

# 2025-2026 Annual Report



**NL Health  
Services**



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# Message from the Board of Trustees

It is my pleasure, with the endorsement of my fellow trustees, to present the 2025–26 Annual Performance Report for Newfoundland and Labrador (NL) Health Services in accordance with the **Transparency and Accountability Act** as a Category One entity. The Board of Trustees is accountable for the results presented and for overseeing progress toward the goals and objectives established during this period.

NL Health Services' 2025–26 Annual Performance Report highlights the progress made across our priority areas—transformation, our people, access, quality, and health equity. These achievements reflect the dedication of our employees, physicians, volunteers, and partners, and our ongoing commitment to providing inclusive, respectful, and equitable care for the people of Newfoundland and Labrador.

I am pleased to welcome Ron Johnson as Interim Chief Executive Officer (CEO). Ron brings a strong background in health-care leadership with approximately 30 years of progressive career experience in health care from front-line delivery to executive management. Most recently, he served as vice president of digital health, innovation and research, and as chief information officer, and oversaw the introduction of the new CorCare health information system (HIS).

I would also like to thank Dr. Pat Parfrey for his leadership as CEO in 2025. He brought more than 40 years of experience in health care, including his work as co-chair of Health Accord NL. In addition, I thank Robert B. Andrews for his service as the inaugural Board chair.

A major focus this year was the launch of CorCare, a modern, integrated health information system that will improve efficiency, coordination, and strengthen how care is delivered across Newfoundland and Labrador. This work required a coordinated, organization-wide effort. Staff and physicians across the province came together to support the implementation of CorCare.

On behalf of the Board, I sincerely thank everyone at NL Health Services for their commitment, resilience, and compassion over the last two years. Our people are our greatest strength. We remain focused on working together to build a stronger, more responsive system that supports the health and well-being of every person and every community in Newfoundland and Labrador.

Our vision, “**Health and Well-being – Every Person – Every Community,**” is supported by the core values of **Innovation, Compassion, Accountability, Respect, and Excellence (I CARE)**. These values define how we work, how we support one another, and how we serve the people of Newfoundland and Labrador. This message and my signature below affirm the Board of Trustees' accountability for the preparation of this report, the results presented, and for overseeing progress toward the goals and objectives during this period.



Ross Wiseman  
Chair, Board of Trustees

# Meet Newfoundland and Labrador Health Services Board of Trustees

as of March 31, 2026



**Ross Wiseman**  
(Interim Chairperson)



**Lloyd Walters**  
Vice Chairperson



**Michelle Baikie**



**Dr. Catherine Bradbury**



**Sharon Forsey**



**Edward Goudie**



**Beverly Griffiths**



**Dr. Colleen Hanrahan**



**Tara Laing**



**Dr. Francine Lemire**



**David Oxford**



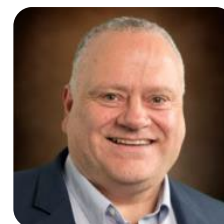
**Hon. David Peddle**



**Goronwy Price**



**Dr. David Sutherland**



**David Thornhill**

# NL Health Services Executive Team

as of March 31, 2026



**Ron Johnson,**  
Chief Executive  
Officer (I)



**Cassie Chisholm,**  
Vice President and Chief  
Operating Officer – Labrador-  
Grenfell Zone



**Craig Davis,**  
Vice President and Chief  
Operating  
Officer – Central



**Darla King,**  
Vice President – Population  
Health,  
Well-Being and Provincial  
Health Systems



**Debbie Molloy,**  
Vice President –  
Human Resources



**Dr. Gena Bugden,**  
Vice President –  
Medical Services  
and Academic Affairs, and  
Chief of Staff



**Glenda Webber,**  
Vice President – Mental  
Health and Addictions and  
Correctional Health Services  
and Chief Operating Officer –  
Eastern (I)



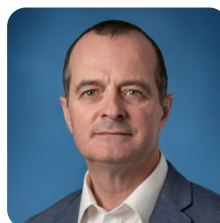
**Jason Cole,**  
Vice President –  
Financial Services  
and Chief Financial Officer (I)



**Joanne Pelley,**  
Vice President – Quality and  
Learning Health Systems,  
Chief Nurse and Chief  
Nursing Information Officer



**Lynette Oates,**  
Chief – Public Engagement  
and Communications



**Steven Lockyer,**  
Vice President – Digital  
Health and Chief Information  
Officer (I)



**Teara Freake,**  
Vice President and  
Chief Operating Officer  
– Western



**Brian O'Neill,**  
Chief Audit Officer

## Acronyms Used in this Document

| Acronym       | Full Term                                                       |
|---------------|-----------------------------------------------------------------|
| <b>AAHP</b>   | Association of Allied Health Professionals                      |
| <b>ACE</b>    | Acute Care of the Elderly                                       |
| <b>AI</b>     | Artificial Intelligence                                         |
| <b>ALC</b>    | Alternate Level of Care                                         |
| <b>CABG</b>   | Coronary Artery Bypass Graft                                    |
| <b>CEO</b>    | Chief Executive Officer                                         |
| <b>CHA</b>    | Community Health Assessment                                     |
| <b>CIHI</b>   | Canadian Institute for Health Information                       |
| <b>CT</b>     | Computed Tomography                                             |
| <b>CUPE</b>   | Canadian Union of Public Employees                              |
| <b>CVOR</b>   | Cardiovascular Operating Room                                   |
| <b>DEIR</b>   | Diversity, Equity, Inclusion and Reconciliation                 |
| <b>EAN</b>    | Enrolled Assistant Nursing                                      |
| <b>ECHO</b>   | Echocardiogram                                                  |
| <b>ER</b>     | Emergency Room                                                  |
| <b>EVT</b>    | Endovascular Thrombectomy                                       |
| <b>E2P</b>    | Evidence 2 Practice                                             |
| <b>FCT</b>    | Family Care Team                                                |
| <b>HHI</b>    | Hospital Harm Indicator                                         |
| <b>HIS</b>    | Health Information System                                       |
| <b>HP</b>     | Health Professionals                                            |
| <b>HS</b>     | Health Support                                                  |
| <b>HSMR</b>   | Hospital Standardized Mortality Ratio                           |
| <b>HSO</b>    | Health Standards Organization                                   |
| <b>I CARE</b> | Innovation, Compassion, Accountability, Respect, and Excellence |
| <b>LHSS</b>   | Learning Health and Social System                               |
| <b>LMS</b>    | Learning Management System                                      |

|                           |                                                                        |
|---------------------------|------------------------------------------------------------------------|
| <b>LPN</b>                | Licensed Practical Nurse                                               |
| <b>LTC</b>                | Long-term Care                                                         |
| <b>LX</b>                 | Laboratory and X-Ray                                                   |
| <b>MAiD</b>               | Medical Assistance in Dying                                            |
| <b>MOU</b>                | Memorandum of Understanding                                            |
| <b>MRI</b>                | Magnetic Resonance Imaging                                             |
| <b>NAPE</b>               | Newfoundland and Labrador Association of Public and Private Employees. |
| <b>NICHE</b>              | Nurses Improving Care for Health System Elders                         |
| <b>NL Health Services</b> | Newfoundland and Labrador Health Services                              |
| <b>NP</b>                 | Nurse Practitioner                                                     |
| <b>ODT</b>                | Opioid Dependence Treatment                                            |
| <b>PCA</b>                | Personal Care Attendant                                                |
| <b>PCC</b>                | People-Centred Care                                                    |
| <b>PFEA</b>               | Patient and Family Experience Advisor                                  |
| <b>POCT</b>               | Point of Care Testing                                                  |
| <b>PP3</b>                | Provincial Paradigm 3                                                  |
| <b>RN</b>                 | Registered Nurse                                                       |
| <b>RNUNL</b>              | Registered Nurses Union of Newfoundland and Labrador                   |
| <b>SIT</b>                | Service Integration Team                                               |
| <b>SHN</b>                | Strategic Health Networks                                              |
| <b>vPHC</b>               | Virtual Primary Care                                                   |

# NL Health Services Overview

NL Health Services provides health and community services to people across Newfoundland and Labrador including public health, community support programs, long-term care (LTC), and hospital care. These services are available through hospitals, clinics, care facilities, and community programs.

Guided by our vision and Health Accord NL, we are working to make health care easier to access, better connected, and more responsive to people's needs. Services are provided through five health zones (Central, Eastern-Rural, Eastern-Urban, Labrador-Grenfell, and Western) to meet local needs while keeping care consistent across the province. For more information, visit: <https://nlhealthservices.ca/about/>

The **Provincial Health Authority Act** outlines the role and responsibilities of NL Health Services. To carry out this role, NL Health Services focuses on four main areas:

**Promoting Health and Well-Being**

**Providing Supportive Care and Rehabilitative Services**

**Treating Illness and Injury**

**Advancing Knowledge and Transforming Health Systems**



## NL Health Services

NLHealthServices.ca

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<https://nlhealthservices.ca/about/>



**NL Health  
Services**

Delivering Health Services to more than

**559,410**

Newfoundlanders  
and Labradorians

in **5** Geographic Zones



### Hospital Services

**9 days**

Average Hospital Stay

**34,150**

Inpatient Hospitalizations

**\$15,491**

Average Inpatient Cost

**450,842**

Emergency Department Visits

**29,107**

Surgeries

**31,853**

Minor Procedures

**12,646**

Cataract Procedures

**2,626**

Total Hip and Total Knee  
Replacements

**8%** Rate of Overall Readmission Within 30 days of Discharge.  
(obstetric, pediatric, surgical and medical)

**8%** Hospital Days Spent in Alternative Level of Care (ALC)

**8%** Rate of Harm in Hospital  
(newborn, obstetric, pediatric, surgical and medical)

**6%** Unanticipated Deaths in Hospital (HSMR)\*



Data sources: Compiled by Data and Information Services, NLHS, using data from Provincial Discharge Abstract Database, open year 2025-26; Provincial Meditech Emergency Department Database; MCP Beneficiary Registry; Provincial Resumption of Service report; Meditech Outpatient Encounters data.

\*HSMR: ratio of the number of in-hospital deaths to the number that would have been expected, based on the types of patients a region or hospital treats

## Family Care Teams

**124,328**

Patients Connected to  
Family Care Teams\*



**49,646**

Patients on  
Family Care Team  
Waitlist



## Mental Health and Addictions

**16,155**

Doorways Appointments



**12,075**

Naloxone Kits Distributed



**1,938**

Health Prevention and  
Promotion Activities

## Ambulatory and Diagnostic Care

**2.31 million**

Outpatient Encounters



**779,553**

Diagnostic Imaging Exams



**11,959,978**

Lab Tests

## Workforce and Resources

**24,291**

Employees\*



**1,489**

Physicians\*

(884 FFS; 84 APP; 442 Salaried; 80 Other)



**1,820**

Volunteers\*

for a total of 40343.75 hours

**\$4.1 billion**

Operational Expenditures



**14**

Health Foundations



**95%**

Local Nursing Grads  
Accepted Positions with  
NL Health Services

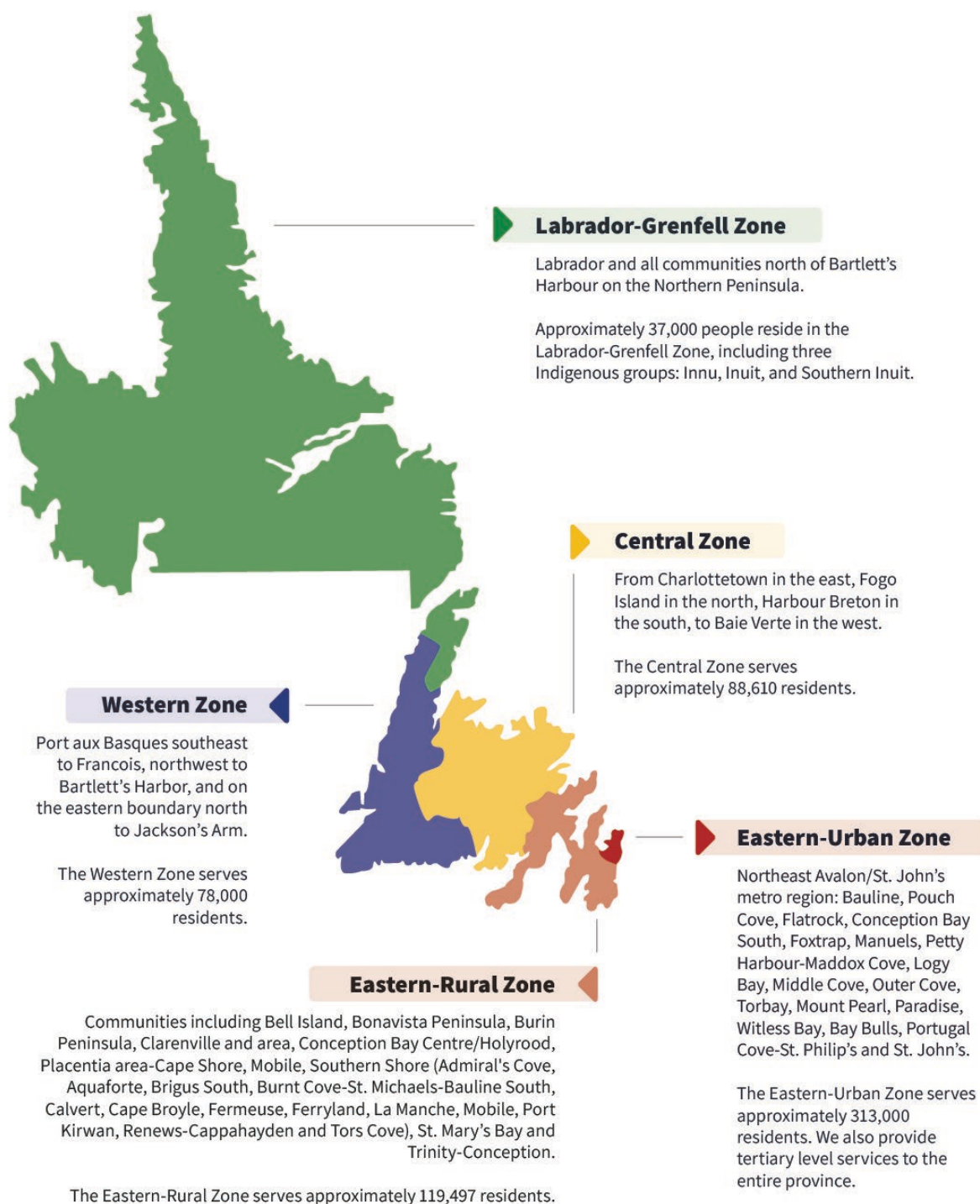
Data sources: Compiled by Data and Information Services, NL Health Services, using data from CIHI Discharge Abstract Database, open-year 2025/26; MCP Beneficiary Registry; Provincial Resumption of Services report; Meditech Outpatient Encounters data.

\* Employee & Physician counts as of June 6, 2026. EZ Volunteers estimated for three sites.

\* Patients Connected to Family Care Teams includes patients attached to a Family Care Team, patients connected but not attached and patients associated with a Family Care Team via affiliation.

# Regional Zone Boundaries

NL Health Services is made up of five health zones, listed below.



# Vision and Mission

Vision:



**Health and Well-Being.**

Every **Person**. Every **Community**.

Mission:



**Working together to improve health outcomes through an innovative, integrated and sustainable health system.**

NL Health Services works with residents, communities, and partners across the province to provide people-centered care. Working together helps us achieve our vision and mission, as they play a pivotal role in achieving this vision and mission.

## Values

The core values of NL Health Services: **Innovation**, **Compassion**, **Accountability**, **Respect**, and **Excellence** (**I CARE**) guide the work of all staff, physicians, volunteers, and leadership. These values help us put people and families at the centre of all we do. They guide our decisions and actions as we work to provide high-quality care and support the health and well-being of people across Newfoundland and Labrador.



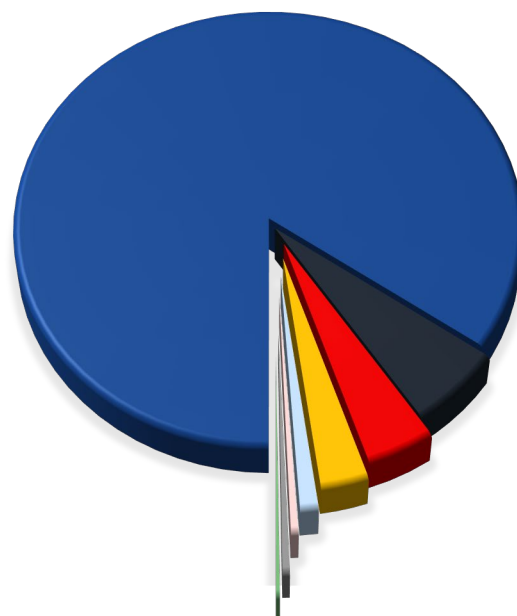
- ▶ **Innovation** - We are creative and collaborative. We use the talent and ideas of our employees and partners in seeking solutions.
- ▶ **Compassion** - We are kind, caring and committed to people-centred care (PCC).
- ▶ **Accountability** - We are honest, transparent, responsible and serve with integrity. We build relationships based on open communication.
- ▶ **Respect** - We are inclusive, embrace diversity and advance reconciliation. We provide equitable care in ways that are fair and reflective of the knowledge, values, beliefs, cultural safety, and dignity 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 2025-26. See Appendix B for audited financial statements in full detail.

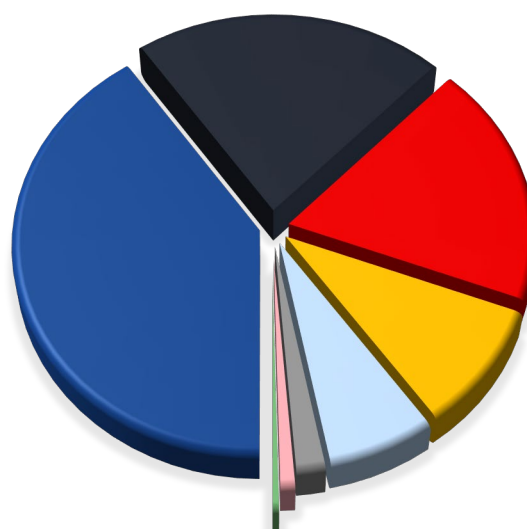
**Figure 3:**  
**NL Health Services' Operating Revenue for 2025-26**

|                               |               |
|-------------------------------|---------------|
| Provincial Plan               | 3,569,022,000 |
| Provincial Plan Capital Grant | 250,450,000   |
| Medical Care Plan             | 177,386,000   |
| Other                         | 122,865,000   |
| Resident                      | 46,687,000    |
| Inpatient                     | 19,177,000    |
| Outpatient                    | 18,291,000    |
| Other Capital Contributions   | 9,897,000     |
|                               | <hr/>         |
|                               | 4,213,775,000 |



**Figure 3:**  
**NL Health Services' Expenditures by Sector for 2025-26**

|                                 |               |
|---------------------------------|---------------|
| Acute care                      | 1,647,479,000 |
| Community                       | 885,629,000   |
| Support                         | 760,244,000   |
| Long-term care                  | 385,226,000   |
| Administration                  | 274,237,000   |
| Amortization of tangible assets | 73,771,000    |
| Research and education          | 36,996,000    |
| Employee future benefits        | 16,110,000    |
|                                 | <hr/>         |
|                                 | 4,079,692,000 |



# Highlights and Partnerships

NL Health Services is dedicated to helping people in Newfoundland and Labrador live healthier lives. We do this by building a health system that is connected, sustainable, and focused on people's needs. We also know that working closely with partners and communities is key to making sure we deliver the right care and support for everyone.

Partnerships are a core part of how NL Health Services operates every day. Our Board of Trustees, staff, physicians, advisors, and volunteers work together with patients and families, as well as community and Indigenous partners, academic institutions, and government. By collaborating in this way, we can better understand needs and provide high-quality, efficient care and services to people across the province.

The highlights and partnerships featured in the Annual Performance Report focus on initiatives that have strengthened progress in digital health and infrastructure, improved timely access to care, and enhanced quality, safety, and overall system performance.

## Strengthening Digital Health and Infrastructure

### ► **Launch of CorCare: One Patient, One Record**

A key milestone of the 2024–26 Strategic Planning Cycle was the launch of CorCare, the province's new Health Information System (HIS). On April 25, 2026, CorCare was successfully launched across the province. This milestone represents a shared achievement and an important step toward the Health Accord NL vision of "One Patient, One Record," helping to build a more connected, people-centred health system in Newfoundland and Labrador. This achievement was made possible through strong collaboration with the Government of Newfoundland and Labrador, the Newfoundland and Labrador Medical Association, physicians, care teams, digital health experts and others across the province. NL Health Services worked closely with partners to design, test, and prepare for CorCare.

Guided by the priorities of Health Accord NL, CorCare brings together several legacy systems into one secure electronic health record. This means authorized health care providers can access patient information when and where it's needed. By improving information sharing, CorCare helps support safer, more coordinated care while reducing duplication across the health system.

### ► **New Ambulatory Health Hub**

The Ambulatory Health Hub, located at 28 Stavanger Drive in St. John's, opened on October 21, 2025. The hub provides a range of outpatient services in one convenient location, improving access and patient experience. As outpatient services move from the Health Sciences Centre and St. Clare's Mercy Hospital to the hub, the space they previously occupied within those hospitals can be used to support inpatient care and other hospital services, helping hospitals better meet patient needs.

### ► **Urgent Care Centre**

Also located at 28 Stavanger Drive in St. John's, the Urgent Care Centre (East) opened on January 12, 2026. Open seven days a week, the centre provides care for children and adults with urgent, non-life-threatening injuries and illnesses, such as minor fractures, infections, and wounds requiring stitches. By offering a timely alternative to emergency rooms, it improves access for patients while helping to free up space at emergency departments.

### ► **New Morgue Facility**

A new, modernized morgue began operations in St. John's on May 26, 2025. This facility provides increased capacity, along with enhanced privacy and safety features to support health-care professionals and grieving families during difficult times. The addition of this space supports NL Health Services' commitment to dignity in death.

### ► **Completion of Cardiac Catheterization Lab Revitalization Project**

NL Health Services, in partnership with the provincial government and the Health Care Foundation, completed a major upgrade to the cardiac catheterization labs at the Health Sciences Centre. With a combined investment of more than \$13 million, the project modernized advanced cardiac imaging and treatment technology, providing clearer images while lowering radiation exposure for both patients and staff. This allows cardiologists to perform procedures with greater precision and confidence.

The project also added a fourth lab and created a new recovery space, increasing the number of procedures that can be done each day and improving patient flow. These enhancements will help expand timely access to safe, high-quality cardiac care and improve overall experience for patients in Newfoundland and Labrador.

## **Supporting Timely Access to Quality Care**

### ► **Expansion of the Provincial Mental Health and Addictions Navigator Program**

In 2025, the Provincial Mental Health and Addictions Navigator program expanded with the addition of a second navigator. Navigators have an important role in helping people find the right services, reduce barriers to care, and improve overall outcomes. Since the program began in 2016, it has provided personalized support to individuals, families, and health care providers, helping them navigate available programs and services. Over the years, the navigator has supported an estimated 2,700 requests annually from across the province. With a second navigator now in place, the program can serve more people and provide faster, more accessible support when it's needed most.

### ► **Provincial Cardiovascular and Stroke Program Established**

During 2025–26, NL Health Services established a new Provincial Cardiovascular and Stroke Program to better coordinate cardiac, vascular, and stroke care across the province. With cardiovascular disease being a leading cause of illness and death in Newfoundland and Labrador, this program plays an important role in improving access to much needed care.

The establishment of this provincial program marks an important step toward a more connected, efficient, and high-quality system. By bringing services together, it helps provide more equitable and timely care for patients. This work is made possible through strong partnerships with the Government of Newfoundland and Labrador, clinical teams across the province, and not-for-profit organizations such as the Health Care Foundation.

### ► **Improving Access to Diagnostic Cardiac Services in Labrador**

As part of ongoing efforts to improve equitable access to diagnostic services, echocardiogram (ECHO) services have been expanded to Labrador Health Centre in Happy-Valley Goose Bay, meaning all three hospitals in the Labrador-Grenfell Zone, including Charles S. Curtis Memorial, Labrador Health Centre, and Labrador West Health Centre, now have ECHO services available, enabling residents to receive these important tests closer to home. This expansion reduces the need for travel, lowers costs for patients and families, and supports faster diagnosis and treatment of heart conditions.

## **Quality, Safety, and System Improvement**

### ► **Using Community Health Data to Inform Planning**

In partnership with the Newfoundland and Labrador Statistics Agency, NL Health Services launched the Provincial Community Health Assessment (CHA) survey to better understand how health care is accessed, experienced, and perceived by people across the province.

The CHA provides valuable insights into community health needs, service gaps, and population-level trends. Information gathered through the survey informed NL Health Services' 2026-2029 Strategic Plan, community level health-care planning and decision-making, helping to ensure services are available when and where they are needed most. The survey also provides an opportunity for residents to directly influence the future delivery of health care in their communities.

### ► **Strengthening Patient Feedback and Experience**

In November 2025, NL Health Services launched a Provincial Patient Relations Office to make it easier for people to share feedback and get support. This new office offers a single point of contact for compliments, concerns, questions, and help navigating services, no matter where someone lives in the province.

This approach makes the process more consistent, transparent, and timely, while reinforcing a commitment to patient-centred and culturally safe care. Feedback received through the office helps identify ways to improve services and enhance the overall patient experience across the health system.

### ► **First in Canada to Achieve National Accreditation for Medical Imaging**

In November 2025, NL Health Services' Provincial Medical Imaging Program achieved national accreditation across every medical imaging location in the province, making Newfoundland and

Labrador the first jurisdiction in Canada to reach this benchmark. This achievement reflects a strong commitment to providing safe, consistent, and high-quality diagnostic care for patients and families.

The program includes a range of services such as X-rays, magnetic resonance imaging (MRI), CT scans, mammograms, ultrasounds, and other diagnostic services, supporting timely diagnoses and informed care decisions for patients across the province.

### ► **Strengthening Health Innovation Through Provincial and National Collaboration**

In November 2025, NL Health Services and the Health Care Foundation hosted the sixth annual Health Innovation Summit, bringing together health-care leaders, researchers, innovators, and partners to explore new ways to improve population health and well-being. The event provided an opportunity to share ideas, showcase innovations, and identify practical solutions that can enhance care across Newfoundland and Labrador.

During the summit, HealthPRO Canada, a national health-care procurement and innovation organization that partners with health systems across the country, announced the launch of the National Healthcare Innovation Council. The new pan-Canadian network is designed to help identify, evaluate, and spread innovative health-care solutions. Building on this momentum, NL Health Services expanded its own innovation partnerships by adding five new vendor collaborations and continuing work with 15 existing partners to support services and solutions that improve care and outcomes for patients, residents, and clients.

### ► **Advancing Indigenous Health and Well-Being**

In November 2025, NL Health Services entered a Memorandum of Understanding (MOU) with Miawpukek First Nation and Qalipu First Nation to advance health and well-being outcomes for Indigenous peoples in Newfoundland and Labrador. The MOU establishes a framework for sustained, respectful, and meaningful collaboration.

The agreement focuses on:

1. Meaningful engagement and collaboration.
2. Formalized and ongoing communication.
3. Co-development of culturally safe care.
4. Accountability for shared contributions to Indigenous health outcomes.

This MOU represents an important step toward addressing longstanding health disparities and building a health system where Indigenous identity, culture, and community priorities are reflected in the design and delivery of care.

### ► **Launch of Provincial Recycling Program Supporting Health Care and the Environment**

In December 2025, NL Health Services launched a new provincial recycling program that enables individuals, groups, businesses, and organizations to donate beverage container

recycling proceeds to support health care and environmental sustainability. Funds generated are directed to health-care foundations chosen by donors, supporting enhanced patient care and community-based initiatives.

The program aligns environmental stewardship with community engagement, providing a practical way for residents to contribute to both health system sustainability and improved patient experiences.

## Report on Performance

The following section outlines the progress made during 2025-26 towards the goals and objectives for the final year of NL Health Services' two-year, 2024-26 Strategic Plan.





## STRATEGIC ISSUE ONE:

# Transformation



Over the two-year Strategic Planning period, NL Health Services has taken important steps to improve health care, guided by the goals of Health Accord NL. This work focuses on creating better care experiences and outcomes, promoting health and wellness, advancing health equity, supporting staff well-being, and ensuring value for money.

The 2025–26 year marks the third year of the Transformation priority. During this time, NL Health Services introduced changes to its structure, modernized and connected health systems, and improved facilities, outpatient services, and air and ground transport. The organization has also strengthened decision-making by relying more on evidence and data to guide choices, helping improve outcomes for patients and communities.

Together, these efforts are building a more connected and responsive health system that can better meet needs and set the foundation for continued improvements in sustainability, performance, and integrated care in the years ahead.

### Transformation Goal

By March 31, 2026, NL Health Services will have improved health outcomes in Newfoundland and Labrador through the implementation of innovative and sustainable transformation initiatives.



#### Objective Two (2025-26)

By March 31, 2026, NL Health Services will have further implemented innovative and sustainable transformation initiatives.



**Indicator: Implemented provincially innovative solutions co-developed with NLHS partners or independently developed, both with demonstrated efficiencies.**

NL Health Services continues to explore new and innovative ways to improve health care and better meet the needs of people across the province. Working with innovation partners, the organization helps develop and test new solutions that can improve care and increase

efficiency. These collaborative efforts focus on putting practical, proven solutions into action to strengthen the health system and enhance patient outcomes.

### **What did we do during 2025-26?**

- Introduced DischargeHUB, a new digital tool co-developed with partners to help patients move from hospital to home more quickly by coordinating home support, home oxygen, and medical equipment services. By March 31, 2026, the tool was used at 17 sites across the province, with plans to expand to seven more sites. In 2025, this tool supported 626 patient referrals, including helping 584 patients return home and helping 40 patients move to another care setting.
- Expanded TxtSquad, a digital patient communication tool to 31 clinics and programs independently developed, with three more areas beginning implementation during the reporting period. It is now used across a range of services, including Family Care Teams, urgent care, surgical services, breast screening, newcomer health services, community clinics, and virtual care. The tool helps patients and care teams stay connected through appointment reminders, two-way messaging, and other features. Use of the tool continues to grow, with TxtSquad supported communication across 30 active clinic phone numbers and utilized by 180 staff members. The platform had connected 83,786 patients and is projected to have more than 230,000 monthly messages by November 2026. Early feedback shows it is helping reduce administrative workload, improve workflow, and lower missed appointment rates in some areas.

### **How did we perform?**

During 2025–26, NL Health Services successfully introduced innovative solutions, co-developed with partners or independently developed, with demonstrated efficiency improvements.



### **Indicator: Initiated implementation of the NL Health Services Environmental Sustainability Plan**

Climate change, identified by the World Health Organization as one of the greatest health threats of the 21st century, is affecting the health and well-being of individuals, families, and communities. In response, NL Health Services is taking steps to reduce its environmental impact and prepare for climate-related challenges through the development of an organization-wide sustainability strategy.

This work includes building awareness, providing education, and encouraging participation across the organization. NL Health Services is also working with staff, patients, Indigenous communities, and partners to plan and carry out initiatives that support a healthier environment for everyone.

### What did we do during 2025-26?

- Executive leadership joined the Pan Canadian Practice Network: Health System Response to Climate Change Advisory Board.
- NL Health Services' Supplier Relationship Management (SRM) team made sustainability a regular part of its work. This includes discussing environmental practices with suppliers, sharing information through supplier newsletters, and leading a national sustainability committee with HealthPRO.
- NL Health Services' Health Emergency and Community Management (HECM) advanced work in the following five key areas related to environmental sustainability:
  1. Advancement of climate-informed emergency planning,
  2. Strengthening adverse weather preparedness and response,
  3. Enhancement of business continuity capabilities,
  4. Interagency collaboration and partnerships, and
  5. Education, exercise, and accreditation alignment.
- The Environmental Public Health program helped raise public awareness about climate change and its impact on health through media interviews, public education, and health messaging. This includes discussions on climate change, food insecurity, and health, as well as information and guidance during extreme weather events such as cold and heat events, and wildfires.

### How did we perform?

While formal implementation of the Environmental Sustainability (ES) Strategy has not started, important work has been completed to prepare for the successful implementation.



#### Indicator: Established nine new Strategic Health Networks to improve clinical service delivery

Strategic Health Networks (SHNs) are the provincial integrating mechanism that aligns practice, performance, and innovation to deliver consistent, high-quality care across all settings. By convening clinical leaders, operational teams, patients, and system partners, SHNs drive alignment on priorities, establish evidence-based standards, reduce unwarranted variation, and leverage data to improve outcomes. They enable a true one-system approach—minimizing fragmentation, balancing local realities with provincial direction, and accelerating coordinated, cross-regional action.

### What did we do during 2025-26?

- Established SHNs in Child Health, Chronic Pain, Community Supports, and Long-Term Care, joining the four established in previous years, totaling eight SHNs.

### How did we perform?

NL Health Services established four new SHNs during 2025-26, not reaching the targeted nine total due to a shift in focus to support CorCare readiness and implementation. Given that many of the foundational structures and provincial approaches have now been established across the organization, efforts will focus on further strengthening a coordinated and integrated approach across provincial programs and zonal service delivery. This will enhance alignment through a quality improvement lens, support consistent implementation of priorities, and advance key areas of focus across NL Health Services.



#### **Indicator: Established eight new Service Integration Teams for provincial coordination and collaboration**

Service Integration Teams (SITs) are being introduced by NL Health Services to improve coordination across the province. They help address operational issues, risk and quality improvement, implementation activities, and facilitate information exchange, problem-solving, and collaboration on relevant issues.

### What did we do during 2025-26?

- Established a Service Integration Team focused on Medical Assistance in Dying (MAiD), joining the other four SITs established in the previous year. MAiD allows an eligible person, at their request, to receive medical assistance to end their life, either through medication administered by a doctor or nurse practitioner or through medication they take themselves. The newly established MAiD SIT supports coordination across the province, helping to improve operations, quality and risk improvement, and information sharing and collaboration.

### How did we perform?

NL Health Services established one new SIT during 2025-26, not reaching the targeted eight due to focus on CorCare readiness and implementation. Given that many of the foundational structures and provincial approaches have now been established across the organization, efforts will focus on further strengthening a coordinated and integrated approach across provincial programs and zonal service delivery. This will enhance alignment through a quality improvement lens, support consistent implementation of priorities, and advance key areas of focus across NL Health Services.



#### **Indicator: Began 40 translational research studies for patient recruitment**

Translational research uses findings from scientific studies to improve patient care. It helps turn research discoveries into practical healthcare solutions. This work includes testing

treatments and health care interventions on diverse populations to ensure they are effective and produce the desired outcomes.

### **What did we do during 2025-26?**

- Received multiple research grants to support translational research and expand clinical trial activities across the province. The funded projects support ongoing research and the growth of clinical trials, including one project focused on Indigenous community-based research. Indigenous community representatives and interest holders were involved to help ensure the research aligns with community needs and priorities. These initiatives strengthened sustainability, improved patient recruitment capacity, and supported the continued growth in externally funded research.
- Built and standardized research records within the CorCare health information system. These records supported study tracking, regulatory compliance, and operational integration, strengthening data integrity and improving oversight of research activities.
- Created a dedicated study start-up team to support the launch of clinical research studies. The team manages key steps such as feasibility assessments, contracts and budgets, regulatory and ethics approvals, and coordination across departments. By streamlining these processes and improving collaboration, the team helped studies get underway more quickly and exceeded targets for opening new trials for patient recruitment during the year.

### **How did we perform?**

Forty-one new translational research studies for patient recruitment began, exceeding the targeted 40.



#### **Indicator: Initiated eight innovation challenges that focus on health transformation priorities**

NL Health Services encourages a culture of innovation to improve care for patients, clients, and residents. Through events like the Health Innovation Summit and partner sessions, Strategic Innovation Partners are invited to help solve real challenges identified by the organization by sharing ideas and solutions.

Staff and physicians are also encouraged to bring forward challenges and innovative ideas based on their day-to-day work. These submissions are reviewed, and selected ideas are showcased at the summit, helping turn practical ideas into meaningful improvements across the health system.

### What did we do during 2025-26?

- Identified key challenges and explored potential solutions that support health system priorities, such as improving access, advancing equity, strengthening digital health, and enhancing care in communities. A total of 17 ideas were presented, covering areas like patient navigation, early diagnosis and screening, care at home, support for frontline staff, healthy aging, maternal and pediatric care, rural access, and pain management. These ideas included digital and AI-enabled tools, community-based approaches, portable diagnostics, new models of care, and improved coordination. Together, they aim to improve access, quality, patient experience, and long-term sustainability.
- Launched a targeted call for proposals in October 2025 with innovation partners to support the development of an Innovation Strategy. KPMG was selected to lead this work. As part of this process, an assessment was completed to understand readiness for adopting and expanding the use of artificial intelligence (AI). This included an organization-wide AI maturity assessment, interviews with 33 staff and leaders, and workshops with executive teams and key partners. The work helped identify current strengths, opportunities, and next steps for the responsible use of AI. An AI governance structure was also established, including a new AI Steering Committee.
- Strengthened its innovation network by adding five new partners through the Health Innovation Summit and renewing 15 existing partnerships, supporting continued collaboration and the development of new solutions.

### How did we perform?

NL Health Services successfully launched 18 innovation initiatives focused on health transformation priorities. This includes five reverse pitches, which are pitches submitted by innovative partners to help solve an issue we are facing based on a topic, challenge, and/or direction is provided to NL Health Services, and 12 pitches from the Health Innovation Summit, and continued progress on the organization's AI Strategy.



**Indicator: Complete all remaining requirements to prepare and deliver training and complete technical readiness for the launch of CorCare.**

CorCare is a new health information system that supports many parts of patient care, including electronic health records, scheduling, registration, billing, and lab results. Moving to CorCare will help improve how care is delivered by making services more connected and efficient across the province.

The system replaces several older platforms used in hospitals and long-term care settings. A team of clinicians and specialists supported the transition, providing expertise in project management, training, communication, clinical informatics, data and analytics, and technology to support a smooth and effective implementation.

### What did we do during 2025-26?

- Implemented a basic version of a new learning management system in September 2025 to support registration and delivery of CorCare training for frontline staff.
- Recruited qualified and specialized trainers, allowing training for the CorCare system to begin on February 2, 2026.
- Completed a pilot technical dress rehearsal in November 2025. A full rehearsal was later carried out ahead of launch and successfully completed, helping ensure readiness for implementation.

### How did we perform?

Requirements to prepare for the launch of CorCare, including training and technical readiness were completed. This work supported the successful launch of CorCare, transforming health information systems for the province.



**Indicator: Exceeded the National Stroke Distinction benchmark, with  $\geq 5\%$  of acute ischemic stroke patients receiving EVT.**

This indicator measures the percentage of patients with an acute ischemic stroke who receive Endovascular Therapy (EVT) within NL Health Services. EVT is a time-sensitive procedure that removes blood clots and restores blood flow to the brain, which can greatly improve patient outcomes when done quickly.

Tracking this measure helps ensure that eligible patients receive timely treatment, no matter where they live in the province. The target of at least five per cent aligns with national benchmarks and reflects a commitment to high-quality, equitable stroke care.

By monitoring this indicator, NL Health Services can identify gaps in how strokes are recognized, patients are transferred, and treatment is delivered. This information supports ongoing improvements in care and can help reduce disability, save lives, and lower health care costs.

### What did we do during 2025-26?

- In December 2025, launched a Post-Discharge Call initiative supported by Cardiovascular and Stroke (CVS) Navigators. The program focuses on improving follow-up care, supporting smoother transitions after discharge, and connecting patients with community resources.
- Since launch, 29 post-EVT patients across all five zones have been contacted. Early feedback is helping refine the program, and patients with additional needs have been referred to community services or the March of Dimes After Stroke Program.
- Foundational work completed to support eligibility for Accreditation Canada's Stroke Distinction Program. This includes improved tracking of key stroke care indicators,

development of digital care pathways in CorCare, and collaborative process improvements to help meet care targets.

- Contributed to the OPTIMISING ACCESS Registry, a national effort to identify and address barriers to stroke care. In November 2025, Newfoundland and Labrador became the first province to submit data, supporting both accreditation and system improvement.

### **How did we perform?**

Of the 948 acute ischemic stroke hospitalizations, 5.5 per cent of patients received EVT (a total of 52 patients), exceeding the National Stroke Distinction benchmark.

## 2024 – 2026 Transformation Goal Indicator Reporting



### Goal Indicator: Established 12 Strategic Health Networks in clinical services that will benefit from enhanced focus

#### What did we do during 2024-26?

- Updated NL Health Services' structure, including the development of Strategic Health Networks, to better align with organizational and government priorities. These networks continue to support a more integrated, province-wide approach to care.
- Established eight Strategic Health Networks, along with the creation of a dedicated Mental Health and Addictions program, are important steps forward. Together, they help set care standards, support informed decision-making, and improve system performance, contributing to better care across the province.

#### How did we perform?

Nine Strategic Health Networks were originally identified; however, Mental Health and Addictions has since transitioned into a dedicated provincial program. Eight networks are currently in place: Child Health; Primary Health Care (Family Care Teams); Health of Older Adults; Chronic Pain; Emergency; Surgery; Community Supports and Long-Term Care. While Rural Health remains a priority, a corresponding network has not yet been established. Since December 2025, network resources have been focused on supporting key priorities, including transformation of health care and the implementation of CorCare.



### Goal Indicator: Established 12 Service Integration Teams in key areas to provide an avenue for provincial coordination and collaboration

#### What did we do during 2024-26?

- Established five Service Integration Teams (SITs)<sup>1</sup>: Diabetes, Obstetrics/Midwifery, Infection Prevention and Control, Critical Care, and MAiD SITs.
- Implemented improvement initiatives in priority areas identified by the SITs. These include enhanced Baby-Friendly Council to support teams to reach the different levels of designations set by the Breastfeeding Committee for Canada, and enhanced communications with Wound Care and Dialysis programs to better support MAiD.

<sup>1</sup> A SIT is considered established once they have an assigned chair and Chief Operating Officer sponsor.

### How did we perform?

While NL Health Services did not meet the planned target, five SITs were established. The prioritization of CorCare to ensure readiness also impacted implementation. Given that many of the foundational structures and provincial approaches have now been established across the organization, efforts will focus on further strengthening a coordinated and integrated approach across provincial programs and zonal service delivery. This will enhance alignment through a quality improvement lens, support consistent implementation of priorities, and advance key areas of focus across NL Health Services.



#### Goal Indicator: Completed the consolidation of a provincial air and road ambulance system

### What did we do during 2024-26?

- Introduced a coordinated air and ground ambulance system across the province. Medavie Health NL was contracted to manage and operate the integrated service in partnership with PAL Airlines and Air Borealis. Ambulance and air ambulance personnel remain employees of NL Health Services, ensuring continuity of care while benefiting from a more coordinated provincial emergency health services system.
- The transition included a new electronic scheduling system, designated base stations, a centralized medical dispatch centre, and a modern provincial radio system. As of year-end, about 850 paramedicine professionals deliver patient transport through a more coordinated and efficient system.

### How did we perform?

NL Health Services consolidated air and road ambulance services together into one provincial system.



#### Goal Indicator: Improved access to innovative healthcare solutions to improve patient care

### What did we do during 2024-26?

- Launched 89 research studies to support patient recruitment and apply research findings to improve care, working closely with internal teams and external partners.
- Held Health Innovation Summits in 2024 and 2025, generating new ideas to enhance care, including improvements in child and youth services and primary care.
- Established partnerships with vendors to bring in specialized expertise and increase access to innovative solutions.
- Co-developed and implemented new solutions with partners to address key challenges, including supply chain improvements, pharmaceutical rebate processes, and enhanced communications.

- Expanded innovative tools including digital patient communication and digital discharge coordination, to improve how care is delivered and experienced.

### How did we perform?

Through innovation challenges, research studies, increased participation in clinical trials, and the implementation of new solutions throughout the organization, NL Health Services has increased access to innovative approaches that improve patient care and continues to push innovative solutions for the province.



### Goal Indicator: Improved stroke outcomes by increasing access to endovascular clot retrieval

### What did we do during 2024-26?

- Implemented the After Stroke pilot program through partnership with the Department of Health and Community Services and March of Dimes, which provided support to nearly 300 stroke survivors, their family members, and caregivers.
- Completed an expansion of EVT to include all individuals across the province who meet the criteria for this intervention. The expansion is leading to healthier outcomes for stroke patients and reducing the length of hospital stays. As of January 2026, EVT is available province-wide for all eligible patients.
- Implemented a provincial EVT clinical pathway across the province, improving efficiency and access. All health zones completed joining into the provincial service January 2025, with service expanded to 24/7, 365 days a year.

### How did we perform?

NL Health Services made significant progress in improving access to EVT services across the province, enhancing cardiovascular and stroke care in Newfoundland and Labrador.



### Goal Indicator: Completed all tasks required for go-live readiness of CorCare

### What did we do during 2024-26?

- Prepared for and successfully launched CorCare (formally known as Epic) on April 25, 2026. This new province-wide system replaces older digital platforms and helps clinicians manage patient information and care more efficiently.
- Completed requirements to support the transition, including organization-wide training to prepare staff to use the new system and provide high-quality care.
- Established a dedicated project team and certified trainers were recruited to lead training efforts. A new learning management system supported this work, and full system testing was completed in April 2026. More than 9,000 staff completed training, including 2,700 super-users who provide ongoing support to colleagues following the launch.

### How did we perform?

During 2024–26, NL Health Services completed all planning and preparation needed to launch CorCare, ensuring the organization was ready for implementation. This work supports the Health Accord NL vision of “One Patient, One Record” by creating a single, connected digital health system for the province.



### Goal Indicator: Improved sustainability of NL Health Services

#### What did we do during 2024-26?

- Discontinued the use of desflurane anesthetic, making Newfoundland and Labrador the first province in Canada to do so. This change reduces the carbon footprint while maintaining safe and effective care.
- Opened the new Western Memorial Regional Hospital in Corner Brook as a state-of-the-art, environmentally sustainable facility. It features Canada’s largest geothermal system in a health-care setting, reducing water use and operating costs, and earning LEED® Silver certification.
- Advanced development of an Environmental Sustainability Strategy, including:
  - Established a steering committee to guide this work.
  - Joined a national advisory board on health system responses to climate change.
  - Completed a climate change health vulnerability assessment with government partners.
  - Learned from leading Canadian health organizations and research.
  - Integrated sustainability into supplier planning and decision-making.
- Improved financial sustainability through the following:
  - Developed a Value for Money Framework.
  - Advanced planning for a new enterprise resource system.
  - Launched an Agency Resource Reduction Strategy.
  - Continued a multi-year Financial Sustainability Plan.
  - Reduced reliance on nursing agencies, resulting in lower costs.

Together, these efforts support a more environmentally responsible and financially sustainable health system.

### How did we perform?

NL Health Services is committed to improved sustainability. Through the achievements over the last two years, sustainability of the provincial health authority has greatly improved. Building on actions taken during 2024-26, NL Health Services remains committed to making further improvements and will continue to prioritize sustainability in the years ahead.



## STRATEGIC ISSUE TWO: **Our People**



Our people are at the heart of NL Health Services. Every day, they bring skill and compassion to the care and services delivered in hospitals, long-term care homes, and communities. To support them, NL Health Services is committed to creating a healthy workplace that is inclusive, safe, well-staffed, and offers opportunities to learn and grow.

As recommended in Health Accord NL, NL Health Services is leading the

development of a Provincial Health Human Resource Plan. This work is being done in partnership with the Department of Health and Community Services to ensure the needs of staff, communities, and the health system are met. A skilled, engaged, and diverse workforce is essential to delivering accessible and sustainable care now and in the future.

### **Our People Goal**

By March 31, 2026, NL Health Services will have retained and recruited staff and physicians while supporting a safe, engaged, inclusive, and equitable work culture.

#### **Objective Two (2025-26)**

By March 31, 2026, NL Health Services will have further implemented initiatives to retain and recruit employees and physicians to meet the current and future health care needs.



#### **Indicator: Continued to implement Just Culture training, targeting 80% of NL Health Services employees**

Just Culture is an approach that helps create a fair, supportive, and learning-focused workplace. It involves managing behavioral choices and designing safer systems to help prevent errors. Just Culture training includes educating leaders about the principles of Just Culture to make sure they create an environment where individuals feel physically and psychologically safe enough to raise and discuss quality and safety concerns.

### What did we do during 2025-26?

- A Just Culture learning module was introduced for employees, managers, and physicians, and added to onboarding for new hires, leaders, and clinical chiefs.
- Just Culture Algorithm training continued for managers and leaders, with sessions offered twice a month. Nine sessions were held during the year, with 66 participants.

### How did we perform?

NL Health Services continued to offer Just Culture training during 2025–26, with 72 per cent of employees completing the training. Training efforts were focused on preparing staff for CorCare implementation, with LEARN resources prioritized to support this transition, affecting indicator achievement, therefore impacting our ability to achieve the 80 per cent target.



### **Indicator: Improved Workforce Stability Ratio in Registered Nurse (RN), Licensed Practical Nurse (LPN), Personal Care Attendant (PCA), and Paramedicine groups**

This indicator tracks workforce stability for RNs, LPNs, PCAs, and Paramedicine staff. The workforce stability ratio is a comparison of the number of employees entering the workforce to those leaving Newfoundland and Labrador. A ratio closer to 1.0 indicates a more stable workforce.

### What did we do during 2025-26?

- Recruited local talent through student engagement, incentives for hard-to-fill roles, and partnerships to expand training programs.
- Expanded recruitment internationally, attracting physicians, pharmacists, physiotherapists, and social workers from the U.S., Ireland, and the U.K., supported by a new expedited pathway for U.S.-certified physicians.
- Strengthened nursing pipelines by engaging Practical Nursing students, advancing the Enrolled Assistant Nursing (EAN) program (60 hires), and hiring 296 internationally trained nurses.
- Supported new graduates, with 88 Bachelor of Science in Nursing students accepting Nurse Collegian roles.
- Partnered with Keyin College to grow the Personal Care Attendant workforce (68 graduates hired to date).

Increased awareness and recruitment for paramedicine careers locally, nationally, and internationally.

### How did we perform?

Workforce stability ratios improved and became more stable across all priority areas, meeting the target for this indicator. With a baseline data point set during the first quarter of 2025-26, workforce stability ratios changed as follows:

- ◆ RN: Baseline: 1.9 | Year End: 0.79

- ◆ LPN: Baseline: 3.6 | Year End: 1.2
- ◆ PCA: Baseline: 3.9 | Year End: 1.2
- ◆ Paramedicine: Baseline: 3.0 | Year End: 1.5

The change in stability ratio in each group represents an improvement in stability, moving closer to 1.0.

### ► **Indicator: Reduced number of agency nurses to 200**

NL Health Services is taking steps to reduce the number of agency nursing staff to pre-COVID-19 pandemic levels by April 2026. Reducing reliance on agency nurses will improve continuity of care, support better patient outcomes, and strengthen the integration of nursing staff within their teams. It will also support the development of a stable workforce that is familiar with the organization's policies, procedures, and patient needs. This approach can also help manage costs and promote a more cohesive work environment.

#### **What did we do during 2025-26?**

- Expanded internal RN locum opportunities to help reduce reliance on agency nurses and strengthen the in-house workforce.
- In partnership with the Department of Health and Community Services, developed a Health Human Resource Plan for RNs, LPNs, and PCAs to better forecast workforce needs and support long-term planning.
- Offered permanent positions to all eligible 2026 Bachelor of Science in Nursing graduates from Memorial University. Over 90 per cent (284 graduates) accepted offers, with incentives used to fill roles in hard-to-recruit areas and reduce dependence on agency staff.

#### **How did we perform?**

NL Health Services achieved its targeted reduction of agency nurses, reducing agency nursing to 195 agency staff by year-end.

### ► **Indicator: Reduced financial expenditures on nursing agencies by 30%**

NL Health Services is working to reduce the number of private health-care staff (agency nurses) used within the organization to pre-COVID-19 pandemic levels by April 2026. Reducing the number of agency resources also includes reducing the financial expenditure on agency nurses.

### What did we do during 2025-26?

- Strengthened oversight of agency staffing by introducing a provincial agency structure and implementing recommendations from the Auditor General to improve consistency and efficiency.
- Continued to recruit internationally trained nurses to help build a more stable workforce and reduce reliance on agency staff.

### How did we perform?

NL Health Services significantly exceeded its target for reducing spending on nursing agencies, achieving a 44.7 per cent decrease in 2025–26 compared to the previous year. Costs were reduced from \$132.6 million in 2024–25 to \$73.3 million in 2025–26—a total reduction of over \$59 million.



**Indicator: Launched exit survey tool for all staff and physicians leaving NL Health Services.**

Understanding why staff and physicians leave NL Health Services is key to improving retention. A new provincial exit survey provides better insight into their experiences, helping inform policies and programs to support staff and encourage them to stay.

### What did we do during 2025-26?

- Developed clear guidance and communication materials to support human resource staff in carrying out the exit survey process and engaging with employees and physicians who are leaving.
- Shared information with managers, staff, and physicians to support the rollout of the new survey platform.
- To promote transparency and guide timely improvements, shared summaries of exit survey findings with leadership teams.

### How did we perform?

NL Health Services successfully launched an exit survey, and results were shared with leaders across the organization. Action plans are being developed to make further improvements to the survey. This new tool replaces previous surveys and supports ongoing efforts to improve employee engagement and strengthen the workplace.



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

The Human Resources department is working with its union partners to negotiate transition agreements that align the collective agreement language under one provincial employer. This will reduce barriers for employees moving positions within NL Health Services.

### What did we do during 2025-26?

- Held discussions with several union partners, including the Newfoundland and Labrador Association of Public and Private Employees (NAPE) - Health Support (HS), Canadian Union of Public Employees (CUPE), and NAPE - Health Professionals (HP).
- Signed a transition agreement with NAPE - Laboratory and X-Ray (LX), effective March 31, 2026, with next steps focused on finalizing and sharing seniority reports with employees.

### How did we perform?

NL Health Services worked with union partners to finalize transition agreements with Registered Nurses Union of Newfoundland and Labrador (RNUNL) and NAPE-LX. Agreements with NAPE-HP, NAPE-HS, CUPE, and Association of Allied Health Professionals (AAHP) are still in progress, as efforts were focused on CorCare implementation.



### **Indicator: Implemented and identified meaningful strategies to address the Health Standards Organization (HSO) Workforce Survey™ results**

The HSO Global Workforce Survey is the first tool of its kind to measure both work-life quality and safety culture together in one survey. It provides valuable insights that help identify strengths and areas for improvement on key aspects of the workplace, including physical and psychological safety and overall organizational culture.

Results from the first survey were released in 2025 and are being used to guide actions that improve the workplace experience, with a focus on employee and physician well-being, safety and inclusion.

### What did we do during 2025-26?

- Program leaders engaged with their staff to review survey results, share findings, and integrate actions into work plans. Leaders reported on improvements in workplace safety, engagement, inclusion, and equity, with several programs implementing meaningful changes.
- Examples include: Pathology and Laboratory Medicine conducting additional staff surveys, Cardiovascular Care launching a Leadership Development Program, and Correctional Health Services introducing peer support workers on the Forensic Unit to strengthen a safe and inclusive work environment. These efforts demonstrate how survey feedback is driving practical improvements across the organization.

### How did we perform?

Health Standards Organization (HSO) Workforce Survey™ results were shared across programs to guide improvement efforts and implemented meaningful changes in response.

## 2024 – 2026 Our People Goal Indicator Report

### ► Indicator: Reduced vacancies in select employee and physician groups

#### What did we do during 2024-26?

- Created a Physician Workforce Plan and Vacancy Report Strategy to support strategic recruitment efforts.
- Implemented physician incentive programs to help recruit more physicians.
- Introduced Internationally trained nurses.
- Implemented a retention strategy based on evidence, using targeted initiatives.

#### How did we perform?

Through targeted initiatives, NL Health Services reduced vacancies in select employee and physician groups, achieving the indicator.

- ◆ RN: Outstanding vacancies reduced by 58.5 per cent, from 950 in 2024 to 394 in 2026.
- ◆ LPN: Outstanding vacancies reduced by 76.6 per cent, from 491 in 2024 to 115 in 2026.
- ◆ PCA: Outstanding vacancies reduced by 89.2 per cent, from 464 in 2024 to 50 in 2026.
- ◆ Physician: Vacancies reduced by 55.1 per cent, from 230 vacancies in 2024 to 103<sup>2</sup> vacancies in 2026.

### ► Indicator: Reduced barriers for employees moving positions throughout NL Health Services

#### What did we do during 2024-26?

- Worked with union partners such as RNUNL and NAPE-LX, to negotiate transition agreement language.
- Improved and supported the development of leaders and managers within the organization with a focus on “ideal future state”, with the launch of management orientation and onboarding programs as a part of a newly introduced Learning Management System (LMS).

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<sup>2</sup> There are additionally 52 vacancies due to new positions added to expand service capacity and are not departures from existing roles.

- Re-launched the Emerging Leaders program with updated and more offerings to support provincial operations.
- Continued offering Physician Management and Leadership Program through the Gardner Institute.
- Continued implementation of the Enrolled Assistant Nursing Program (EAN) to help increase the supply of LPNs.

### How did we perform?

NL Health Services reduced barriers for employees moving positions throughout NL Health Services through the agreements signed with union partners, as well as training initiatives that support learning and development.



### Indicator: Implemented initiatives to improve the overall work experience and retention of employees

### What did we do during 2024-26?

- Implemented an evidence-informed retention strategy focused on supporting frontline staff. This included relaunching the Emerging Leaders Program, offering leadership training for physicians, developing an Inclusive Workplace Strategy, and creating an Office of Physician Wellness and Retention.
- Actioned the 2025 HSO Workforce Survey results by providing tools to leaders and supporting improvements across programs. Over 70 per cent of senior directors reported progress, and a pulse survey is planned to gather additional feedback.
- Advanced efforts to build a more inclusive workplace that reflects diversity, equity, and anti-racism.
- Appointed the first Chief Wellness Officer to lead physician wellness initiatives, with a focus on reducing burnout and supporting work-life balance.
- Conducted the HSO Workforce Survey to better understand staff experiences and began implementing improvements based on the results.

### How did we perform?

NL Health Services successfully implemented initiatives to improve the overall work experience and retention of employees.



## **Indicator: Continued implementation of the Just Culture Program**

### **What did we do during 2024-26?**

- Implemented the Just Culture Program to support a fair, learning-focused workplace. Training was delivered to managers and clinical chiefs in the Western and Labrador-Grenfell zones in 2024–25, with 92.5 per cent completing the training.
- Expanded Just Culture training across the organization, including onboarding for new managers, leaders, and staff, and introduced instructor-led sessions to support practical application.
- Launched a LEARN module in 2025–26 for employees, managers, and physicians, now included in onboarding education.
- Continued to offer Just Culture Algorithm training for managers and leaders twice a month.

### **How did we perform?**

NL Health Services successfully continued to implement the Just Culture training program, leading to organizational improvements towards a just culture.



## STRATEGIC ISSUE THREE:

# Access



To achieve the best possible health outcomes, people need timely access to the right health care provider, in the right care setting, and without barriers.

To improve access to services, NL Health Services must take innovative steps to deliver care, address areas with high demand, and help individuals and families understand and navigate the health system.

To create a more integrated health system, NL Health Services is improving access to care by taking action toward a more sustainable, effective and efficient way of providing access, with a focus on expanding primary care; supporting aging in place; reducing surgery and diagnostic backlogs; and strengthening the integration of mental health and addiction services.

### Access Goal

By March 31, 2026, NL Health Services will have improved access to care, particularly in remote and rural locations of the province, by completing work intended to better balance community-based and hospital-based service delivery.

#### Objective Two (2025-26)

By March 31, 2026, NL Health Services will have further implemented and evaluated initiatives to better balance community-based and hospital-based service delivery.



**Indicator: Increased number of referrals in opioid dependence treatment (ODT) services.**

Improving access to opioid dependence treatment is important to support individuals struggling with substance use, reduce harm, and promote healthier communities. This indicator measures the number of individuals referred to the ODT team whose referrals are accepted after an initial screening.

### What did we do during 2025-26?

- Expanded access by introducing a hub-and-spoke model and adding travelling and satellite clinics in several communities (e.g., Carbonear, Port aux Basques, Labrador City, St. Anthony), making it easier for people, especially in rural and remote areas, to access treatment close to home.
- Expanded clinical capacity and interdisciplinary care through the inclusion of nurses, social workers, psychiatry, and peer support roles. This helped care coordination, supported smoother transitions after discharge, and enhanced continuity of care.
- Broadened services beyond opioid treatment to include alcohol use disorder support, home-based withdrawal management, smoking cessation, and other clinical and counselling services.
- Improved prevention and harm reduction by increasing access to Hepatitis C testing and treatment, distributed take-home naloxone kits, and expanded access to long-acting therapies through partnerships with pharmacies and clinicians.
- Enhanced patient experience, with patients reporting high satisfaction, describing services as respectful, welcoming, and supportive. A focus on peer support and therapeutic environments helped build trust and improve engagement amongst patients.
- Improved access to community-based care to reduce pressure on emergency departments. Stronger partnerships with primary care, pharmacies, Indigenous communities, and mental health teams supported more connected care and better outcomes.

### How did we perform?

NL Health Services saw a 14.4 per cent increase in referrals to Opioid Dependence Treatment services, rising from 547 new referrals in 2024–25 to 626 in 2025–26.



**Indicator: Increased number of requests support by the Mental Health and Addictions navigator program by 25% in all zones**

The Mental Health and Addictions Systems Navigator Program provides a single point of contact to help people find the right services, answer questions, and navigate the health and social system. Navigators offer personalized support to individuals, families, and health care providers, helping connect them to appropriate care and next steps. Since its launch, it has supported thousands of requests each year. In 2024-25, a second navigator was added to increase capacity.

### What did we do during 2025-26?

- A second navigator joined the program and completed extensive training to build knowledge of mental health and addictions services, as well as a wide range of

community and government supports. With prior experience in the field, the navigator was able to transition smoothly into the role.

- Navigators responded to increasingly complex needs, including rising substance use, more requests for youth services, and growing demand for support related to seniors' care, housing, and community services. There was also an increase in inquiries about out-of-province treatment, as well as autism and ADHD assessments, particularly where access to physicians was limited.

### **How did we perform?**

NL Health Services supported 3,200 service requests during 2025-26, a 26 per cent increase from the previous year (with 2,539 requests supported in 2024-25), with all requests addressed. Feedback from patients has been positive, with many reporting that they felt respected, listened to, and well supported.



### **Indicator: Decreased wait times for magnetic resonance imaging (MRI) scans**

NL Health Services is committed to improving timely access to MRI exams and meeting national wait time targets set by the Canadian Association of Radiologists: within seven days for urgent cases and up to 60 days for non-urgent cases, based on clinical need.

Reducing wait times supports earlier diagnosis and more timely care, leading to better patient outcomes. Improving access to MRI services remains a provincial priority, with coordinated efforts across all zones to increase capacity and ensure reliable service delivery. This measure looks at retrospective 90th percentile wait time for patients who completed an urgent and non-urgent MRI during the reporting period, combined across all zones.

### **What did we do during 2025-26?**

- Reduced MRI wait times through hiring staff, extending hours, improving patient flow, and using technology to make services more efficient.
- Increased capacity through new MRI scanners, upgraded equipment, improved scheduling, and additional staff training.
- Implemented CorCare and updated imaging systems to standardize exam times, reduce duplication, and support care closer to home.
- Expanded ordering privileges for physicians and NPs.
- Introduced self-scheduling for non-urgent MRIs through MyChart, giving patients more flexibility and easier access to appointments.

### **How did we perform?**

NL Health Services improved MRI wait times during 2025-26 in non-urgent cases, achieving a 6.4 per cent reduction from the previous year. Wait times for non-urgent decreased from 499 days to 467 days (90th percentile) as of March 31, 2026. Urgent cases did increase during

this fiscal, increasing from 74 days to 194 days (90th percentile) as of March 31, 2026. While non-urgent MRI wait times improved during 2025-26, urgent wait times increased due to reduced MRI capacity across the province. Scanner replacements and outages, combined with staffing challenges that limited service availability, reduced the number of patients that could be accommodated and contributed to longer wait times for urgent cases.



#### **Indicator: Improved access to emergency department, primary health care, and pre- and post-operative care through virtual solutions**

Virtual care offers more ways for people to access health services, helping improve access, efficiency, and long-term sustainability. NL Health Services uses virtual emergency room (ER) care to support emergency departments by connecting patients in some communities with ER doctors remotely. Patients are first seen in person by a nurse or clinician, then connected to a doctor or NP using virtual technology.

Virtual primary health care is available for people without a regular provider, offering appointments from home or through Family Care Teams. Virtual care is also used for pre- and post-operative visits, helping patients receive care closer to home while reducing travel and wait times.

#### **What did we do during 2025-26?**

- Expanded virtual ER services to more communities, including Grand Bank, Bell Island, Port Saunders, and Port Hope Simpson. These add to the already operating virtual ER services in Brookfield, Lewisporte, Carbonear, Roddickton, Flowers Cove, Forteau, and Bonavista.
- Introduced virtual primary care for patients without a regular provider. Virtual primary care services are available to those registered with Patient Connect NL, with access starting about one month after registration. A virtual Family Care Team model is now in place in 16 locations, combining virtual physicians or nurse practitioners with on-site support.
- Expanded virtual pre- and post-operative care across the province. Virtual Pre-Admission Clinics continue in the Eastern Rural and Labrador-Grenfell zones, and many follow-up appointments are now offered through telehealth services available in all health zones.

#### **How did we perform?**

NL Health Services expanded virtual services in emergency departments, primary health care, and pre-and post-operative care.



#### **Indicator: Increased volume of hip and knee replacements performed by 10%**

Access to hip and knee replacement surgery in Newfoundland and Labrador remains a

challenge due to long wait times. NL Health Services is working to increase the number of these procedures to help reduce waitlists.

Reducing wait times can lead to better health outcomes, fewer complications, less stress for patients, and an improved quality of life, helping people recover sooner and move forward with their health.

### **What did we do during 2025-26?**

- Launched a new provincial central intake system for cataract, hip, and knee replacement surgeries to improve access. Developed with our partner Mobia Health Innovations, the system allows primary care providers to refer patients to a shared waitlist. Patients are prioritized and matched with the next available surgeon in their zone, helping them receive care sooner and improve the use of surgical resources.

### **How did we perform?**

The volume of hip and knee replacements increased by 0.5 per cent over the fiscal year. Despite not meeting the target of 10 per cent increase, more hip and knee replacements were completed in 2025-2026. There was variability throughout the fiscal quarters, with a 17.5 per cent increase in total joint replacements completed in the first quarter, though this decreased in the remaining quarters. Avoidable cancellations decreased by 11.8 per cent, while unavoidable cancellations such as weather related or no-shows increased by 6.1 per cent. Physician remuneration and allied health resources are barriers in some zones for increasing case completion that affected achievement.



### **Indicator: Developed and implemented a plan to optimize operating room capacity**

Developing and implementing a plan to optimize Operating Room (OR) capacity is essential to support the efficient use of resources and meet the growing demand for surgical services. Improving how OR time is used helps reduce wait times, avoid cancellations, and ensure patients receive timely care.

### **What did we do during 2025-26?**

- Introduced a dedicated “block room” at Western Memorial Regional Hospital, increasing OR capacity by three more operating rooms per week. A block room approach, which reserves dedicated operating room time for specific surgical services, was implemented to optimize operating room utilization and scheduling efficiency. This approach increased capacity by an additional three operating rooms per week and supported improved access to surgical services.
- Recruited new providers to help increase surgical volumes at Sir Thomas Roddick Hospital, improving use of available OR time.

- Collected and analyzed data on OR start times at the Health Sciences Centre and St. Clare's Mercy Hospital. This work, along with new data from CorCare, will support further improvements in OR scheduling and capacity across the province.

### How did we perform?

NL Health Services developed and implemented a plan to optimize OR capacity. Early actions, such as increasing OR availability, recruiting providers, and improving scheduling data, have strengthened how operating rooms are used across the province. This progress supports more efficient use of resources and helps improve timely access to surgery.



### Indicator: Increased volume of isolated-CABG procedures by 10%

Long wait times for cardiovascular surgery have been identified as a key challenge for NL Health Services, driven by increasing demand.

Coronary artery bypass graft (CABG) surgery, the most common cardiac procedure in the province, was identified as a key performance measure, with a focus on increasing surgical volumes to improve access and patient outcomes.

### What did we do during 2025-26?

- Strengthened the cardiovascular surgical team by filling ten full-time Registered Nurse positions, hiring a Cardiovascular Operating Room (CVOR) manager, and adding an LPN at the Health Sciences Centre. Expanding team roles helps improve efficiency, allowing specialized staff to focus on complex care and supporting increased surgical capacity.

### How did we perform?

NL Health Services increased the volume of isolated-CABG procedures by 12.3 per cent in 2025-26, exceeding the target and achieving the indicator.



### Indicator: Reduced wait times for isolated-CABG surgical outpatients (Priority 4) by 10%

Isolated Coronary Artery Bypass Graft is the most common cardiac surgery procedure in NL, and its outcomes are an important quality indicator measure across Canada. NL Health Services is working to increase the number of isolated-CABG surgeries completed and meet national wait time targets.

### **What did we do during 2025-26?**

- Trained and hired a Patient Care Facilitator in January 2026 to support nursing standards and supervise the planning of patient care pathways.
- Successfully recruited, trained, and retained four Registered Nurse First Assistants. This supports the 17 weekly CVOR cases determined by an executive order. Promotion materials and strategies were also developed to retain these highly skilled and difficult-to-recruit positions.

### **How did we perform?**

NL Health Services exceeded the targeted reduction of wait times for isolated-CABG surgical outpatients (Priority four) of 10 per cent. As of March 31, 2026, the wait time was reduced to 104 days (was 223 in 2024-25), which represents a 53.4 per cent reduction.



#### **Indicator: Completed implementation of Chemistry Point of Care Testing in each of the fly in – fly out communities**

Point-of-care testing (POCT) refers to diagnostic, monitoring, screening, or prognostic tests performed at or near a patient's location. The results can help guide treatment decisions and support patient care. POCT is often provided by health care professionals but can also be completed by individuals themselves. This indicator highlights NL Health Services' goal of improving availability of point of care tests in remote sites.

### **What did we do during 2025-26?**

- Updated policy and standard operating procedures.
- Resolved connectivity issues through the implementation of CorCare and systems bandwidth upgrades.
- Completed all test validation of the instruments and cartridges.

### **How did we perform?**

NL Health Services did not complete implementation of Chemistry POCT in each of the fly-in-fly-out communities. This was due to challenges with human resources and training as well as competing priorities such as CorCare. NL Health Services continues to be focused on providing Chemistry POCT testing in fly-in-fly-out communities. Next steps will focus on connectivity and quality management, including developing a learning module to train users.



#### **Indicator: Implemented Nurses Improving Care for Health System Elders (NICHE) program at select sites**

Implementation of the NICHE program helps strengthen the workforce's ability to care for older adults. While NICHE is a nurse-led model, participation has been expanded to all staff

to support an interdisciplinary approach across care settings. NICHE provides an evidence-based framework to help staff deliver senior-friendly care and supports the development of Centers of Excellence in Aging. Two cohorts were planned for 2025-2026.

#### **What did we do during 2025-26?**

- Implemented the first NICHE cohort from September 2024 to early 2026 across St. Clare's Mercy Hospital, Western Memorial Hospital, and Carbonear General Hospital. All three sites successfully completed the program and achieved NICHE Member status, a recognition that reflects their commitment to providing age-friendly, evidence-based care for older adults. Sites attained either Early or Progressive designation levels. Local champions led improvement projects and encouraged staff participation in geriatric education, resulting in more than 300 active users and approximately 100 nurses completing advanced geriatric training. NICHE training is now available for staff working in Acute Care for the Elderly (ACE) units at Western Memorial Hospital and St. Clare's Mercy Hospital.
- Implemented a second cohort in June 2025 at Charles S. Curtis Memorial Hospital and the Dr. L.A. Miller Centre with completion expected in September 2026.

#### **How did we perform?**

Through the successful completion of Cohort One and continued progress of Cohort Two, NL Health Services achieved this indicator. Building on this success, a third cohort is being planned to further expand access to specialized care for older adults.



#### **Indicator: Completed recruitment and onboarding of senior-friendly managers (acute and community)**

The Senior-Friendly Manager role provides leadership to support high-quality care for older adults across all health zones. Working with operational leaders and guided by the Health of Older Adults Strategic Health Network, this role promotes the use of best practices and supports the development of Centres of Excellence in Aging in line with Health Accord NL. These roles help improve consistency in geriatric services and care processes across the province, while recognizing the unique needs of each region. The 2025–26 goal was to recruit and hire these roles in both hospital and community settings.

#### **What did we do during 2025-26?**

- Provided specialized training in change management and gerontology through NICHE leadership programs and introduced a standardized orientation guide across all health zones.
- Recruited Senior-Friendly Managers in hospital settings across all zones, with hiring beginning in 2025 and continuing into early 2026. Recruitment remains ongoing in some areas where positions became vacant.

- Expanded recruitment of Senior-Friendly Managers into community settings, including outreach roles in several zones.
- Provided training to support frailty care across the continuum, including the use of the Clinical Frailty Scale in education, care planning, and collaboration with the SHN.

### How did we perform?

NL Health Services recruited and hired senior-friendly managers, in acute and community settings, with at least one per health zone, achieving the indicator.



### Indicator: Established 8 new Family Care Teams across the province

Establishing Family Care Teams (FCTs) increases access to primary health care. FCTs make it easier for people and families to get the health care they need in their own communities. These teams bring together different health-care professionals to work together as a team to support people's health and well-being. The Strategic Plan identified a target of 30 FCTs by March 31, 2026. To achieve this goal, eight new Family Care Teams were planned for 2025-26.

### What did we do during 2025-26?

- Launched two FCTs in the Central zone, serving the Lewisporte and Kittiwake area.
- Launched a FCT in the Western zone, serving the Corner Brook–Bay of Islands area.

### How did we perform?

A total of three new Family Care Teams were launched this year, which was below the target of eight. This was due to recruitment challenges, the focus on CorCare implementation, and other competing priorities.

Despite this, strong progress was made in connecting patients to care through existing teams during 2025–26, with a 58.3 per cent increase in patients connected to a Family Care Team as compared to 2024-25.



### Indicator: Increased the number of patients connected to Family Care Teams by 30,000

FCTs provide access to primary care through multiple health care professionals who work together to meet the health and social needs of individuals and families. The current indicator was set to connect 30,000 new individuals to Family Care Teams during 2025-26. This measure includes new individuals connected directly to FCTs and individuals associated with an FCT via affiliation.

### **What did we do during 2025-26?**

- Continued to expand and operate FCTs, including the launch of three new teams.
- Connected more people to care by linking them directly to a FCT or through local private practice family doctors who partner with these teams (affiliated practices). This means patients can more easily access a range of services and supports through a coordinated team of health care providers.

### **How did we perform?**

NL Health Services increased the number of patients connected to FCTs but did not reach the targeted 30,000, with the number of patients connected to a FCT through direct connection or affiliation increased from 96,826 in 2025 to 124,328 in March 2026, a 27,502-patient increase (a 28.4 per cent increase). With the launch of new teams, NL Health Services will continue to connect more people to primary care.



#### **Indicator: Established ACE Unit at St. Clare's Mercy Hospital**

The Health of Older Adults SHN is one of the first networks established by NL Health Services. Its early focus supports the provincial goal of creating Centres of Excellence in Aging and helping people remain healthy and independent in their communities. This work includes developing senior-friendly hospitals and establishing ACE units, including at St. Clare's Mercy Hospital. These units bring together a team of health professionals to better support older adults in hospital by identifying frailty early, reducing length of stay, preventing functional decline, and lowering the risk of readmission.

### **What did we do during 2025-26?**

- Opened a new Acute Care for the Elderly (ACE) unit at St. Clare's Mercy Hospital in June 2025. Since opening, the unit has supported nearly 600 admissions, with most patients returning home or to the community after their stay. Patients have also reported very positive experiences and strong confidence in their care at discharge.
- The Provincial ACE Working Group continued to support teams at Western Memorial Regional Hospital and St. Clare's by connecting them with an established program at Mount Sinai. The group provides guidance and helps improve care for older adults by promoting senior-friendly practices, standardizing approaches to delirium prevention and frailty assessment, and supporting teamwork in hospital settings.

### **How did we perform?**

The ACE unit at St. Clare's Mercy Hospital opened in June 2025, achieving the indicator.



#### **Indicator: Introduced initiatives to reduce Alternate Level of Care (ALC)**

ALC refers to patients who remain in a hospital bed even though they no longer need hospital-level care. These patients are medically stable and ready to leave, but cannot be discharged because the right supports, services, or place to go are not yet available.

High volumes of ALC can lead to inefficient use of hospital resources, longer wait times in emergency departments, and delays or cancellations for surgeries. It can also negatively impact patients, increasing the risk of functional decline during extended hospital stays. Reducing ALC requires early planning and coordination, with a focus on identifying needs sooner and ensuring the right supports are available in both hospital and community settings.

#### **What did we do during 2025-26?**

- Developed a provincial policy, education materials, and a checklist to guide how patients are identified as ALC, helping ensure consistent use and reduce unnecessary hospital stays.
- Continued to expand the use of DischargeHUB to support quicker and better coordinated discharges. This included extending the contract, rolling out the system across more sites, and introducing a Discharge Facilitator role at the Health Sciences Centre to help patients transition home with the right supports.
- Created new care options to support patients after hospital stays and reduce ALC days. This included opening new units at several sites, such as a 50-bed ALC unit and 20-bed transitional unit at Chancellor Park, additional beds at Western Memorial Regional Hospital, and a new 12-bed ALC unit at Central Newfoundland Regional Health Centre.

#### **How did we perform?**

Initiatives to reduce ALC rates were introduced, achieving the indicator while supporting NL Health Services' commitment to improve access to acute resources.

## **2024 – 2026 Access Goal Indicator**



**Indicator: Improved quality of care for older adults**

#### **What did we do during 2024-26?**

- Opened two ACE units, one at Western Memorial Regional Hospital in 2024–25 and another at St. Clare's Mercy Hospital in 2025–26, to better support older adults in hospital.
- Developed a senior-friendly management structure to improve continuity of care for older adults across all health zones, with recruitment underway in both hospital and community settings.
- Expanded the NICHE program to several sites, including Western Memorial, St. Clare's Mercy Hospital, Carbonear General, and the L.A. Miller Centre, with more sites preparing to launch.

### How did we perform?

The initiatives completed during 2024–26 have improved the quality of care for older adults, meeting the indicator. These efforts support NL Health Services' commitment to bettering care for seniors. As the population ages, supporting older adults remains a key priority, and work will continue to improve access to high-quality care across the province.



#### Indicator: Established 30 Family Care Teams

### What did we do during 2024-26?

- Expanded and started new Family Care Teams, including hiring more teams across the province.
- Connected patients to care by reaching out to those registered with Patient Connect NL and assigning them to Family Care Teams or primary care providers.
- Introduced virtual care models, including virtual pre-operative planning and a virtual Family Care Team model at 16 sites, with flexibility to adjust services based on community needs.
- Held rapid improvement sessions with teams to improve care pathways for conditions such as diabetes and chronic obstructive pulmonary disease (COPD).
- Strengthened FCTs through targeted recruitment and incentives to attract physicians to join teams to improve access to care.

### How did we perform?

A total of 23 FCTs were established, which did not meet the target. This was partly due to the focus on preparing for the CorCare launch and responding to urgent care needs.

Despite this, NL Health Services made progress in improving access to primary care. These teams helped connect 124,328 patients to ongoing care, increasing access to primary care services across the province.



#### Indicator: Decreased Alternate Level of Care days

### What did we do during 2024-26?

- Introduced a province-wide discharge planning system (DischargeHUB) to support smoother transitions for patients waiting to leave the hospital, helping them return home, or move to the right care setting sooner.
- Promoted the consistent use of standard criteria for identifying ALC patients to reduce unnecessary hospital stays.
- Developed new care pathways to support patients after discharge, helping reduce time spent in acute care and improve patient flow.

### **How did we perform?**

NL Health Services did not reduce the average length of stay for ALC patients during 2024–26. The average increased slightly from 27.1 days in March 2024 to 28.8 days in March 2026, meaning the target was not achieved.

While results did not improve during this period, the initiatives introduced are expected to support long-term reductions in ALC days. NL Health Services remains committed to improving patient flow and will continue to monitor progress and build on this work.



## Indicator: Reduced wait times for surgery based on national benchmarks

### What did we do during 2024-26?

- Allocated beds for surgery patients to reduce cancellations and help maintain or shorten wait times.
- Launched a new provincial central intake system for cataract and hip and knee surgeries in August 2025.
- Introduced central intake referral system for ophthalmology in February 2025 and orthopedics in May 2025 to improve access and make referrals more efficient.

### How did we perform?

Within the surgery areas under this indicator (Hip and Knee replacements, Isolated-CABG Priority two and four procedures, and Cataract surgeries), wait times improved in Hip and Knee surgeries and isolated-CABG, but did not improve for cataract surgeries.

- Hip Replacement – The number of patients waiting longer than the national benchmark (182 days) decreased by 23.7 per cent, from 497 in March 2024 to 379 in March 2026.
- Knee Replacement – The number of patients waiting longer than the national benchmark (182 days) decreased by 20.1 per cent, from 1,408 to 1,125 over the same period.
- Isolated-CABG Priority 2 (Urgent Inpatients) – The number of patients with surgeries completed within the national benchmark (14 days) increased from 68 per cent achievement in March 2024 to 93 per cent achievement in March 2026.
- Isolated-CABG Priority 4 (Non-emergent outpatients) – The proportion of patients with surgeries completed within the national benchmark (90 days) increased from 7 per cent achievement in March 2024 to 38 per cent achievement in March 2026.
- Cataract Surgery – The number of patients waiting longer than the national benchmark (112 days) for cataract surgery (first eye) increased by 46.8 per cent, from 838 to 1,230. Wait times and backlog volumes for cataract surgery increased during the reporting period due to the implementation of a centralized waitlist and standardized data registry, which improved the capture and reporting of patients awaiting care across the province. The departure of a high-volume physician later in the fiscal year also reduced surgical capacity and contributed to increased wait times and waitlist volumes.

NL Health Services remains committed to reducing surgical wait times and improving access to care across all areas.



## Indicator: Reduced volume of surgical backlog in high-priority categories

### What did we do during 2024-26?

- Developed a surgical dashboard to track the volume of surgeries performed and waitlists for key surgeries, including cataract and joint replacements.
- Increased orthopedic surgery volumes through targeted initiatives such as surgical blitzes, short-stay programs in Central, and same-day procedures in the Western zone.

### How did we perform?

High-priority categories included Hip and Knee replacements, cardiovascular surgeries, and cataract surgeries. Hip, knee, and cataract surgery volumes all decreased, and cataract during saw an increase.

- Hip Replacement – The volume of patients waiting for hip replacement decreased by 10.6 per cent, from 934 in March 2024 to 835 in March 2026.
- Knee Replacement – The volume waiting for knee replacement decreased by 8.8 per cent, from 2,478 to 2,260 over the same period.
- Cardiovascular surgery – The volume of patients waiting for cardiovascular surgery decreased by 44.3 per cent, from 194 to 108 over the same period.
- Cataract Surgery – The volume of patients waiting for cataract surgery increased by 14.9 per cent, from 1,962 to 2,255 over the same period.

NL Health Services remains committed to reducing surgical wait times and improving access to care.



## Indicator: Reduced wait times for diagnostics priority areas

### What did we do during 2024-26?

- Improved patient notifications (automated and direct calls) and introduced a same-day cancellation list to fill last-minute openings.
- Monitored no-shows daily and set overbooking limits to maximize MRI utilization.
- Used AI-driven protocols to shorten scan times and increased capacity by expanding service hours for some exams.
- Reviewed duplicate referrals and improved access to care closer to home.
- Developed educational resources and secured funding to support recruitment and service expansion.
- Increased capacity through new MRI scanners, equipment upgrades, improved scheduling practices, and staff training.
- Improved access and efficiency through CorCare implementation, reducing duplication, expanding ordering privileges, and allowing patient self-scheduling via MyChart.

### How did we perform?

NL Health Services' diagnostic priority for 2024-2026 was MRI.

- MRI saw reductions in wait times in both urgent and non-urgent cases over 2024-26, meeting the target. MRI wait times (90<sup>th</sup> percentile) reduced by 4.9 per cent, from 445 days in March 2024 to 423 days as of March 2026. Urgent wait times saw a 49.4 per cent decrease, from 383 days in March 2024 to 194 days in March 2026, while non-urgent cases reduced by 1.7 per cent, from 475 days to 467 days.

Timely access to diagnostics is a key part of accessing care and NL Health Services is dedicated to reducing wait times in all areas across this continuum.



#### Indicator: Improved access to services in remote and rural locations

### What did we do during 2024-26?

- Expanded POCT in remote communities, including new clinics for HIV and syphilis testing. This involved working with health care providers to identify needs, providing training, introducing new testing equipment, and ensuring accurate results through quality standards.
- Began developing a training program and quality framework to support the safe and reliable use of POCT in remote and fly-in communities.
- Expanded virtual care services, including virtual emergency rooms and vPHC across all health zones to improve access.
- Improved access to health information through the implementation of CorCare, making it easier for patients and providers, including in rural and remote areas, to access important health records.

### How did we perform?

Through the initiatives completed during 2024-26, NL Health Services improved access to services in remote and rural locations. More work is needed to improve services in these areas, and NL Health Services is committed to meeting patients at the right place, closer to home.



#### Indicator: Increased access to mental health and addictions services

### What did we do during 2024-26?

- Opened a new 102-bed Mental Health and Addictions Centre in St. John's.
- Promoted Flexible Assertive Community Treatment and Assertive Community Treatment teams through community engagement and partnerships with housing, income support, police, Indigenous groups, and other partners.

- Increased awareness through academic presentations, collaboration with healthcare committees, and promotion of [bridgethegap.ca](https://bridgethegap.ca) and e-mental health resources.
- Developed online mental health and addiction resources to improve access to key services when needed. During 2024-26, NL Health Services increased digital Mental Health and Addictions access by updating e-mental health promotional materials and implementing a communications plan for e-mental health and addictions tools.
- Developed a provincial pathway for clinician assisted services through Therapy Assistance Online and Breaking Free.
- Increased the number of referrals in ODT services by 18.5 per cent to a total of 1,154 referrals in 2024-26.
- Hired a second navigator for the Mental Health and Addictions navigator program and supported a total of 5,739 navigation requests in 2024-26.

### **How did we perform?**

Through increased virtual mental health and addictions supports, the opening of a new facility, ODT service expansion, and more patient navigation requests supported, NL Health Services has increased access to mental health and addictions services throughout the province.



## STRATEGIC ISSUE FOUR:

# Quality

Quality means providing safe care that improves health outcomes and experiences for patients, residents, clients, and families. It depends on strong standards, clear processes, and a healthy, supported workforce working in a respectful and inclusive environment. It also means making sure everyone has fair access to services and information, and that patient and family voices are heard.



NL Health Services focuses on eight key areas to deliver high-quality care: population health, access, safety, work-life, patient-centred care, continuity, appropriateness, and efficiency. Together, these help ensure care is safe, effective, and responsive to the needs of individuals, families, and communities.

As recognized in Health Accord NL, achieving strong outcomes and positive patient experiences also depends on having a strong learning

health and social system. NL Health Services is working toward this by building partnerships, using data and evidence to guide decisions, and applying what is learned to continuously improve care.

### Quality Goal

By March 31, 2026, NL Health Services will have enhanced clinical care and service excellence by applying knowledge generated through research, data, engagement and partnership with patients, families, and communities.



#### Objective Two (2025-26)

By March 31, 2026, NL Health Services will have further implemented and evaluated initiatives to enhance clinical care and service excellence.



**Indicator: Increased number of leaders who have completed educational opportunities related to the creation of a Learning Health and Social System (LHSS)**

A LHSS, as defined by Health Accord NL, uses science, education, informatics, incentives, and culture for continuous improvement, innovation, and equity. Best practices are built into care delivery, with active participation from individuals and families, producing new knowledge. NL Health Services is committed to creating an LHSS to deliver high-quality, safe care and increase the number of leaders who have completed education opportunities related to the LHSS.

**What did we do during 2025-26?**

- Continued to provide LHSS/Evidence 2 Practice (E2P), Yellow-Belt, and Systematic Systems Analysis training for leaders. Lean course development was paused in January 2026 to support CorCare implementation priorities and will start again in the fall.
- In partnership with Quality of Care NL, a LHSS nano course was developed to be used in partnership with Memorial University of Newfoundland.

**How did we perform?**

NL Health Services increased the number of leaders trained to support a LHSS, achieving the indicator.

- 80 participants completed training on the LHSS and E2P model.
- 15 leaders supporting Family Care Teams completed training by September 2025, with an additional 18 leaders trained in December 2025.
- Eight new leaders completed Yellow Belt training.
- 21 managers and leaders completed two-day Lean Continuous Improvement training.
- All Quality Managers and Provincial Quality Directors completed Systematic Systems Analysis training in April 2025.

These efforts are strengthening leadership skills and supporting ongoing improvements in care across the health system.



**Indicator: Increased number of frontline staff who have completed educational opportunities related to the creation of a Learning Health and Social System.**

NL Health Services is committed to building an LHSS to provide high-quality, safe care and increase the number of frontline staff who have completed LHSS education opportunities.

### What did we do during 2025-26?

- Offered staff access to the Institute for Healthcare Improvement Open School, with a subscription in place until September 2026 for the current cohort to complete training. This provides training in areas such as quality improvement, patient safety, leadership, and patient- and family-centred care. There is annual enrollment; during 2025–26, 100 seats were available, with 91 employees actively participating as of March 2026.
- Delivered Yellow Belt training for frontline staff and managers to build skills in continuous improvement, supporting the development of a Learning Health and Social System.

### How did we perform?

NL Health Services successfully increased the number of frontline staff completing training related to building a LHSS, with 61 new staff completing Yellow Belt training. This progress helps build a strong foundation for continuous improvement across the health system, which NL Health Services will continue to expand.



**Indicator: Decreased percentage of residents in long term care potentially receiving misappropriate use of antipsychotics.**

The Canadian Institute for Health Information (CIHI) reports that, across Canada, more than 24 per cent of LTC residents received antipsychotic medications without a diagnosis of psychosis in 2023–24, continuing an upward trend since 2019.

These medications are sometimes used to manage behaviours related to dementia, but they carry significant risks, including increased chances of falls, stroke, and death.

This indicator measures potentially inappropriate use, meaning how many residents receive these medications without a clear clinical reason. A lower percentage indicates safer and more appropriate care. An expert panel recommends a national target of 15 per cent or less for LTC homes in Canada.

### What did we do during 2025-26?

- Established a provincial committee to guide the appropriate use of antipsychotic medications in LTC.
- Developed an action plan and measurement approach to reduce inappropriate antipsychotic use. This work was later transitioned to the LTC SHN, with activities paused in December 2025 to support CorCare implementation.
- Continued participation in a national quality improvement collaborative led by Healthcare Excellence Canada. All publicly funded LTC homes in the province took part, supporting better dementia care and safer medication use. By March 2026, 18 homes received a combined \$148,000 in funding to support this work.

- Two LTC homes in Newfoundland and Labrador received national recognition awards, with each receiving \$10,000 to support person-centred approaches and reduce unnecessary antipsychotic use.

### How did we perform?

NL Health Services achieved the indicator of decreasing the percentage of LTC residents potentially receiving misappropriate use of antipsychotics, from 32.1 per cent (adjusted rate) as of March 2025 to 31.5 per cent as of March 2026. Progress was made this year towards the national benchmark, and NL Health Services continues to aim to meet this goal.



**Indicator: Implemented strategies to improve Hospital Standardized Mortality Ratio (HSMR) and Hospital Harm Indicator (HHI) as priority areas.**

NL Health Services works to reduce avoidable death and harm, which are among the most important indicators of health system performance. HSMR is the ratio of the actual number of in-hospital deaths to the number expected based on the types of patients being treated. HHI is the number of hospital discharges with at least one occurrence of harm per 100 discharges.

### What did we do during 2025-26?

- Re-established the HSMR Working Group in September 2025, with clear roles and membership in place. The group met regularly to review performance data and identify priorities, with support from a dedicated quality and performance specialist.
- Conducted detailed analysis to identify areas for improvement and set priorities. Due to the rollout of CorCare, immediate changes were paused to allow time to assess how new data and coding practices may affect results. Work will continue following implementation.

### How did we perform?

NL Health Services began the development and implementation of strategies to improve HSMR and HHI, though due to prioritization of CorCare, did not complete implementation during 2025-26. NL Health Services is committed to improving HSMR and HHI as priority areas throughout the province and will continue efforts to implement strategies to improve HSMR and HHI in future reporting cycles.

## 2024 – 2026 Quality Goal Indicator Report



**Indicator: Decreased percentage of patients experiencing unintended harm during hospitalization**

### What did we do during 2024-26?

- The HSMR Working Group conducted analysis related to hospital harm and identified areas of concern.
- Developed plan to measure the impact trends of CorCare's implementation on hospital harm trends.

### How did we perform?

NL Health Services did not decrease the percentage of patients experiencing unintended harm during hospitalization. As measured by HHI, NL Health Services increased in the HHI crude rate<sup>3</sup> from 7.3 in 2023-24 to 7.4 in 2025-26. The target was not achieved. However, improvements towards the targets are expected to improve with the implementation of the CorCare system, which is expected to provide data that will help us identify areas for future improvement.



### Indicator: Improved hospitalized standardized mortality ratio

### What did we do during 2024-26?

- Re-established the HSMR Working Group and identified a performance specialist to regularly review data and support clear goals and timelines for improvement.
- Completed an analysis to identify HSMR priorities. Changes were paused during the CorCare rollout and will be reviewed again following implementation.

### How did we perform?

The HSMR increased from 116 in March 2024 to 129 in March 2026, indicating higher-than-expected mortality rates and a need for further improvement. CorCare will serve as an enabler for improving this measure and NL Health Services will continue to work on this indicator.



### Indicator: Actioned a Learning Health System to enable evidence-driven transformation

### What did we do during 2024-26?

- Offered Lean Yellow Belt training throughout 2024–26, with both in-person and virtual sessions to support continuous improvement skills among staff.
- Provided staff with access to the Institute for Healthcare Improvement Open School to build knowledge in quality improvement and patient care.

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<sup>3</sup> The rate of hospital harm events per 100 hospitalizations included in the Hospital Harm methodology. This is an unadjusted measure and does not account for differences in patient characteristics or case mix.

- In partnership with Quality of Care NL, developed a LHSS nano course to support education in collaboration with Memorial University.

### How did we perform?

During 2024–26, NL Health Services advanced a LHSS, achieving the indicator. This work focuses on using evidence and knowledge to improve care, drive innovation, and promote equity across the health system.

Progress included ongoing training for leaders and frontline staff, with more individuals completing Lean Yellow Belt education and strengthening skills in continuous improvement. These efforts are helping build a strong foundation for ongoing learning and better care across the province.



**Indicator: Increased number of intersectoral partnerships intended to support evidence-driven transformation**

### What did we do during 2024-26?

Transformation efforts were supported by strong partnerships that helped guide planning and decision-making using evidence and data:

- Worked with Indigenous partners and governments to ensure their perspectives informed planning and service delivery.
- Expanded partnerships with innovation organizations to bring in new technologies and solutions, with all initiatives based on evidence and carefully evaluated before being adopted.
- Collaborated with the Government of Newfoundland and Labrador, including the Department of Health and Community Services and the Department of Jobs, Growth and Rural Development, to support the HealthTech and BioTech Ecosystem Action Plan and the growth of new solutions.
- Partnered with Epic to implement CorCare, improving access to health information and providing real-time data to support decision-making across the system.
- Continued collaboration with organizations such as the Newfoundland and Labrador Statistics Agency, Healthcare Excellence Canada, and CIHI to support evidence-based improvements in care.

### How did we perform?

Through new and strengthened partnerships during 2024–26, including collaboration with Indigenous partners, government, and innovation organizations, as well as the implementation of a new province-wide HIS, NL Health Services increased the number of partnerships supporting evidence-based transformation across the health system.



## Indicator: Improved patient reported experiences in priority areas

### What did we do during 2024-26?

- Worked with Patient and Family Experience Advisors (PFEAs), staff, and partners to co-develop key policies and tools, including family presence guidelines and patient rights information. New surveys and tools were introduced to gather feedback and support ongoing improvement.
- Launched the MyVoiceNL program to collect and use patient experience feedback in a consistent and accessible way across the province. Surveys are shared publicly, and results help guide improvements in care.
- Established a working group to support the development of patient experience surveys and tools, with new dashboards being created to track results and trends over time.
- Supported patient engagement in the rollout of MyChart, the province's new personal health record, and made improvements based on feedback from users.
- Strengthened how patient feedback is collected and used by introducing a provincial policy, a centralized feedback process, and a new system to manage and respond to feedback more consistently.

### How did we perform?

While many steps were taken to improve patient experience, a clear provincial baseline is not yet available due to past regional differences in how data was collected. Because of this, the indicator could not be fully measured. However, important progress was made.

- PFEAs were involved in over 200 activities, including policy development, hiring, and improvement initiatives. Interest in the program also grew, with more than 50 new individuals expressing interest in becoming PFEAs.
- The MyVoiceNL program established consistent ways to collect and report patient experience feedback across the province. Baseline measures are now being developed, and new tools will track trends over time.
- Patient experience was also monitored in specific areas. For example, satisfaction with MyHealthNL, the province's personal health record, increased to 76.7 per cent by March 2026. Feedback from users led to improvements, including better access to lab and pathology results and new referral options.
- A new provincial approach to patient feedback was introduced, including a policy, a standardized system, and a centralized process. This provides a single, accessible way for people to share feedback and helps ensure it is managed consistently.



## Indicator: Enhanced appropriateness of care

Appropriateness of care focuses on making sure people receive the right care, in the right place, at the right time.

- Introduced standardized care pathways across primary care, emergency, surgery, and older adult services to improve outcomes and ensure care is provided in the most appropriate setting. This included partnerships with Family Care Teams and a social prescribing initiative to connect patients with community supports.
- Took steps to reduce ALC days and improve patient flow.
- Opened a new Urgent Care Centre in January 2026 to provide timely, non-emergency care and reduce pressure on emergency departments.
- Supported 5,739 requests through the Mental Health and Addictions Navigator Program, helping people find the right services and supports.
- Began developing a province-wide Care Coordination Centre to improve access to specialized care and support timely transfers between facilities.
- Implemented DischargeHUB to better coordinate home supports and services before discharge, helping patients leave hospital sooner and easing workload for staff.
- Expanded access to Family Care Teams, connecting more patients to team-based, person-centred care and helping them get the right care when they need it.

### How did we perform?

Through the initiatives completed through 2024-26, NL Health Services has enhanced the appropriateness of care by helping patients receive the right care, in the right place, at the right time.



**Indicator: Implemented an evidence informed performance measurement and monitoring framework, with a focus on quality, access, and sustainability**

### What did we do during 2024-26?

- Established clear processes to manage evaluation requests, including how surveys and external evaluations are reviewed and approved.
- Began developing a Value for Money Framework in partnership with the Department of Health and Community Services and other partners. This framework will help ensure investments are used effectively by tracking results and focusing on accountability, efficiency, innovation, and value-based purchasing.
- Completed a draft performance measurement framework to support evidence-based monitoring and decision-making across the organization.

### How did we perform?

While strong progress was made in developing an evidence-informed performance measurement and monitoring framework, it was not finalized or implemented during 2024–26. Additional work is needed to ensure the framework meets provincial needs, with a focus on improving quality, access, and sustainability across the health system. This work will be further supported and improved by CorCare implementation, providing accessible and timely data to support evidence-informed performance measurement.



## STRATEGIC ISSUE FIVE:

# Health Equity



Equity means there are no unfair differences between groups, whether based on social, economic, demographic, or other factors like sex, gender, ethnicity, disability, or sexual orientation. Health equity is achieved when everyone can reach their full health potential without being disadvantaged by social, economic, or environmental conditions. These conditions, known as the social determinants of health, include factors like living and working conditions, economic inequality, and structural racism. Addressing these factors can help reduce health inequities.

Achieving health equity requires acknowledging unequal starting points and providing different strategies and resources to correct imbalances. NL Health Services recognizes health disparities in Newfoundland and Labrador and is committed to increasing capacity for health equity through action, using a strong knowledge base, and collaborating with non-health sector partners, in line with the Health Accord NL recommendations.

### Health Equity Goal

By March 31, 2026, NL Health Services will have advanced health equity through the integration of health equity into its policies, programs, and practices as well as through collaboration with other sectors.

#### Objective Two (2025-26)

By March 31, 2026, NL Health Services will have further implemented initiatives to advance health equity.



### **Indicator: Achieved 2,600 active clients in clinical trials.**

Clinical trials give patients access to new treatments, improved health outcomes, and increased knowledge through data collection. By boosting clinical trial participation, NL Health Services can better serve the community and contribute to global medical advancements.

#### **What did we do during 2025-26?**

- Integrated research records into CorCare help identify patients for clinical studies and manage research activities more effectively. This strengthens coordination between care teams and researchers. CorCare will also make it easier to connect patients with clinical trials, supporting broader access and the goal of giving more patients the opportunity to participate.

#### **How did we perform?**

NL Health Services supported 2,357 active patients in clinical trials during 2025–26, slightly below the target of 2,600.

Early in the year, recruitment of patients to clinical trials was affected by staffing limitations and delays in starting new studies. To address this, a dedicated start-up team was created to improve coordination and speed up processes. While these improvements led to more studies being approved, there was limited time left in the year to enroll patients. However, these changes are expected to support higher enrollment in the next fiscal year.



### **Indicator: Opened three decentralized clinical trials for patient recruitment in two or more NL Health Services zones.**

Decentralized clinical trials offer patients care and up-to-date treatments not otherwise available in their region. Decentralized trials increase accessibility, convenience, and cost savings, leading to larger, more diverse sample sizes and better research quality throughout Newfoundland and Labrador. Such trials also provide clients with access to health solutions and treatments they might not otherwise have which can improve patient outcomes.

#### **What did we do during 2025-26?**

- Launched Sciteline, a digital platform that connects patients, researchers, and sponsors, making it easier to find and participate in clinical trials. The platform helps raise awareness of available studies across the province and supports better understanding of how research improves patient care.
- Established a Rural Health Innovation Hub in Grand Falls–Windsor, with an opening planned for May 2026. The hub will support digital health initiatives and expand access to clinical trials in rural communities.

- Strengthened partnerships with Indigenous communities to support research, with ongoing collaboration and future planning continuing into 2026.

### **How did we perform?**

NL Health Services made progress toward launching decentralized clinical trials, with two studies nearing completion, but did not meet the target of opening three trials during 2025–26. This was due to the foundational work needed to build capacity, including engaging partners across regions, developing processes, coordinating logistics, building teams, and assessing infrastructure needs. These steps were essential to create a sustainable and scalable approach.

As a result, two studies are now in advanced stages and are expected to open for recruitment in the next fiscal year.



### **Indicator: Implemented standardized telephone/video interpretation provincially**

The implementation of a standardized telephone/video interpretation provincially ensures that patients who use a language other than English have equitable access to quality care. Tracking and reporting the use of telephone/video interpretation services will help identify gaps, and guide resource distribution to strengthen language services, aligning with the organization's commitment to patient safety, equity, and improved health outcomes.

### **What did we do during 2025-26?**

- Began updating a provincial language access policy to improve communication for patients who speak different languages.
- Developed training materials to support staff, with initial sessions piloted in the Labrador-Grenfell zone and ambulatory care teams.
- Strengthened implementation efforts by recruiting a Project Coordinator for Language Access and additional support staff.

### **How did we perform?**

NL Health Services did not complete implementation of standardized telephone/video interpretation provincially. While this indicator was not fully met, significant progress was made in foundational requirements, such as provincial policy. Limited staffing until January 2026 and Corcare impacted performance. NL Health Services will focus on this area in the next reporting period, focused on improving interpretation services for people whose preferred language is not English.



### **Indicator: Begun implementation of NL Health Services' Accessibility Plan with a focus on accessibility and disability training educational opportunities**

NL Health Services' 2025-26 Accessibility Plan is the organization's first formal plan developed to help reduce barriers to its programs, services and employment for people with disabilities.

#### **What did we do during 2025-26?**

- Developed a draft accountability framework for accessibility to support consistent policy and procedure development across the organization.
- Gathered feedback through a staff Disability Management Survey and follow-up interviews to better understand experiences and identify areas for improvement.
- Launched an Accessibility Community page in January 2026, giving staff and the public a way to stay informed and provide feedback on accessibility initiatives.
- Created a draft audit tool to assess accessibility in buildings and help prioritize improvements to physical spaces.
- Delivered Accessibility Confidence training to employees, with three sessions held during 2025–26 and provided specialized training for managers and staff involved in human resources and disability management.

#### **How did we perform?**

NL Health Services began implementing its Accessibility Plan, achieving the indicator.

- The Disability Management Survey was shared with approximately 2,700 employees, with an 8.4 per cent response rate, followed by targeted interviews to gather further insights.
- As of March 2026, 58 participants had joined the Accessibility Community page to provide feedback and stay involved.
- Education and training reached a wide audience, including:
  - 359 participants in Accessibility Confidence training,
  - 51 managers in HR-specific accessibility training, and
  - 86 participants in the Disability Management training series.

Additional initiatives, such as developing a professional practice toolkit and providing accessibility training for recruitment staff and hiring managers have also progressed.



### **Indicator: Established a provincial process for including Social Determinants of Health considerations into well-being grants**

Grant programs provide funding to support health and well-being initiatives in schools and communities. These projects are delivered through partnerships between local groups and NL

Health Services. Community involvement is key, as improving health outcomes requires shared effort beyond the health system alone.

### **What did we do during 2025-26?**

- Reviewed similar Social Determinants of Health-focused micro-grant processes to help develop a provincial process.
- Established a Provincial Wellness Coalition Committee and developed draft guidance to help ensure grants align with priorities related to health and well-being.
- Created a scoring tool to support fair and consistent review of community grant applications, with plans to use it in the next fiscal year.

### **How did we perform?**

The documents and structure developed provide NL Health Services a provincial process for including Social Determinants of Health considerations into well-being grants.



**Indicator: Developed a Tip Sheet for policy authors and completed improvements to policy resources (planning record, collaborator feedback resource, and writing guide) focused on health equity and inclusion.**

Health equity is achieved when differences in health outcomes between groups, caused by social and structural factors, are eliminated. A key part of addressing these differences is ensuring NL Health Services' policies consider health equity and inclusion. Policies that support equity and inclusion can increase employee trust in leadership, recruitment and retention, innovation, and reduce discrimination and harassment. The goal of this indicator is to develop and implement consistent criteria and practices to ensure policy authors and approvers apply a health equity and inclusion lens when developing new policies and reviewing existing policies.

### **What did we do during 2025-26?**

- Developed a tip sheet to help staff include health equity and inclusion considerations when creating policies. It also provides guidance, resources, and contacts to support this work.
- Made the tip sheet available to all employees through the Provincial Policy Office's document system, Provincial Paradigm 3 (PP3).
- Updated key policy resources, including the Collaborator Feedback Resource and Guide to Writing Policies, to encourage consideration of how policies may impact different populations. Similar guidance was also added to the Policy Planning Record, which was finalized and published on PP3 in March 2026.

### How did we perform?

On August 26, 2025, NL Health Services published The Tip Sheet incorporating a Health Equity and Inclusion Lens in Policy Development. Along with other updates to existing guides, the indicator was achieved.



#### Indicator: Developed Provincial Office of Indigenous Health and Safety

Establishing a Provincial Office of Indigenous Health and Cultural Safety is a key step in improving Indigenous health outcomes and supporting culturally safe care. Dedicated leadership and resources are needed to support organizational change, strengthen relationships with Indigenous communities and partners, and ensure Indigenous perspectives are reflected in planning, policy development, and service delivery across the health system.

### What did we do during 2025-26?

- Identified an organizational structure for the Office of Indigenous Health and Safety, however, the structure is expected to evolve once the director is hired.
- Held competition to hire a Director of Indigenous Health. After an unsuccessful competition, and feedback from partners the job posting was reviewed and revised to reflect an Executive Director position. As of fiscal year-end, recruitment was underway, but the position was not yet filled.
- A manager of Indigenous Health and Cultural Safety was hired to support the ongoing Journey of Collaboration partnership.

### How did we perform?

Due to recruitment challenges, NL Health Services did not achieve this indicator but did complete significant steps towards the development of a Provincial Office of Indigenous Health and Safety.



#### Indicator: Developed partnership agreements with Indigenous partners.

Building formal partnerships with Indigenous governments, organizations, and communities is important for strengthening collaboration and supporting shared health care priorities. These partnerships help ensure Indigenous voices are included in planning, decision-making, and service delivery, while supporting culturally safe, responsive, and equitable health services for Indigenous Peoples across the province.

### What did we do during 2025-26?

- Signed Memorandum of Understanding with the Innu Round Table to support Innu Health Care Providers. This agreement provides access to identified NL Health Services' Health

Information Management Systems to Innu Health Care Providers, notable Innu Midwives. After significant collaboration between both parties, a joint in-person signing was held in Spring 2025. Follow-up is ongoing to ensure that Innu Health Providers can access the systems and have completed the appropriate training. Miawpukek First Nation signed the CorCare Hyperspace agreement, allowing their health care providers to document in the shared electronic charting system.

- Developed and signed a Joint Memorandum of Understanding with Qalipu First Nation and Miawpukek First Nation in November 2025.
- Mushuau Innu First Nation, Sheshatshiu Innu First Nation, and Nunatsiavut Government have joined a bilateral local leadership forum with NL Health Services, guided by a Terms of Reference which supports codesign of health services.

### **How did we perform?**

Through formal partnerships established in 2025-26, NL Health Services achieved the indicator, and continues to collaboratively improve culturally safe, responsive, and equitable health services for Indigenous Peoples across the province.

## **2024 – 2026 Health Equity Goal Indicator Report**



### **Indicator: Improved care experiences for those who experience inequities**

#### **What did we do during 2024-26?**

- During 2024-26, NL Health Services formalized the Diversity, Equity, Inclusion and Reconciliation (DEIR) council and hired a Human Resource Strategist focused on diversity, inclusion, civility, and respect, who co-chairs the DEIR council. Online DEI learning opportunities are now available to staff.
- Increased the number of policies that incorporate health equity and inclusion, and the number of patient and family advisors with lived experience inequities.
- The first NL Health Services Accessibility Plan was developed, published, and completed its first year of implementation. Managers and leaders of NL Health Services have been provided with accessibility training, and work is ongoing to offer training to all recruitment staff and hiring managers.

### **How did we perform?**

Through the actions completed in 2024-26, NL Health Services improved care experiences for those who experience inequities and established the foundation for more improvements in the future.



### **Indicator: Improved processes and tools for health equity data collection, monitoring, and use**

#### **What did we do during 2024-26?**

- The implementation of CorCare, which was prepared for throughout 2024-26, provides NL Health Services increased tracking and health equity data collection capacity. With CorCare's establishment, NL Health Services can better monitor health equity data and use current information to support program planning and decision-making to better address inequities throughout the health system.
- Engaged Indigenous Governments about the implementation of an Indigenous Identifier within CorCare, to support Indigenous Data Sovereignty guidelines. Work is ongoing to support reporting to Indigenous partners.

#### **How did we perform?**

Through CorCare implementation, NL Health Services has achieved an improved process and tools available for health equity data collection, monitoring, and use, achieving the indicator.



### **Indicator: Reduced inequities in access to clinical trials across Newfoundland and Labrador**

#### **What did we do during 2024-26?**

- Continued to offer clinical trials, with a focus on expanding access in rural communities to reduce location-based barriers. Nurse coordinator vacancies were filled to support this work.
- Access was further improved with the use of digital tools and provided remuneration options for travel for clinical trial participants in rural communities to incentivize equitable access to trials.
- Launched Sciteline, a digital platform that connects patients, researchers, and sponsors, making it easier to find and participate in clinical trials.

#### **How did we perform?**

NL Health Services continued to advance clinical trials throughout the process, with a focus on increasing access to clinical trials to reduce inequities.



## **Indicator: Strengthened partnerships with Indigenous Peoples and communities to support culturally safe and equitable care**

### **What did we do during 2024-26?**

- NL Health Services increased access to cultural healing spaces in facilities, including Western Memorial Regional Hospital and the Mental Health and Addictions Unit at the Labrador Health Centre, and at the Mental Health and Addictions Centre in St. John's.
- Memorandums of understanding were signed with some Indigenous partners to guide health care towards responsive and culturally safe care for Indigenous Peoples.
- Provided employee training, with courses offered related to Indigeneity and anti-racism within the workplace.
- Continued engagement and collaboration with Indigenous partners throughout 2024-26 through working groups, committees, planning, and upcoming Strategic Plan development. Continued Journey of Collaboration partnership between Qalipu and NL Health Services. Supported by federal funding, the partnership has helped improve indigenous health and cultural safety in the Western zone.
- The Journey of Collaboration steering committee partnered with the Mi'kmaw Cultural Foundation and received funds through Canada Council for Arts to place Mi'kmaw artwork in health care facilities in Western Newfoundland.
- Patient Safety Week presentations given on the role of Indigenous patient navigators.

### **How did we perform?**

Throughout 2024-26, NL Health Services completed initiatives to support culturally safe and equitable care that were developed in partnership with Indigenous Peoples, strengthening partnerships, achieving the indicator. NL Health Services remains committed to continuing to strengthen partnerships with Indigenous Peoples and communities.

# Opportunities and Challenges Ahead

## Quality and Timeliness of Care

Providing access to timely, high-quality care remains a key priority for NL Health Services. With a higher proportion of older adults and individuals with multiple chronic conditions than the rest of Canada, along with a geographically distributed population, the health system must continue to adapt to meet evolving needs. Initiatives such as the Home First approach support seniors in receiving care in their homes, while tools like the Clinical Frailty Scale enable care teams to assess patient needs and plan appropriate care. Strengthening access to community-based services is also vital to supporting health and well-being and ensuring patients receive the right care, in the right setting, at the right time.

Emergency department wait times remain a challenge across Canada with approximately 15 per cent of emergency department visits related to concerns that could be treated in primary or urgent care settings. This presents an opportunity for NL Health Services to strengthen access to primary care and expand urgent care services for serious but non-life-threatening conditions. Improving access to these services will help ensure individuals receive care closer to home, improve patient flow, and support more timely and appropriate care across the system.

## An Integrated, Modernized, and Sustainable System

In 2023, five health organizations came together to form a single provincial health authority. Since then, NL Health Services has made progress in strengthening care delivery across the province. While the initial phase of transformation has been completed, opportunities remain to further enhance the health system. The next phase will focus on stabilization, sustainability, performance, and integration to support a more coordinated and effective system.

While improving access to care remains important, individuals also need a health system that is seamless, efficient, and provides positive care experiences. Health Accord NL has identified key system challenges that impact performance, including Alternate Level of Care (ALC) pressures, the need for a modernized HIS, financial and environmental sustainability, and greater consistency in practices across the province.

Hospitals across Canada are facing capacity challenges and pressures related to patient flow. Increasing numbers of patients designated as ALC can contribute to overcrowding and delays across the system. Addressing these challenges requires a focus on prevention, early identification of patients requiring alternative care, and strengthening supports in both acute care and community settings.

The implementation of the provincial HIS – CorCare, will further support integration by improving access to information, enabling more coordinated care, and support better decision making. Leveraging these advancements will enhance system performance and patient outcomes.

## Advancing Health Equity and Inclusion

Health is influenced by many social, economic, and systemic factors. Across Canada, some groups continue to face barriers to care and experience poorer health outcomes than others.

Systemic barriers, including racism, discrimination, stigma related to mental health or substance use, language differences, disability, and the impacts of past harms and trauma, can affect access to care, health outcomes, and trust in the health system. As a result, equity-deserving populations are more likely to experience challenges in accessing care and achieving positive health outcomes.

NL Health Services is committed to working in partnership with communities to reduce these barriers and improve access to culturally safe, inclusive care. These efforts will enhance care experiences, improve outcomes, and strengthen equity-informed decision-making across the organization.

## **Strengthening the Health Workforce**

A strong, sustainable, safe, and supportive workforce is essential to delivering high-quality healthcare. However, health systems across Canada continue to face challenges in recruitment and retention.

In response, NL Health Services has made progress through targeted recruitment efforts, reducing reliance on agency nurses, enhancing training opportunities, and supporting graduates entering the workforce. Investments in employee well-being have also strengthened workforce stability.

Continued focus will be needed to support a positive workplace culture and strengthen workforce sustainability. Creating safe, supportive environments where employees, physicians and volunteers can succeed will improve access to care and contribute to better outcomes across the province.

## **Indigenous Health**

Indigenous peoples continue to experience inequities in health outcomes due to historical and ongoing factors. During the 2024–26 reporting period, NL Health Services has worked to advance culturally appropriate care by establishing partnerships with Indigenous peoples, developing cultural healing spaces and collaborating throughout the planning process to ensure services are responsive to the community's needs.

While progress has been made, further work is needed to address systemic barriers and strengthen relationships with Indigenous partners. This includes building processes that respect and value Indigenous ways of knowing, and working collaboratively to develop culturally safe, responsive, and inclusive policies, programs, and services that advance health equity and improve outcomes for Indigenous Peoples.

Indigenous Health will be a dedicated strategic priority in the next Strategic Plan. Through ongoing collaboration, NL Health Services is committed to building a more inclusive and responsive integrated health system that supports equity, dignity, and well-being for Indigenous peoples and communities.

## Appendix A: Glossary of Terms

| Term                                     | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Category A Emergency Room</b>         | A Category A Emergency Room is a healthcare 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.                                                                                                                                                                      |
| <b>Category B Emergency Room</b>         | Category B Emergency Room offers 24-hour care, with a physician on-call after hours and limited diagnostics.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>CorCare (formally Epic)</b>           | CorCare (Formally Epic) is a widely used HIS 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 CorCare, which will improve the efficiency and effectiveness of health care delivery in the province. CorCare provides a unified, integrated system to manage patient care across all departments, improving communication and workflow. |
| <b>Health Accord NL</b>                  | 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 <b>Our Province. Our Health. Our Future. A 10-Year Health Transformation</b> . In June 2022, a companion Blueprint report was released, outlining implementation recommendations and timelines.                                                                                                                   |
| <b>Learning Health and Social System</b> | 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. <sup>4</sup>                                                                                                                                                          |
| <b>Quintuple Aim</b>                     | 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 wellbeing and advancing health equity.                                                                                                                                                                                                                                                                                                                   |

<sup>4</sup> 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: Audited Financial Statement

## Newfoundland and Labrador Health Services – Operating Fund

Non-consolidated financial statements  
March 31, 2026

## Newfoundland and Labrador Health Services – Operating Fund

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March 31, 2026

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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.

  
\_\_\_\_\_  
Ron Johnson, PMP, PMI-ACP, CHE  
Chief Executive Officer (Interim)

\_\_\_\_\_  
July 30, 2026  
Date

  
\_\_\_\_\_  
Jason Cole, CPA  
Vice President – Corporate Services  
and Chief Financial Officer (Interim)

\_\_\_\_\_  
July 30, 2026  
Date



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 Newfoundland and Labrador Health Services – Operating Fund, which comprise the statement of financial position as at March 31, 2026, 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 Newfoundland and Labrador Health Services – Operating Fund as at March 31, 2026, 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 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 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 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 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. However, future events or conditions may cause Newfoundland and Labrador Health Services to cease to continue as a going concern.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the zones within Newfoundland and Labrador Health Services – Operating Fund as a basis for forming an opinion on the group non-consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

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, MBA, ICD.D**  
**Auditor General**

July 31, 2026  
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,**

**Financial assets**

Cash  
Restricted cash [note 3]  
Accounts receivable [note 4]  
Due from other entities  
Sinking fund investment [note 5]

| 2026           | 2025           |
|----------------|----------------|
| \$             | \$             |
| 7,603          | -              |
| 2,665          | 2,501          |
| 217,738        | 189,158        |
| 4,118          | 3,318          |
| 35,598         | 33,629         |
| <b>267,722</b> | <b>228,606</b> |

**Liabilities**

Bank indebtedness  
Operating facility [note 6]  
Accounts payable and accrued liabilities [note 7]  
Employee future benefits  
    Accrued severance pay [note 14]  
    Accrued sick leave [note 15]  
    Accrued vacation pay  
Deferred contributions  
    Deferred capital revenue [note 8a]  
    Deferred operating revenue [note 8b]  
Special purpose fund  
Asset retirement obligation - long-term capital [note 17]  
Long-term debt [note 9]

|                  |                  |
|------------------|------------------|
| -                | 4,202            |
| 724,871          | 624,365          |
| 441,634          | 389,629          |
| 1,581            | 1,723            |
| 123,988          | 122,697          |
| 154,069          | 141,214          |
| 45,401           | 110,989          |
| 91,325           | 91,520           |
| 2,546            | 2,382            |
| 11,084           | 11,084           |
| 133,950          | 133,639          |
| <b>1,730,449</b> | <b>1,633,444</b> |

**Net debt**

|                    |                    |
|--------------------|--------------------|
| <b>(1,462,727)</b> | <b>(1,404,838)</b> |
|--------------------|--------------------|

**Non-financial assets**

Tangible capital assets [note 10]  
Deposits on capital assets  
Supplies inventory [note 18]  
Prepaid expenses

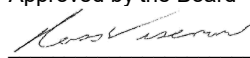
|                  |                |
|------------------|----------------|
| 999,979          | 808,684        |
| 68               | -              |
| 45,487           | 50,236         |
| 40,512           | 35,154         |
| <b>1,086,046</b> | <b>894,074</b> |

**Accumulated deficit**

|                  |                  |
|------------------|------------------|
| <b>(376,681)</b> | <b>(510,764)</b> |
|------------------|------------------|

Contingencies [note 12]  
Contractual obligations [note 13]  
Subsequent event [note 22]

Approved by the Board

 Director  Director

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**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       | 2026             | 2025             |
|-----------------------------------------|--------------------|--------------------|------------------|------------------|
|                                         | \$                 | \$                 | \$               | \$               |
|                                         | <i>[unaudited]</i> | <i>[unaudited]</i> |                  |                  |
|                                         | <i>[note 21]</i>   | <i>[note 21]</i>   |                  |                  |
| <b>Revenue</b>                          |                    |                    |                  |                  |
| Provincial plan                         | 3,081,177          | 3,566,661          | <b>3,569,022</b> | 3,370,507        |
| Medical Care Plan                       | 127,120            | 174,446            | <b>177,386</b>   | 146,681          |
| Other                                   | 75,181             | 117,503            | <b>122,865</b>   | 111,330          |
| Provincial plan capital grant           | -                  | -                  | <b>250,450</b>   | 174,627          |
| Resident                                | 36,333             | 43,119             | <b>46,687</b>    | 44,498           |
| Inpatient                               | 15,746             | 20,703             | <b>19,177</b>    | 20,183           |
| Outpatient                              | 18,916             | 18,939             | <b>18,291</b>    | 18,888           |
| Other capital contributions             | -                  | -                  | <b>9,897</b>     | 9,277            |
|                                         | <b>3,354,473</b>   | <b>3,941,371</b>   | <b>4,213,775</b> | <b>3,895,991</b> |
| <b>Expenses [note 19]</b>               |                    |                    |                  |                  |
| Patient and resident services           | 693,707            | 818,685            | <b>943,288</b>   | 917,401          |
| Client services                         | 778,235            | 900,436            | <b>885,629</b>   | 822,673          |
| Diagnostic and therapeutic              | 358,671            | 369,689            | <b>413,275</b>   | 390,484          |
| Support                                 | 506,067            | 557,539            | <b>569,484</b>   | 494,149          |
| Ambulatory care                         | 360,965            | 370,345            | <b>433,745</b>   | 406,973          |
| Administration                          | 330,281            | 340,503            | <b>427,016</b>   | 380,006          |
| Medical services                        | 196,493            | 242,185            | <b>242,397</b>   | 212,339          |
| Amortization of tangible capital assets | -                  | -                  | <b>73,771</b>    | 62,588           |
| Research and education                  | 33,384             | 34,682             | <b>36,996</b>    | 32,468           |
| Other                                   | 72,995             | (16,368)           | <b>37,981</b>    | 38,531           |
| Employee future benefits                |                    |                    |                  |                  |
| Accrued severance pay recovery          | -                  | -                  | <b>(142)</b>     | (344)            |
| Accrued sick leave expense              | -                  | -                  | <b>1,291</b>     | 1,549            |
| Accrued vacation pay expense            | -                  | -                  | <b>12,855</b>    | 6,986            |
| Loss on disposal of capital assets      | -                  | -                  | <b>2,106</b>     | 16               |
|                                         | <b>3,330,798</b>   | <b>3,617,696</b>   | <b>4,079,692</b> | <b>3,765,819</b> |
| <b>Annual surplus</b>                   | <b>23,675</b>      | <b>323,675</b>     | <b>134,083</b>   | <b>130,172</b>   |
| Accumulated deficit, beginning of year  | (510,764)          | (510,764)          | <b>(510,764)</b> | (640,936)        |
| Accumulated deficit, end of year        | <b>(487,089)</b>   | <b>(187,089)</b>   | <b>(376,681)</b> | <b>(510,764)</b> |

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]*

| <b>Year ended March 31,</b>                                  | <b>2026</b>        | <b>2025</b>        |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | <b>\$</b>          | <b>\$</b>          |
| <b>Annual surplus</b>                                        | <b>134,083</b>     | <b>130,172</b>     |
| <b>Changes in tangible capital assets</b>                    |                    |                    |
| Acquisition of tangible capital assets                       | (265,848)          | (182,960)          |
| Acquisition of tangible capital assets from long term debt   | (1,742)            | (165)              |
| Loss on disposal of capital assets                           | 2,524              | 16                 |
| Amortization of tangible capital assets                      | 73,771             | 62,588             |
| <b>Increase in net book value of tangible capital assets</b> | <b>(191,295)</b>   | <b>(120,521)</b>   |
| <b>Changes in other non-financial assets</b>                 |                    |                    |
| Prepaid expenses                                             | (5,358)            | 3,226              |
| Supplies inventory                                           | 4,749              | 244                |
| Deposits on capital assets                                   | (68)               | 335                |
| <b>(Increase) decrease in other non-financial assets</b>     | <b>(677)</b>       | <b>3,805</b>       |
| <b>(Increase) decrease in net debt</b>                       | <b>(57,889)</b>    | <b>13,456</b>      |
| Net debt, beginning of year                                  | (1,404,838)        | (1,418,294)        |
| <b>Net debt, end of year</b>                                 | <b>(1,462,727)</b> | <b>(1,404,838)</b> |

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**

|                                                          | <b>2026</b>      | <b>2025</b> |
|----------------------------------------------------------|------------------|-------------|
|                                                          | <b>\$</b>        | <b>\$</b>   |
| <b>Operating transactions</b>                            |                  |             |
| Annual surplus                                           | <b>134,083</b>   | 130,172     |
| Adjustments for                                          |                  |             |
| Amortization of tangible capital assets                  | <b>73,771</b>    | 62,588      |
| Capital grants - provincial and other [note 8]           | <b>(265,283)</b> | (183,904)   |
| Changes in non-cash working capital                      |                  |             |
| Accrued severance pay                                    | <b>(142)</b>     | (344)       |
| Accrued sick leave                                       | <b>1,291</b>     | 1,549       |
| Accrued vacation                                         | <b>12,855</b>    | 6,986       |
| Accounts receivables and due from other entities         | <b>(29,380)</b>  | (36,489)    |
| Accounts payable                                         | <b>52,005</b>    | 9,118       |
| Supplies inventory                                       | <b>4,749</b>     | 244         |
| Prepaid expenses                                         | <b>(5,358)</b>   | 3,226       |
| Deferred operating                                       | <b>(195)</b>     | 12,077      |
| <b>Cash (used in) provided by operating transactions</b> | <b>(21,604)</b>  | 5,223       |
| <b>Capital transactions</b>                              |                  |             |
| Acquisition of tangible capital assets                   | <b>(265,848)</b> | (182,960)   |
| Acquisition of tangible capital assets - long term debt  | <b>(1,742)</b>   | (165)       |
| Disposal of tangible capital assets                      | <b>2,524</b>     | 16          |
| Change in deposit on capital assets                      | <b>(68)</b>      | 335         |
| Capital grants received [note 8]                         | <b>199,695</b>   | 199,910     |
| <b>Cash (used in) provided by capital transactions</b>   | <b>(65,439)</b>  | 17,136      |
| <b>Investing transactions</b>                            |                  |             |
| Increase in restricted cash                              | <b>(164)</b>     | (364)       |
| Increase in sinking fund investment                      | <b>(1,969)</b>   | (2,112)     |
| <b>Cash used in investing transactions</b>               | <b>(2,133)</b>   | (2,476)     |
| <b>Financing transactions</b>                            |                  |             |
| Proceeds on long-term debt                               | <b>986</b>       | 165         |
| Repayment of long-term debt                              | <b>(675)</b>     | (1,553)     |
| Special purpose funds                                    | <b>164</b>       | 367         |
| Change in operating facility, net                        | <b>100,506</b>   | (23,960)    |
| <b>Cash provided by (used in) financing transactions</b> | <b>100,981</b>   | (24,981)    |
| <b>Net increase (decrease) in cash</b>                   | <b>11,805</b>    | (5,098)     |
| (Bank indebtedness) cash, beginning of year              | <b>(4,202)</b>   | 896         |
| <b>Cash (bank indebtedness), end of year</b>             | <b>7,603</b>     | (4,202)     |
| <b>Cash consists of:</b>                                 |                  |             |
| Cash                                                     | <b>7,603</b>     | 13,192      |
| Bank indebtedness                                        | <b>-</b>         | (17,394)    |
|                                                          | <b>7,603</b>     | (4,202)     |

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, 2026

#### **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"].

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 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 11). 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 a 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, 2026

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. There were no changes from the previous year.

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. There is no revenue from non-recurring activities with performance obligations presented in these financial statements.

#### **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:

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

|                              |                                                               |
|------------------------------|---------------------------------------------------------------|
| 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 6.67% - 33.3% |
| Computer network assets      | Straight-line 3 - 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 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.

## **Newfoundland and Labrador Health Services – Operating Fund**

### **Notes to non-consolidated financial statements**

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### *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 employees and NL Health Services. The annual contributions for pensions are recognized as an expense as incurred and amounted to \$149,205,519 for the year ended March 31, 2026 [2025 - \$137,252,864].

#### **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, accounts payable and accrued liabilities, and due to/from government/other government entities, 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, 2026

#### 3. Restricted cash

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

#### 4. Accounts receivable

|                                             | 2026<br>\$ | 2025<br>\$ |
|---------------------------------------------|------------|------------|
| Services to patients, residents and clients | 42,853     | 46,211     |
| Other                                       | 55,478     | 68,086     |
| Government of Newfoundland and Labrador     | 122,736    | 80,656     |
| Other government entities                   | 6,087      | 2,731      |
| Gross accounts receivable                   | 227,154    | 197,684    |
| Less allowance for doubtful accounts        | (9,416)    | (8,526)    |
| Net accounts receivable                     | 217,738    | 189,158    |

#### 5. Sinking fund investment

A sinking fund investment, established for the partial retirement of the Debenture (note 9), is held in trust by the Government. The balance as at March 31, 2026 includes interest earned in the amount of \$16,910,362 [2025 - \$15,684,807]. The annual principal payment to the sinking fund investment until the maturity of the Debenture on June 15, 2040, is \$747,500.

#### 6. Operating facility

NL Health Services has access to line of credits totaling \$750,000,000 [2025 - \$665,000,000] in the form of revolving demand loans and/or overdrafts at its financial institutions. As at March 31, 2026, NL Health Services had used \$724,871,000 [2025 - \$624,365,000] from their line of credit. NL Health Services' ability to borrow has been approved by the Province's Minister of Health and Community Services. Refer to note 22 for additional information.

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 7. Accounts payable and accrued liabilities

|                                          | 2026<br>\$     | 2025<br>\$     |
|------------------------------------------|----------------|----------------|
| Accounts payable and accrued liabilities | 242,563        | 210,236        |
| Salaries and wages payable               | 135,381        | 117,087        |
| Employee/employer remittances            | 8,331          | 2,817          |
| Government of Newfoundland and Labrador  | 18,831         | 9,483          |
| Government of Canada                     | 20,155         | 26,798         |
| Other government entities                | 16,373         | 23,208         |
|                                          | <b>441,634</b> | <b>389,629</b> |

#### 8. Deferred contributions

|                                       | 2026<br>\$    | 2025<br>\$     |
|---------------------------------------|---------------|----------------|
| <b>Deferred capital grants [a]</b>    |               |                |
| Balance as at beginning of year       | 110,989       | 94,983         |
| Receipts during the year              | 199,695       | 199,910        |
| Recognized in revenue during the year | (265,283)     | (183,904)      |
| Balance as at end of year             | <b>45,401</b> | <b>110,989</b> |
| <b>Deferred operating revenue [b]</b> |               |                |
| Balance as at beginning of year       | 91,520        | 79,443         |
| Receipts during the year              | 2,569,228     | 2,267,388      |
| Recognized in revenue during the year | (2,569,423)   | (2,255,311)    |
| Balance as at end of year             | <b>91,325</b> | <b>91,520</b>  |

[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 specified purpose.

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 9. Long-term debt

|                                                                                                                                                         | 2026<br>\$     | 2025<br>\$ |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------|
| Sinking fund debenture, Series HCCI, 6.90%, maturing June 2040, interest payable semi-annually on June 15 and December 15 [the "Debenture"].            | <b>130,000</b> | 130,000    |
| Newfoundland and Labrador Housing ["NLHC"] [Blue Crest Seniors Home], matured and amortized November 2025.                                              | -              | 64         |
| NLHC, [Golden Heights Manor Seniors Home], 10.50% mortgage, maturing in August 2027, repayable in blended monthly instalments of \$7,549.               | <b>126</b>     | 200        |
| Royal Bank of Canada ["RBC"], 6.99% interest rate, maturing July 2027, repayable in blended monthly payments of \$597.                                  | <b>9</b>       | 15         |
| RBC, 6.99% interest rate, maturing July 2027, repayable in blended monthly payments of \$597.                                                           | <b>9</b>       | 15         |
| RBC, 4.63% interest rate, maturing August 2027, repayable in blended monthly payments of \$1,490.                                                       | <b>25</b>      | 41         |
| Compass Group Canada Ltd, 4.50% interest, maturing March 2028.                                                                                          | <b>66</b>      | 99         |
| Obligations under capital lease, 4.35% interest rate, maturing July 2031, payable in blended monthly instalments.                                       | <b>1,806</b>   | -          |
| Obligations under capital lease, 5% interest rate, maturing June 2030, payable in blended monthly instalments.                                          | <b>10</b>      | -          |
| Obligations under capital lease, 5% interest rate, maturing October 2030, payable in blended monthly instalments.                                       | <b>10</b>      | -          |
| NLHC, [Bay St. George Seniors Home], 8.00% mortgage, maturing in October 2026, repayable in blended monthly payments of \$9,523.                        | <b>71</b>      | 175        |
| Obligations under capital lease, 3.00% maturing in May 2028, payable in blended monthly instalments which escalate on an annual basis.                  | <b>1,090</b>   | 1,546      |
| Canadian Imperial Bank of Commerce, ["CIBC"], [Carmelite House], 2.67%, maturing January 2027, repayable in equal blended monthly payments of \$56,108. | <b>553</b>     | 1,200      |
| CIBC, [3 Twomey Drive, Botwood], 4.49%, maturing July 2027, repayable in equal blended monthly payments of \$399.                                       | <b>7</b>       | 11         |

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 9. Long-term debt (continued)

NLHC, [Valley Vista Senior Citizens Home], 8.00%, maturing August 2027, repayable in equal monthly payments of \$10,124.

168

273

|                |         |
|----------------|---------|
| <b>133,950</b> | 133,639 |
|----------------|---------|

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:

|            | \$             |
|------------|----------------|
| 2027       | <b>1,676</b>   |
| 2028       | <b>985</b>     |
| 2029       | <b>423</b>     |
| 2030       | <b>349</b>     |
| 2031       | <b>363</b>     |
| Thereafter | <b>130,154</b> |
|            | <b>133,950</b> |

#### 10. Tangible capital assets

|                                     | Land and land<br>improvements<br>\$ | Buildings and<br>Improvements<br>\$ | Equipment<br>and Motor<br>Vehicle<br>\$ | Construction in<br>progress<br>\$ | Computer<br>Network<br>Assets<br>\$ | Total<br>\$      |
|-------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------------|-----------------------------------|-------------------------------------|------------------|
| <b>2026<br/>Cost</b>                |                                     |                                     |                                         |                                   |                                     |                  |
| Opening balance                     | 5,175                               | 741,481                             | 1,248,338                               | 189,914                           | 44,515                              | <b>2,229,423</b> |
| Additions                           | -                                   | 242                                 | 74,488                                  | 191,165                           | 1,695                               | <b>267,590</b>   |
| Transfers                           | -                                   | 63,075                              | 11,280                                  | (74,981)                          | 626                                 | -                |
| Disposals                           | -                                   | -                                   | (7,065)                                 | -                                 | (59)                                | <b>(7,124)</b>   |
| Closing balance                     | 5,175                               | 804,798                             | 1,327,041                               | 306,098                           | 46,777                              | <b>2,489,889</b> |
| <b>Accumulated<br/>amortization</b> |                                     |                                     |                                         |                                   |                                     |                  |
| Opening balance                     | 1,369                               | 400,298                             | 980,249                                 | -                                 | 38,823                              | <b>1,420,739</b> |
| Additions                           | 124                                 | 16,249                              | 56,051                                  | -                                 | 1,347                               | <b>73,771</b>    |
| Disposals                           | -                                   | -                                   | (4,600)                                 | -                                 | -                                   | <b>(4,600)</b>   |
| Closing balance                     | 1,493                               | 416,547                             | 1,031,700                               | -                                 | 40,170                              | <b>1,489,910</b> |
| Net book value                      | 3,682                               | 388,251                             | 295,341                                 | 306,098                           | 6,607                               | <b>999,979</b>   |

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 10. Tangible capital assets (continued)

|                             | Land and land<br>improvements<br>\$ | Buildings and<br>Improvements<br>\$ | Equipment<br>and Motor<br>Vehicle<br>\$ | Construction in<br>progress<br>\$ | Computer<br>Network<br>Assets<br>\$ | Total<br>\$ |
|-----------------------------|-------------------------------------|-------------------------------------|-----------------------------------------|-----------------------------------|-------------------------------------|-------------|
| 2025                        |                                     |                                     |                                         |                                   |                                     |             |
| Cost                        |                                     |                                     |                                         |                                   |                                     |             |
| Opening balance             | 5,175                               | 722,211                             | 1,110,177                               | 169,119                           | 39,975                              | 2,046,657   |
| Additions                   | -                                   | 19,270                              | 138,520                                 | 20,795                            | 4,540                               | 183,125     |
| Disposals                   | -                                   | -                                   | (359)                                   | -                                 | -                                   | (359)       |
| Closing balance             | 5,175                               | 741,481                             | 1,248,338                               | 189,914                           | 44,515                              | 2,229,423   |
| Accumulated<br>amortization |                                     |                                     |                                         |                                   |                                     |             |
| Opening balance             | 1,343                               | 385,474                             | 934,954                                 | -                                 | 36,723                              | 1,358,494   |
| Additions                   | 26                                  | 14,824                              | 45,638                                  | -                                 | 2,100                               | 62,588      |
| Disposals                   | -                                   | -                                   | (343)                                   | -                                 | -                                   | (343)       |
| Closing balance             | 1,369                               | 400,298                             | 980,249                                 | -                                 | 38,823                              | 1,420,739   |
| Net book value              | 3,806                               | 341,183                             | 268,089                                 | 189,914                           | 5,692                               | 808,684     |

#### 11. 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, 2026, the balance of funds held in trust for residents of long-term care facilities was \$5,249,686 [2025 - \$5,329,887]. These trust funds include a monthly comfort allowance provided to residents who qualify for subsidization of their boarding and lodging fees.

#### 12. Contingencies

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

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 13. 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:

|            | \$             |
|------------|----------------|
| 2027       | 85,622         |
| 2028       | 87,206         |
| 2029       | 86,877         |
| 2030       | 86,402         |
| 2031       | 81,920         |
| Thereafter | 382,227        |
|            | <u>810,254</u> |

#### 14. 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, 2026, the accrued severance pay is \$1,581,000 [2025 - \$1,723,000].

#### 15. 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 2026, cash payments to employees for NL Health Services' unfunded sick leave benefits amounted to \$15,853,000 [2025 - \$15,582,000].

The most recent actuarial valuations for the accrued sick obligation was performed effective March 31, 2024, with an extrapolation to March 31, 2026, and effective March 31, 2025, with an extrapolation to March 31, 2026.

## Newfoundland and Labrador Health Services – Operating Fund

## Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

**15. Accrued sick leave (continued)**

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

|                                                     | 2026<br>\$      | 2025<br>\$ |
|-----------------------------------------------------|-----------------|------------|
| <b>Accrued benefit liability, beginning of year</b> | <b>122,697</b>  | 121,148    |
| Benefits expense                                    |                 |            |
| Current period benefit cost                         | <b>11,119</b>   | 10,753     |
| Interest on accrued benefit obligation              | <b>4,823</b>    | 4,972      |
| Amortization of actuarial losses and gains          | <b>836</b>      | 1,558      |
|                                                     | <b>139,475</b>  | 138,431    |
| Benefits paid                                       | <b>(15,853)</b> | (15,582)   |
| Unamortized actuarial losses/(gains)                | <b>366</b>      | (152)      |
| <b>Accrued benefit liability, end of year</b>       | <b>123,988</b>  | 122,697    |
| Current period benefit cost                         | <b>11,119</b>   | 10,753     |
| Interest on accrued benefit obligation              | <b>4,823</b>    | 4,972      |
| Amortization of actuarial losses and gains          | <b>836</b>      | 1,558      |
| <b>Total expense recognized for the year</b>        | <b>16,778</b>   | 17,283     |

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

|                                 |                                                                                                                                             |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Discount rate – liability       | 4.83% as at March 2026<br>4.48% as at March 2025                                                                                            |
| Discount rate – benefit expense | 4.83% as at March 2026<br>4.48% as at March 2025                                                                                            |
| Rate of compensation increase   | As at March 31, 2026<br>2.75% on April 1, 2024, and 2025. 3.00%-3.50% per annum thereafter.<br>Rates include 0.75% for promotion and merit. |
|                                 | As at March 31, 2025<br>2.75% on April 1, 2024, and 2025. 3.00% - 3.50% per annum thereafter. Rates include 0.75% for promotion and merit.  |

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 16. 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 both operating and capital expenditures, and payments made from the MCP. Transfers from other related government entities are payments made to NL Health Services from the MCP and 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:

|                                                            | 2026<br>\$       | 2025<br>\$       |
|------------------------------------------------------------|------------------|------------------|
| Transfers from the Government of Newfoundland and Labrador | 4,025,417        | 3,749,872        |
| Transfers from other government entities                   | 12,382           | 11,477           |
| Transfers to other related government entities             | 86,981           | 88,550           |
|                                                            | <b>4,124,780</b> | <b>3,849,899</b> |

#### 17. 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, NL Health Services recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at April 1, 2022.

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 [2025 - \$11,083,936]. The liability is expected to be settled upon demolition or renovation of each of the buildings.

#### 18. Supplies inventory

|                      | 2026<br>\$    | 2025<br>\$    |
|----------------------|---------------|---------------|
| Supplies inventories | 43,044        | 40,206        |
| Pandemic inventories | 2,443         | 10,030        |
|                      | <b>45,487</b> | <b>50,236</b> |

## Newfoundland and Labrador Health Services – Operating Fund

### Notes to non-consolidated financial statements

[Tabular amounts in thousands of Canadian dollars]

March 31, 2026

#### 19. 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.

|                                         | 2026<br>\$       | 2025<br>\$       |
|-----------------------------------------|------------------|------------------|
| Salaries                                | 1,950,602        | 1,843,803        |
| Supplies – other                        | 820,972          | 725,091          |
| Direct client costs                     | 532,747          | 496,926          |
| Employee benefits                       | 350,787          | 316,597          |
| Maintenance                             | 61,617           | 59,938           |
| Supplies – medical and surgical         | 136,444          | 126,518          |
| Drugs                                   | 141,429          | 125,173          |
| Amortization of tangible capital assets | 73,771           | 62,588           |
| Interest - long-term debt               | 9,217            | 9,169            |
| Other                                   | 2,106            | 16               |
| <b>Total expenses</b>                   | <b>4,079,692</b> | <b>3,765,819</b> |

#### 20. 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, 2026

#### 20. 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 2026, NL Health Services had an authorized credit facility [the "Facility"] of \$750,000,000 [2025 - \$665,000,000]. As at March 31, 2026, NL Health Services had \$25,129,000 [2025 - \$40,635,000] 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.

#### 21. 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, 2026

#### 21. 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, 2026:

|                                                                     | Revenue<br>\$    | Expenses<br>\$   | Annual surplus<br>(deficit)<br>\$ |
|---------------------------------------------------------------------|------------------|------------------|-----------------------------------|
| <b>2026</b>                                                         |                  |                  |                                   |
| Original Budget                                                     | 3,354,473        | 3,330,798        | 23,675                            |
| Adjustments during the year for service and<br>program changes, net | 286,898          | 286,898          | -                                 |
| Revised Original Budget                                             | 3,641,371        | 3,617,696        | 23,675                            |
| One-time funding approved by the Government                         | 300,000          | -                | 300,000                           |
| <b>Final Budget</b>                                                 | <b>3,941,371</b> | <b>3,617,696</b> | <b>323,675</b>                    |

|                                                                     | Revenue<br>\$    | Expenses<br>\$   | Annual surplus<br>(deficit)<br>\$ |
|---------------------------------------------------------------------|------------------|------------------|-----------------------------------|
| <b>2025</b>                                                         |                  |                  |                                   |
| Original Budget                                                     | 3,201,655        | 3,256,655        | (55,000)                          |
| Adjustments during the year for service and<br>program changes, net | 248,981          | 248,981          | -                                 |
| Revised Original Budget                                             | 3,450,636        | 3,505,636        | (55,000)                          |
| One-time funding approved by the Government                         | 250,000          | -                | 250,000                           |
| <b>Final Budget</b>                                                 | <b>3,700,636</b> | <b>3,505,636</b> | <b>195,000</b>                    |

#### 22. Subsequent event

Subsequent to year end, the Government of Newfoundland and Labrador announced that additional funding will be provided to address the line of credit balance incurred from prior years' deficits in Budget 2026. As the current line of credit is paid down, the Department of Health and Community Services and NL Health Services will meet to discuss the appropriate limit for any future line of credit.

**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**

**Patient and resident services**

Acute care  
Long-term care

**Client services**

Community support programs  
Mental health and addictions  
Health promotion and protection

**Diagnostic and therapeutic**

Other diagnostic and therapeutic  
Clinical laboratory  
Diagnostic imaging

**Support**

Facilities management  
Other support  
Food services  
Housekeeping  
Laundry and linen

**Ambulatory care**

**Administration**

General administration  
Finance and budgeting  
Human resources  
Systems support  
Other administrative

**Medical services**

**Undistributed**

**Education**

**Research**

**Total shareable expenses**

|  | 2026        | 2025        |
|--|-------------|-------------|
|  | \$          | \$          |
|  | [unaudited] | [unaudited] |
|  |             |             |
|  | 558,062     | 540,798     |
|  | 385,226     | 376,603     |
|  | 943,288     | 917,401     |
|  |             |             |
|  | 694,347     | 649,688     |
|  | 126,533     | 113,256     |
|  | 64,749      | 59,729      |
|  | 885,629     | 822,673     |
|  |             |             |
|  | 171,892     | 164,337     |
|  | 123,404     | 118,409     |
|  | 117,979     | 107,738     |
|  | 413,275     | 390,484     |
|  |             |             |
|  | 189,356     | 171,035     |
|  | 190,793     | 142,323     |
|  | 90,712      | 86,939      |
|  | 79,413      | 75,996      |
|  | 19,210      | 17,856      |
|  | 569,484     | 494,149     |
|  |             |             |
|  | 433,745     | 406,973     |
|  |             |             |
|  | 56,237      | 61,512      |
|  | 39,718      | 32,420      |
|  | 67,124      | 63,106      |
|  | 152,779     | 122,044     |
|  | 111,158     | 100,924     |
|  | 427,016     | 380,006     |
|  |             |             |
|  | 242,397     | 212,339     |
|  |             |             |
|  | 37,981      | 38,531      |
|  |             |             |
|  | 33,328      | 29,923      |
|  |             |             |
|  | 3,668       | 2,545       |
|  |             |             |
|  | 3,989,811   | 3,695,024   |

**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**

|                                                                                               | <b>2026</b>        | <b>2025</b>        |
|-----------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                               | <b>\$</b>          | <b>\$</b>          |
|                                                                                               | <i>[unaudited]</i> | <i>[unaudited]</i> |
| <b>Revenue</b>                                                                                |                    |                    |
| Provincial plan                                                                               | 3,569,022          | 3,370,507          |
| Medical Care Plan                                                                             | 177,386            | 146,681            |
| Other                                                                                         | 120,353            | 108,680            |
| Resident                                                                                      | 46,687             | 44,498             |
| Inpatient                                                                                     | 19,177             | 20,183             |
| Outpatient                                                                                    | 18,291             | 18,888             |
| Transportation and Works                                                                      | 1,286              | 1,286              |
|                                                                                               | <b>3,952,202</b>   | <b>3,710,723</b>   |
| <b>Expenses</b>                                                                               |                    |                    |
| Compensation                                                                                  |                    |                    |
| Salaries                                                                                      | 1,950,602          | 1,843,803          |
| Employee benefits                                                                             | 336,783            | 308,406            |
|                                                                                               | <b>2,287,385</b>   | <b>2,152,209</b>   |
| <b>Supplies</b>                                                                               |                    |                    |
| Other                                                                                         | 820,972            | 725,091            |
| Drugs                                                                                         | 141,429            | 125,173            |
| Medical and surgery                                                                           | 136,444            | 126,518            |
| Plant operations and maintenance                                                              | 61,617             | 59,938             |
|                                                                                               | <b>1,160,462</b>   | <b>1,036,720</b>   |
| <b>Direct client costs</b>                                                                    |                    |                    |
| Mental health and addictions                                                                  | 118,254            | 105,811            |
| Community support                                                                             | 414,493            | 391,115            |
|                                                                                               | <b>532,747</b>     | <b>496,926</b>     |
| <b>Long-term debt</b>                                                                         |                    |                    |
| Capital lease obligations – interest                                                          | 120                | -                  |
| Capital lease obligations – principal                                                         | 29                 | -                  |
| Long-term debt – interest                                                                     | 9,097              | 9,169              |
| Long-term debt – principal                                                                    | 2,263              | 2,301              |
|                                                                                               | <b>11,509</b>      | <b>11,470</b>      |
| <b>Total expenses</b>                                                                         | <b>3,992,103</b>   | <b>3,697,325</b>   |
| <b>(Deficit)/surplus for government reporting</b>                                             | <b>(39,901)</b>    | <b>13,398</b>      |
| Long-term debt – principal                                                                    | 2,292              | 2,301              |
| <b>(Deficit)/surplus before non-shareable items</b>                                           | <b>(37,609)</b>    | <b>15,699</b>      |
| <b>Adjustments for non-shareable items</b>                                                    |                    |                    |
| Provincial plan capital grant                                                                 | 250,450            | 174,627            |
| Other capital contributions                                                                   | 9,897              | 9,277              |
| Amortization of tangible capital assets                                                       | (73,771)           | (62,588)           |
| Interest on sinking fund                                                                      | 1,226              | 1,364              |
| Gain on disposal of capital assets                                                            | (2,106)            | (16)               |
| Accrued severance pay                                                                         | 142                | 344                |
| Accrued sick leave                                                                            | (1,291)            | (1,549)            |
| Accrued vacation pay                                                                          | (12,855)           | (6,986)            |
|                                                                                               | <b>171,692</b>     | <b>114,473</b>     |
| <b>Annual surplus as per non-consolidated statement of operations and accumulated deficit</b> | <b>134,083</b>     | <b>130,172</b>     |

**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**

|                                                  | <b>2026</b>        | <b>2025</b>        |
|--------------------------------------------------|--------------------|--------------------|
|                                                  | <b>\$</b>          | <b>\$</b>          |
|                                                  | <i>[unaudited]</i> | <i>[unaudited]</i> |
| <b>Revenue</b>                                   |                    |                    |
| Deferred grants – previous year                  | 110,989            | 94,983             |
| Provincial plan                                  | 207,418            | 169,214            |
| Long term debt                                   | 1,742              | 165                |
| Department of Works, Service, and Transportation | 1,958              | 9,752              |
| Foundations and auxiliaries                      | 8,178              | 8,624              |
| MUN                                              | 156                | 96                 |
| Other                                            | 5,670              | 6,033              |
| Transfer from operations                         | 15,814             | 25,402             |
| Transfer to other regions                        | (23,233)           | (469)              |
| Transfer to operations                           | (16,266)           | (18,726)           |
| Deferred grants – current year                   | (45,401)           | (110,989)          |
|                                                  | <b>267,025</b>     | <b>184,085</b>     |
| <b>Expenses</b>                                  |                    |                    |
| Equipment                                        | 81,090             | 51,886             |
| Equipment funded by LTD                          | 1,742              | 165                |
| Buildings                                        | 64,826             | 20,700             |
| Construction in progress                         | 115,061            | 85,576             |
| Vehicles                                         | 4,871              | 24,798             |
| Disposal of equipment                            | (2,524)            | (16)               |
|                                                  | <b>265,066</b>     | <b>183,109</b>     |
| <b>Surplus on capital transactions</b>           | <b>1,959</b>       | <b>976</b>         |