the year would be funded through amendments to the Original Budget, and an updated budget is prepared by NL Health Services. The updated budget [the "Budget"] amounts are reflected in the budget amounts as presented in the non-consolidated statement of operations and accumulated deficit. Budgeted figures in the non-consolidated financial statements are not audited.

The Original Budget and the Budget do not include amounts relating to certain non-cash and other items including tangible capital asset amortization, the recognition of provincial capital grants and other capital contributions, adjustments required to the accrued benefit obligations associated with severance and sick leave, and adjustments to accrued vacation pay as such amounts are not required by the Government to be included in the Original Budget or the Budget. NL Health Services also does not prepare a full budget in respect of changes in net debt as NL Health Services does not include an amount for tangible capital asset amortization or the acquisition of tangible capital assets in the Original Budget or the Budget.

Newfoundland and Labrador Health Services – Operating Fund

Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2024

22. Final Budget (continued)

The following presents a reconciliation between the Original Budget and the final Budget as presented in the non-consolidated statement of operations and accumulated deficit for the year ended March 31, 2024:

	Revenue \$	Expenses \$	Annual surplus (deficit) \$
Original Budget	2,857,004	2,910,756	(53,752)
Adjustments during the year for service and program changes, net	226,632	226,632	-
Revised Original Budget	3,083,636	3,137,388	(53,752)
One-time funding approved by the Government	5,000	-	5,000
Final Budget	3,088,636	3,137,388	(48,752)

23. Restructuring transactions

On April 1, 2023, NLHS entered into a restructuring transaction with the Province's 4 regional health authorities, [Eastern Regional Health Authority ("Eastern"), Central Regional Health Authority ("Central"), Western Regional Health Authority ("Western"), Labrador-Grenfell Regional Health Authority ("Labrador")] and Newfoundland and Labrador Centre for Health Information ("NLCHI") to join operations together. The restructuring transaction was undertaken to streamline programs and services, as well as associated corporate services.

NLHS has recognized in the Statement of Financial Position, the assets and liabilities received from the five entities at their carrying amount on the date of the restructuring as illustrated below. No adjustments were made to the carrying amounts of the assets or liabilities. No costs, including compensation, were incurred because of the restructuring.

The Regional Health Authority Act was repealed and replaced with Provincial Health Authority Act on April 1, 2023. This legislative change required restructuring transactions to be completed.

Newfoundland and Labrador Health Services - Operating Fund
Notes to non-consolidated financial statements
[Tabular amounts in thousands of Canadian dollars]
March 31, 2024

Note 23. Restructuring transactions

	Eastern	Labrador	Central	Western	NLCH	Total
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash	1,737	1,931	—	—	16,073	19,741
Accounts receivable	73,639	14,480	13,064	16,660	4,062	121,905
Due from other entities	336	—	—	—	—	336
Sinking fund investment	29,453	—	—	—	—	29,453
Due from Cottage operations	—	—	553	—	—	553
	105,165	16,411	13,617	16,660	20,135	171,988
Liabilities						
Bank indebtedness	—	6,337	—	—	—	6,337
Operating facility	289,486	21,780	35,482	52,120	—	398,868
Accounts payable and accrued liabilities	176,341	14,837	42,252	30,793	11,140	275,363
Employee future benefits						
Accrued severance pay	2,441	513	264	486	14	3,718
Accrued sick leave	71,006	9,302	19,372	19,547	566	119,793
Accrued vacation pay	80,837	8,778	20,860	13,246	4,824	128,545
Deferred contributions						
Deferred capital gains	49,522	16,235	23,950	23,010	1,291	114,008
Deferred operating revenue	40,625	7,185	6,692	9,294	22,444	86,240
Special purpose fund	—	1,283	—	—	—	1,283
Asset retirement obligation - long-term capital	1,400	1,244	6,741	1,699	—	11,084
Long-term debt	130,736	—	3,085	2,732	—	136,553
	842,394	87,494	158,698	152,927	40,279	1,281,792
Net debt	(737,229)	(71,083)	(145,081)	(136,267)	(20,144)	(1,109,804)
Non-financial assets						
Tangible capital assets	396,415	52,648	73,262	72,096	4,851	599,272
Deposits on capital assets	—	—	2,880	—	—	2,880
Supplies inventory	37,423	2,916	3,531	6,198	30	50,098
Prepaid expenses	24,791	1,147	4,301	2,898	9,858	42,995
	458,629	56,711	83,974	81,192	14,739	695,245
Effect of restructuring transactions	(278,600)	(14,372)	(61,107)	(55,075)	(5,405)	(414,559)

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated schedule of expenses for government reporting - Schedule 1
[in thousands of Canadian dollars]

Year ended March 31

	<u>2024</u>
	<i>[unaudited]</i>
Patient and resident services	
Acute care	488,220
Long-term care	346,002
	<u>834,222</u>
Client services	
Community support programs	614,389
Mental health and addictions	102,703
Health promotion and protection	48,667
	<u>765,759</u>
Diagnostic and therapeutic	
Other diagnostic and therapeutic	148,737
Clinical laboratory	113,316
Diagnostic imaging	101,419
	<u>363,472</u>
Support	
Facilities management	162,287
Other support	114,402
Food services	84,008
Housekeeping	74,007
Laundry and linen	17,233
	<u>451,937</u>
Ambulatory care	368,218
Administration	
General administration	52,618
Finance and budgeting	30,273
Human resources	37,700
Systems support	99,343
Other administrative	102,766
	<u>322,700</u>
Medical services	208,419
Undistributed	37,076
Education	34,021
Research	2,131
Loss on effect on restructuring transaction	414,559
Total shareable expenses	<u><u>3,802,514</u></u>

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated schedule of revenue and expenses for government reporting - Schedule 2
[in thousands of Canadian dollars]

Year ended March 31	<u>2024</u> <i>[unaudited]</i>
Revenue	
Provincial plan	2,766,034
Medical Care Plan	133,931
Other	101,332
Resident	41,637
Inpatient	18,225
Outpatient	17,345
Transportation and Works	1,286
	<u>3,079,790</u>
Expenses	
Compensation	
Salaries	1,678,787
Employee benefits	278,811
	<u>1,957,598</u>
Supplies	
Other	664,247
Drugs	109,292
Medical and surgery	114,306
Plant operations and maintenance	55,672
	<u>943,517</u>
Direct client costs	
Mental health and addictions	104,383
Community support	373,232
	<u>477,615</u>
Long-term debt	
Long-term debt – interest	9,225
Long-term debt – principal	2,274
	<u>11,499</u>
	<u>3,390,229</u>
Deficit for government reporting	(310,439)
Long-term debt – principal	2,274
Deficit before non-shareable items	<u>(308,165)</u>
Adjustments for non-shareable items	
Provincial plan capital grant	127,209
Other capital contributions	10,244
Amortization of tangible capital assets	(51,576)
Interest on sinking fund	1,316
Gain on disposal of capital assets	(18)
Accrued severance pay	1,651
Accrued sick leave	(1,355)
Accrued vacation pay	(5,683)
	<u>81,788</u>
Loss on effect on restructuring transaction	<u>414,559</u>
Annual deficiency as per non-consolidated statement of operations and accumulated deficit	<u><u>(640,936)</u></u>

Newfoundland and Labrador Health Services - Operating Fund
Non-consolidated schedule of capital transactions funding and expenses - Schedule 3
[in thousands of Canadian dollars]

Year ended March 31,

2024

[unaudited]

Revenue

Deferred grants – previous year	114,008
Provincial plan	115,819
Department of Works, Service, and Transportation	617
Foundations and auxiliaries	10,294
MUN	900
Other	5,762
Transfer from operations	2,708
Transfer to other regions	(1,456)
Transfer to operations	(13,138)
Deferred grants – current year	(94,983)
	140,531

Expenses

Equipment	41,599
Buildings	51,225
Construction in progress	45,354
Vehicles	2,353
Disposal of equipment	(64)
	140,467

Surplus on capital transactions

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