



Labrador-Grenfell
Health

Labrador-Grenfell Regional Health Authority 2014-15 Annual Performance Report



A wandering polar bear stops for a moment near Black Tickle, Labrador.

CONTENTS



- Message From The Chairperson 1
- Overview 2
 - Vision 2
 - Mission..... 2
 - Mandate 3
 - Lines Of Business 4
- Key Statistics 4
 - Human Resources 4
 - Financial Data 4
 - Spotlight On Services 5
 - Acute Care Statistics 6
 - Health Centre Statistics 7
 - Community Clinic Statistics 7
 - Community Health and Wellness Statistics 8
 - Long-Term Care Statistics 8
- Shared Commitments 9
 - Population Health 9
 - Access 11
 - Accountable, Sustainable and Quality Health And Community Services System 13
- Highlights and Accomplishments 14
 - Population Health 14
 - Access 15
 - Accountable, Sustainable and Quality Health and Community Services System 16
- Report On Performance 18
 - Issue #1: Population Health and Wellness 18
 - Issue #2: Improved Performance 23
 - Issue #3: Access..... 26
- Opportunities And Challenges Ahead .. 30
- Independent Auditors' Report 2014-15 .. 33

Labrador-Grenfell Health's Board of Directors and staff tour the Moravian Church in Nain.

MESSAGE FROM THE CHAIRPERSON



On behalf of the Board of Directors, I present the Annual Performance Report for 2014-15, in accordance with the Guidelines for Annual Performance Reports for Category 1 Government Entities. The Board understands that we are accountable for the results reported herein.

This past year represents the first year of a new strategic planning cycle and the Board is pleased to present its new strategic goals for 2014-17. To build on the initial work started during the 2011-14 strategic planning cycle, the Health Authority has again confirmed Population Health and Wellness as its first strategic issue and has begun further work in implementing population health initiatives which will strengthen capacity to address population health issues in the region.

Recognizing that tremendous amounts of financial and human resources are required as inputs to produce and deliver quality health care services, Labrador-Grenfell Health continues to focus its activities on initiatives and programs designed to improve the performance of its systems and has identified Improved Performance as its second strategic issue.

The Health Authority has selected improved client access to selected services in the region as its third and final strategic issue. This strategic direction complements the Health Authority's Mission, which states that by March 31, 2017, Labrador-Grenfell Health will have, within available resources, improved accessibility to selected health and community services to better meet the needs of people within the region.

In this first year of the strategic planning cycle, Labrador-Grenfell Health realized significant progress towards implementing population health initiatives, particularly in the area of community capacity building in mental health and addictions. This was accomplished through a series of public training sessions in a variety of focus areas. These sessions were well-received and generated strong participation.

In 2014-15, Labrador-Grenfell Health and Eastern Health were the first Health Authorities to consolidate their respective healthcare information systems. The resulting system has improved performance and permitted authorized health care professionals to access available client care results and information seamlessly and electronically across both regions, regardless of location.

Access to health care services was improved through the implementation of a home-based chemotherapy program, which allowed clients to receive chemotherapy treatment in the comfort and safety of their own residence and also resulted in increased access to inpatient beds and services for other clients.

The results of the first year of the Labrador-Grenfell Health Authority's 2014-17 Strategic Plan have provided an opportunity to celebrate initial successes and develop a strong foundation for the remaining two years of the strategic planning cycle. The Board and staff are proud of their accomplishments thus far and look forward to the year ahead.

Sincerely,

A handwritten signature in black ink, appearing to be 'Ray Norman', written over a white background.

Ray Norman, Board Chair

OVERVIEW

Labrador-Grenfell Health provides quality health and community services to a population of 36,394 (*Community Accounts, Census 2011 data*), covering the communities north of Bartlett's Harbour on the Northern Peninsula and all of Labrador (a total of eighty-one communities). Corporate headquarters is located in Happy Valley-Goose Bay.

Labrador-Grenfell Health operates twenty-two facilities, including three hospitals, three community health centres, fourteen community clinics and two long-term care facilities.

VISION

The vision of Labrador-Grenfell Health is healthy people living in healthy communities.

MISSION

By March 31, 2017, Labrador-Grenfell Health will have, within available resources, improved accessibility to selected health and community services to better meet the needs of people within the region.



MANDATE

The mandate of Labrador-Grenfell Health is derived from the *Regional Health Authorities Act* and its regulations. Labrador-Grenfell Health is responsible for the delivery and administration of health and community services in the Labrador-Grenfell Health region in accordance with this legislation. In carrying out its responsibilities, Labrador-Grenfell Health shall:

- promote and protect the health and well-being of its region and develop and implement measures for the prevention of disease and injury and the advancement of health and well-being;
- assess health and community services needs in its region on an ongoing basis;
- develop objectives and priorities for the provision of health and community services which meet the needs of its region and which are consistent with provincial objectives and priorities;
- manage and allocate resources, including funds provided by the government for health and community services, in accordance with legislation;
- ensure that services are provided in a manner that coordinates and integrates health and community services;
- collaborate with other persons and organizations, including federal, provincial, and municipal governments and agencies and other Regional Health Authorities, to coordinate health and community services in the province and to achieve provincial objectives and priorities;
- collect and analyze health and community services information for use in the development and implementation of health and community services policies and programs for its region;
- provide information to the residents of the region respecting the services provided by the authority, how they may gain access to those services and how they may communicate with the authority respecting the provision of those services; and
- monitor and evaluate the delivery of health and community services and compliance with prescribed standards and provincial objectives and in accordance with guidelines that the Minister may establish for the authority.

The Rotunda welcomes visitors to the Charles S. Curtis Memorial Hospital, St. Anthony.



LINES OF BUSINESS

Labrador-Grenfell Health provides a wide range of health and community services to a diverse population, over a wide geographic area. These include:

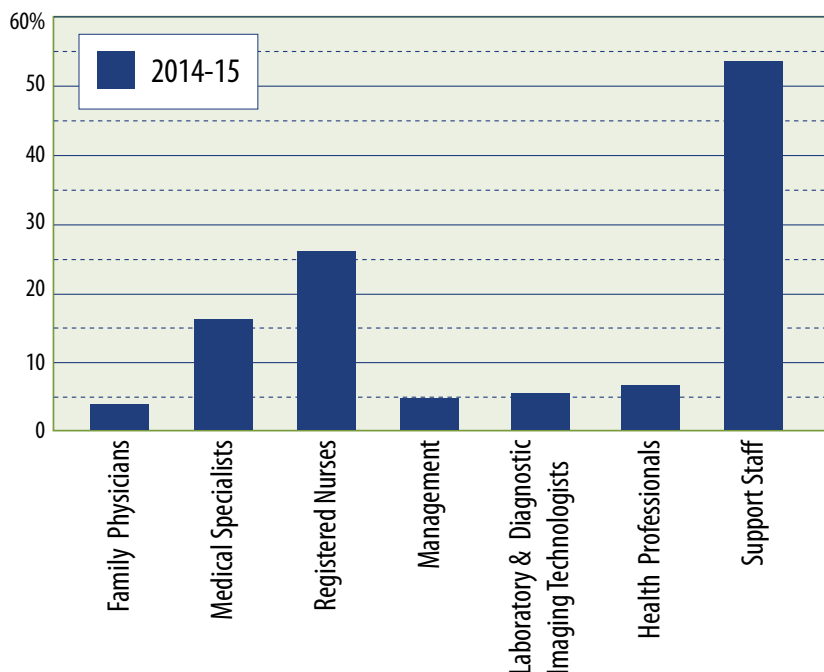
- Acute Care, Diagnostic and Clinical Support Services (in selected locations)
- Primary Care Services
- Population Health Services
- Dental Services
- Long-Term Care Services
- Mental Health and Addictions Services
- Residential Services
- Therapeutic Intervention, Family Rehabilitation and Other Rehabilitation Services

(For a detailed description of programs and services, visit www.lghealth.ca).

KEY STATISTICS

Human Resources

As of March 31, 2015, Labrador-Grenfell Health employed 1,499 staff (970 permanent full-time, 51 permanent part-time, 354 temporary and 124 casual). Of these, 53 per cent were Support Staff, 26 per cent were Nurses, seven per cent were health professionals (i.e., Social Workers, Physiotherapists, Occupational Therapists, Speech Language Pathologists, Pharmacists), six per cent were Laboratory and Diagnostic Imaging Technologists, five per cent were Management and three per cent were Physicians. The overall employee turnover rate was 10.8 per cent¹. Eighty-two per cent were female and 18 per cent were male. All staff were based in rural locations.²



Financial Data

Detailed financial information is available at the end of this report in Appendix A.

¹ The turnover rate is calculated as the number of permanent full-time and permanent part-time departures divided by the number of permanent employees at March 31, 2015.

² To form a census agglomeration (CA), the urban core must have a population of at least 10,000 (Statistics Canada). Retrieved from: <http://www12.statcan.gc.ca/census-recensement/2011/ref/dict/geo009-eng.cfm>

Spotlight on Services

Number of Client Visits

Service	2012-13	2013-14	2014-15	Percentage increase or decrease (from 2013-14)
Dental Services (South only; includes Dentists, Hygienist and Dental Surgery)	11,914	11,213	10,160	-9.4 per cent
Mental Health and Addictions Services	17,906	21,349	19,870	-6.9 per cent
Diabetes Nurse Education	6,379	5,720	4,605	-19.5 per cent ³
Occupational Therapy	2,595	2,896	1,899	-34.4 per cent ⁴
Speech Language Pathology	2,489	2,666	3,168	+18.8 per cent
Physiotherapy	13,375	13,193	11,330	-14.1 per cent

³ The number of client visits to Diabetes Nurse Education declined in 2014-15 due to two extended permanent full time vacancies.

⁴ The number of client visits to Occupational Therapy declined in 2014-15 due to an extended permanent full time vacancy.

Edward's Brook in Central Labrador near Gull Island.



Acute Care Statistics

Category	Regional Total/ Figure (2012-13)	Regional Total/ Figure (2013-14)	Regional Total/ Figure (2014-15)	Percentage Increase Or Decrease (From 2013-14)
Number of Acute Care Beds	89 beds	89 beds	89 beds	No change
Number of Admissions (including newborn)	3,944 admissions	3,907 admissions	3,614 admissions	-7.5 per cent
Patient Days	23,807 patient days	26,919 patient days	24,718 patient days	-8.2 per cent
Average Length of Stay	6.5 days	6.7 days	6.1 days	-9.0 per cent
Operating Room Procedures	5,663 procedures	4,921 procedures	4,784 procedures	-2.8 per cent
Number of Births	316 live births	387 live births	350 live births	-9.6 per cent
Number of Emergency Room Visits Registered to ER	56,857 visits	55,879 visits	55,632 visits	-0.4 per cent

Emily Allison Casey Gallant has the distinction as the first baby born at the Labrador West Health Centre in Labrador City. The daughter of Stephanie and Tim Gallant, Baby Emily received gifts from Paulette Abbott and Irene Simpson-Bench, representing the local hospital auxiliary.



Health Centre Statistics

	White Bay Central Health Centre, Roddickton				Strait of Belle Isle Health Centre, Flower's Cove				Labrador South Health Centre, Forteau			
	2012-13	2013-14	2014-15	Per cent increase or decrease from 2013-14	2012-13	2013-14	2014-15	Per cent increase or decrease from 2013-14	2012-13	2013-14	2014-15	Per cent increase or decrease from 2013-14
Number of Beds⁵	4	4	4	No change	2	3	3	No change	5	5	5	No change
Number of Client Visits	14,973	15,241	13,766 ⁶	-9.7 per cent	16,330	17,968	13,028 ⁶	-27.5 per cent	9,381	8,873	9,651 ⁶	+8.8 per cent
Number of Admissions	243	116	133	+14.7 per cent	70	80	93	+16.3 per cent	114	93	114	+22.6 per cent

Community Clinic Statistics

	2012-13	2013-14	2014-15	Percentage increase or decrease (from 2013-14)
Clients seen by regional nurses	79,515	76,791	46,831	-39 per cent ⁷
Clients seen by physicians	6,225	6,177	4,866	-21.1 per cent ⁷

⁵ Includes holding beds for observation.

⁶ The methodology for capturing the number of client visits to the Health Centres was changed in 2014-15. The percentage changes should therefore be interpreted with caution.

⁷ The methodology for capturing the number of client visits to the Community Clinics was changed in 2014-15. The percentage changes should therefore be interpreted with caution.

Community Health and Wellness Statistics

Service	2011-12	2013-14	2014-15	Percentage increase or decrease (from 2013-14)
Continuing Care Visits (includes both clinic and home visits)	24,170	35,729	20,011	NA ⁸
Home Support Hours – Family and Rehabilitative Services	343,725	338,835	346,659	+2.3 per cent
Home Support Hours – Seniors and Under 65	NA	196,737	199,474	+1.4 per cent
Number of Children Attending Child Health Clinics	1,697	2,347	1,782	-24.0 per cent
Number of Clients Receiving Home Support Programs (includes provincial, end-of-life and acute home supports) Seniors and Under 65	220	175	172	-1.7 per cent
Family Rehabilitative Services	NA	141	131	-7.0 per cent

Long-Term Care Statistics

Category	Regional Total 2012-13	Regional Total 2013-14	Regional Total 2014-15	Percentage increase or decrease (from 2013-14)
# of Beds	114	114	120 ⁹	+5.3 per cent
Resident Days	39,861	41,116	40,004	-2.0 per cent
# Admissions	43	45	63	+40.0 per cent

⁸ Percentage changes were not calculated due to gaps in data collection in 2014-15.

⁹ The number of Long-Term Care Beds and resulting admissions increased due to the opening in November 2014 of the Labrador West Health Centre.



Clinical Nurse Manager Kathy Elson (right) congratulates Diana Mounce, a Regional Nurse at the Nain Community Clinic, upon successfully completing the Mentorship Retention Program.

SHARED COMMITMENTS

Population Health

A Commitment to Baby-Friendly Hospitals. Labrador-Grenfell Health hosted a 'Breastfeeding 101-Labrador Edition' at Happy Valley-Goose Bay in November, 2014. This conference featured keynote speaker Dr. Jack Newman, an internationally renowned expert on breastfeeding, and Janet Murphy-Goodridge, provincial breastfeeding consultant and chair of the Baby-Friendly Council of Newfoundland and Labrador. In the two-day session, participants learned invaluable tips and tools to support breastfeeding families. Expanding the knowledge of health care providers will help to support increased breastfeeding initiation and duration rates.

This event was a partnership between several organizations: Labrador-Grenfell Health, the Labrador Regional Wellness Coalition, the Nunatsiavut Department of Health and Social Development, the Sheshatshiu Innu First Nation, the Mushuau Innu First Nation, the Aboriginal Family Centre and the Mokami Status of Women Council. Participants included staff members from these stakeholder groups, resource mothers and nursing mothers from around the region.

The conference represented an example of the Health Authority's ongoing commitment of implementing the

Baby-Friendly Initiative (BFI). The BFI, initiated by the World Health Organization in 1991, is the "simultaneous focus on the role of health services in protecting, promoting and supporting breastfeeding and on the use of breastfeeding as a means of strengthening the contribution of health services to safe motherhood, child survival and primary health care."

Unique Learning Assignment for Innu Health Navigators. In partnership with the Innu Round Table Secretariat, an agency established in 2013 to promote Innu priorities for a health and healing strategy, a special program was designed to familiarize their Innu Health Navigator with the complex healthcare services and programs provided by Labrador-Grenfell Health and challenges faced by Innu receiving services in different settings, including the community clinics at Sheshatshiu and Natuashish, and the Labrador Health Centre. Particular attention was focused on cultural interactions and attitudes, language interpretation, and enhancing communication about health programs. The three-month assignment mutually benefited the Innu Health Navigator by providing direct access to Labrador-Grenfell Health's operations and staff, and in return, informing the Health Authority about Innu perspectives and concerns regarding the delivery of healthcare services. This initiative addresses Government's strategic direction of Population Health through the focus area of Aboriginal health.



Allison Brennan and daughter Claire participate in the Breastfeeding 101 Workshop at Happy Valley-Goose Bay.

Supporting Early Detection of Cancer. On June 18, 2014, the Provincial Government announced the expansion of the Colon Cancer Screening Program to the residents of the Labrador-Grenfell Health region. The program supports Government's strategic direction of population health in the focus area of cancer care, by screening and early detection and diagnosis of colon cancer. Individuals between the ages of 50 and 74 have an opportunity to be proactive about their health and to administer the screening test in the privacy of their own home. Samples are analyzed and individuals with positive test results are contacted in collaboration with Labrador-Grenfell Health for a follow-up colonoscopy. Those with negative results are rescreened in two years. This screening test also can eliminate the need to perform an invasive surgical procedure and helps support reducing lengthy waitlists for selected surgical services.

Protecting Vulnerable Adults. New legislation proclaimed on June 30, 2014, the *Adult Protection Act*, supports Government's strategic direction of population health with a focus on healthy aging. The new act replaces the 41-year-old *Neglected Adults Welfare Act* and is a modernized legislative framework based on current best practices. The act is centered on the individual and is supportive, non-intrusive and community-based. It also mandates protection services for vulnerable adults regardless of their place of residence, such as a private home, a personal care-home, an alternate family care home, an acute care facility, and a long-term care facility. Extensive training was delivered in 2014-15 to Labrador Grenfell Health staff working with the new act as well as the general public. This training emphasized the legal obligation to report any suspicion of neglect, self-neglect or abuse of a vulnerable adult who appears to lack mental capacity. A total of 26 sessions were held in the Labrador-Grenfell Health region involving 196 participants.

Access

Significant Advancement in the Delivery of Health Care Services in Labrador West Health. The move to the state-of-the-art and well-equipped Labrador West Health Centre in November 2014 represented a \$90 million investment from Government. The facility has 28 beds – 14 for acute care services and 14 long-term care beds for levels three and four nursing care. Inpatient units have the capability to provide care to medical, surgical, obstetrical, pediatric, respite, palliative care and psychiatric clients.



Labrador-Grenfell Health took occupancy of the new Labrador West Health Centre in November, 2014.

The new facility replaced the Captain William Jackman Memorial Hospital, which had been in operation for 49 years and during that time, served the needs of Labrador West residents well. The investment by Government recognized the need to provide health care services for a vibrant and growing area of the province and supports Government's strategic direction of access in the focus area of infrastructure. Staff embraced the move to the new health centre, settled quickly in their new surroundings, and continue to provide quality health care services in Labrador West.

Partnering for Enhancements in Rural Health. Over the fiscal year 2014-15, Labrador-Grenfell Health received approximately \$4.6 million in funding from a variety of partners, including the Department of Health and Community

Services, the International Grenfell Association (IGA), local chapters of the Grenfell Foundation and other community groups, to support the purchase of new capital equipment and to complete essential repair and renovation projects.

An example of Government's investment in essential infrastructure was the installation in September 2014 of a new dual detector digital general x-ray room in the Labrador Health Centre, Happy Valley-Goose Bay. This equipment, valued at approximately \$500,000, produces digital x-ray images which can be sent immediately through the Provincial Picture Archiving Communications System (PACS) and read and reported by a Radiologist based in St. John's. The new technology incorporated in the room was instrumental in streamlining the process of transferring x-ray images onto PACS.



Joseph Hancock and Ellen Flynn display the Jaws of Life equipment donated by the Labrador South Health Centre Auxillary.

The following Labrador-Grenfell Health initiatives were supported in 2014-15 by the IGA, which awards grants to non-profit organizations for improving health, education and the social well-being of people in coastal Labrador and Northern Newfoundland communities: Fetal Alcohol Spectrum Disorder (FASD) diagnostic training; Bounce Back and Thrive Training: Parent Resiliency Skills; educational programs for suicide risk assessment, non-violent crisis intervention, and mental health first aid; and funding for both health intern positions and health professional student travel assistance, which helps facilitate educational placements for students with Labrador-Grenfell Health.

The three local chapters of the Grenfell Foundation, through fundraising efforts and partnerships with Government, and other community groups including the Hospital Auxiliaries, made significant contributions in 2014-15 to the health care facilities in the region. In particular, the South chapter of the Foundation provided funding totaling more than \$100,000 to invest in the purchase of the following items: a fetal monitor, infusion pumps, a rhinolaryngoscope (used by an ear, nose and throat specialist to examine the nose and larynx), Ferno passenger loading chairs (which assist clients when boarding and exiting a plane), a patient scale which can accommodate wheelchairs, an intravenous pump for clients receiving palliative pain relief in their homes, and pediatric immobilizers for safely keeping children still when taking x-rays. In addition, in October 2014, the Rotary Club of Labrador City and Wabush presented \$30,000 to the Grenfell Foundation, Labrador West chapter, representing proceeds from the group's annual auction. The amount raised was the highest in the event's 20-year history and



The Rotary Club of Labrador City and Wabush presents a \$30,000 donation to the Grenfell Foundation, Labrador West Chapter, for the purchase of audiology and gynecology equipment.

was used to purchase audiology and gynecology equipment. All of these investments were made in support of Government's strategic direction of access in the focus area of infrastructure.

Accountable, Sustainable and Quality Health and Community Services System

A Commitment to Prepare for the Spread of Infectious Diseases. Considerable work was completed in 2014-15 in partnership with the Department of Health and Community Services, the other Regional Health Authorities, and health care services providers in the private sector, to prepare in the event of Ebola Virus Disease (EVD) presenting to the Labrador-Grenfell Health region. While the risk was low, it was important for health care workers and the public to be prepared and informed about response efforts in the unlikely event that such a case arose in the province. This work included ensuring proper protocols were in place, holding tabletop exercises, personal protective equipment was ready and accessible in health care facilities, and that health care workers were properly trained in how to use this equipment. Labrador-Grenfell Health is committed to



Health care providers at Happy Valley-Goose Bay participate in a mock Ebola exercise to assess the level of their readiness.

the health and safety of health care workers and recognizes the importance of using appropriate personal protective equipment when treating clients with an infectious disease. In addition, Labrador-Grenfell Health established an internal website which is supplemented with the most up-to-date information on EVD, including training videos developed by the Eastern Regional Health Authority. These efforts support Government's strategic direction of an accountable, sustainable and quality health and community services system in the focus areas of health emergency management and health workforce planning.

Improving Clinical Efficiency and Health Outcomes for Clients. A multidisciplinary team commenced work in 2014-15 on implementing standardized electronic, evidence-based patient order sets, beginning with the three hospital sites in the Labrador-Grenfell Health region. Patient order sets are checklists and best practice standards followed by physicians and other health professionals when a patient is admitted to hospital. Nursing, laboratory, diagnostic imaging, pharmacy and medical records staff are able to access the patient orders as appropriate. These patient order sets will be used to ensure safe and best practice treatment through a set of common standards and replicate workflows that save time. For example, when a client is diagnosed with pneumonia, health professionals will have a checklist which includes the recommended antibiotics, blood work, follow-up and referral instructions. This initiative, which is also being implemented by the other Regional Health Authorities, supports Government's strategic direction of an accountable, sustainable and quality health and community services system through the focus area of clinical efficiency review.

HIGHLIGHTS AND ACCOMPLISHMENTS



A Happy Valley-Goose Bay student cuts carrots grown in a local garden for a pot of soup.

Population Health

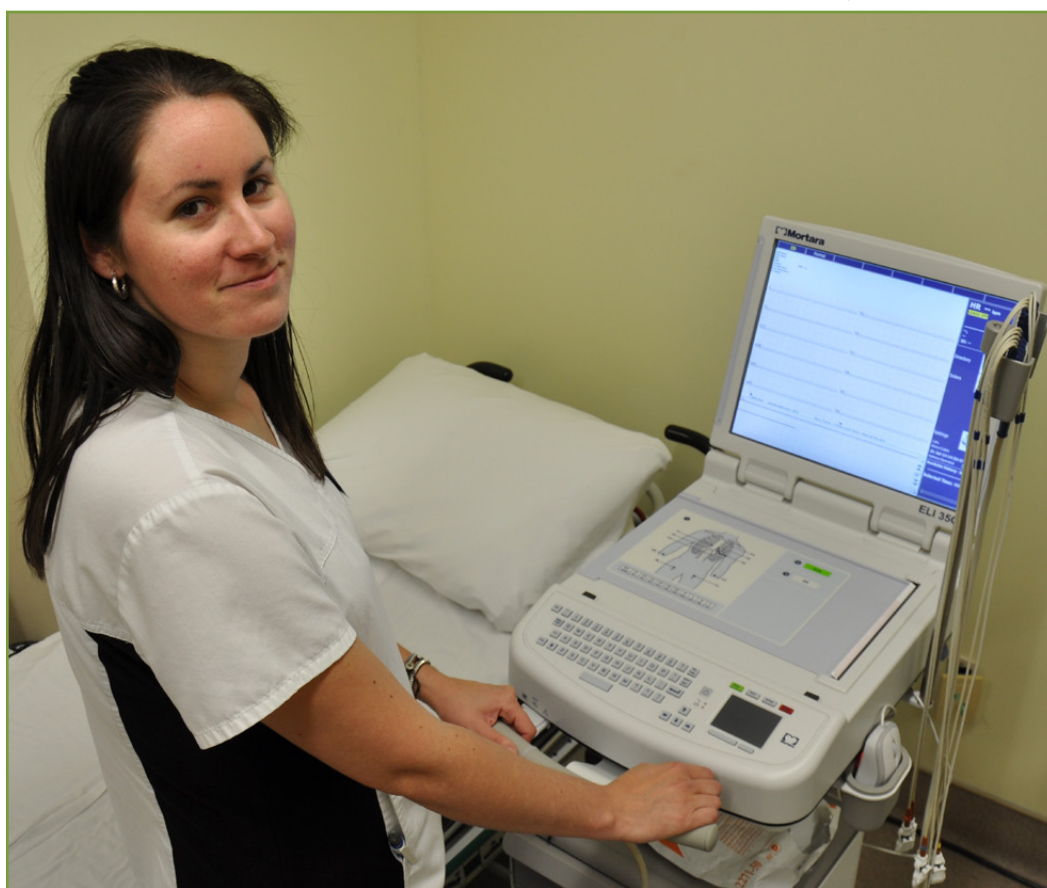
Area Youth Learn Healthy Living Options. Labrador-Grenfell Health, through the School Health Liaison Consultant and Regional Nutritionist, established several healthy eating initiatives in 2014-15 with schools in the Happy Valley-Goose Bay area. These included a school seedling program, Rethink Your Drink and fresh fruits projects, and a review of canteen menus. As part of the seedling program, Grade 4 students at the Queen of Peace Middle School planted seeds, transplanted the plants to a garden, harvested the crop in the fall, cooked soup and prepared a salad with the vegetables, and served students with a meal. The Rethink Your Drink project encouraged students to make healthier choices in regards to drinks and educated them about healthier options. Banners were created and displayed at area schools. Under the Fresh Fruits pilot project, students at Mealy Mountain Collegiate had access to free fresh fruit as a healthy snack option from the school canteen. The School Health Liaison Consultant and Regional Nutritionist also reviewed canteen menus at area schools and offered suggestions for healthier menu options. These examples underscored the importance of providing healthy living information in an engaging and hands-on manner to youth at an impressionable stage in their development.

Access

Health Professionals Hold Initial Fetal Alcohol Spectrum Disorder (FASD) Diagnostic Clinics. Building on the establishment of a dedicated team and capacity training that occurred in 2013-14, the initial assessment and diagnostic FASD clinics took place in Happy Valley-Goose Bay and St. Anthony in 2014-15. FASD is caused by mothers who consume alcohol during pregnancy and impedes fetal brain development, affecting intelligence, learning skills and behaviour. The clinics, which see children between the ages of eight and 18, alternate between Happy Valley-Goose Bay and St. Anthony and provide services to the entire region. The team, comprised of a physician/pediatrician, psychologist, speech-language pathologist and occupational therapist, is coordinated by Labrador-Grenfell Health's Regional FASD Coordinator, who is responsible for the intake and screening of referrals as well as collecting the required client background information for the clinic. Through the coordination of the interdisciplinary team, networks and connections are being established in the region on several levels with prenatal care professionals, birth mothers, caregivers, community members, agency partners, and other health professionals. These coordinated and interdisciplinary clinics directly support Government's strategic direction of access in the focus area of mental health and addictions services.

Enhanced Cardiac Testing Services in Labrador. Access to cardiac testing

services in Labrador was enhanced in August 2014 with the appointment of the first permanent, full time Registered Cardiology Technologist. Based at the Labrador Health Centre in Happy Valley-Goose Bay, the technologist travels to the Labrador West Health Centre in Labrador City to assist with cardiac stress testing when a cardiologist is on-site. Electrocardiograms (tests which record the electrical activity of the heart) from the Labrador West Health Centre, the Labrador Health Centre, and community clinics on the North Coast of Labrador are sent to the technologist for review, who forwards them to a Cardiologist for interpretation and reporting. In addition, testing through a Cardiac Holter Monitor (a small device that keeps track of a client's heart rhythm) is now recorded on-site by the technologist, producing results which support timely decision-making by health care professionals. Prior to the establishment of this new position, these services were only available in Labrador on an intermittent or traveling basis.



Teri Blake is the Registered Cardiology Technologist at the Labrador Health Centre, Happy Valley-Goose Bay.

Accountable, Sustainable and Quality Health and Community Services System

Ensuring Quality and Safety in Laboratory Point of Care Testing. In September 2014, Labrador-Grenfell Health implemented its first region-wide Laboratory Point of Care Testing System involving glucose meters (a medical device for determining the approximate concentration of sugar in the blood) and an information technology system that can be monitored remotely from the Authority's hospital-based laboratory services. Point of Care Testing is defined as medical diagnostic testing performed outside the clinical laboratory in close proximity to where a client is receiving care and is typically performed by non-laboratory personnel. To support non-laboratory frontline staff using this equipment and to coordinate and monitor this initiative, Labrador-Grenfell Health also hired a Regional Laboratory Point of Care Testing Coordinator in 2014-15, who is a Medical Laboratory Technologist.

By the end of 2014-15, Laboratory Point of Care glucose testing was being done on the new testing instruments at nine health care facilities in the region. The information technology system allows frontline staff to do annual

education on using the equipment and perform quality control as required to ensure the instrument is working correctly before a client's blood sample is tested. The new process for laboratory Point of Care Testing ensures the test result is accurate and can be used to change a client's medication or treatment plan.

Model of Nursing Practice Highlights Accountability in Clinical Care. During 2014-15, Labrador-Grenfell Health made tremendous progress in implementing its Model of Nursing Clinical Practice. This model, which established a single, system-wide standard of nursing care throughout the region, features client and family centred continuity of care. It also facilitates mobility between clinical areas, articulates nursing values, facilitates collaboration with other health professionals, and ensures that all nurses work to their full scope of practice and are autonomous and accountable in their decision-making. At the end of March 2015, the model was implemented in 15 acute care and long-term care units throughout the region.

A new and innovative feature of the model was the introduction in 2014-15 of Patient Communication Boards. These white boards are mounted above every client's bed. With the consent of the client, they contain information about

Staff of the Dialysis Unit at the Charles S. Curtis Memorial Hospital celebrate the completion of requirements under the guiding principles of the Model of Clinical Nursing Practice.



the daily plan for care and names of the healthcare professionals looking after that client. Details are updated daily so that the client and their family members are consistently informed about their plan of care. Patient Communication Boards are a dynamic communication tool which demonstrate the client-centred and continuity of care provided



Patient Communication Boards help inform clients and their family members about the care they are receiving.

by healthcare professionals. The board empowers clients and family members by informing them about important aspects of their care.

Highest Hand Hygiene Compliance Rates Since 2010.

A concerted effort to improve hand hygiene compliance rates in the Labrador-Grenfell Health region is seeing significant results. In 2014-15, direct observations performed monthly at inpatient units in the three hospital sites, as part of hand hygiene audits, produced a compliance rate of 78 per cent before contact with a patient and 80 per cent after contact with a patient. These were the highest compliance rates achieved since auditing started in 2010, when the overall compliance rate at the three hospital sites was 37 per cent. The significant increase in hand hygiene compliance is attributed to increasing the number of hand soap and alcohol hand rub dispensers in key areas, placing more signage in facilities, and regular education sessions with staff to deliver the message that good hand hygiene is one of the best ways to prevent the spread of infections.

REPORT ON PERFORMANCE

Issue #1: Population Health and Wellness

A population health perspective allows health conditions to be viewed for the entire population in an area, and includes aspects of physical, mental and social well-being rather than just the incidence of diseases. Labrador-Grenfell Health contains a small population that is widely dispersed in different geographical areas, with distinct ethnic and cultural communities, and varying health conditions. Regional residents gave a very positive self-assessment of their physical and mental health in a Community Health Survey conducted by Statistics Canada in 2011-12.¹⁰ In contrast, rates for life expectancy at birth were lower than provincial and national averages, and rates were higher for smoking and alcohol consumption contributing to certain chronic conditions, as well as hospitalizations for stroke, injury, mental illness and self-injury.

Improvements in population health rely on primary health care resources. Primary health care encompasses a wide variety of services and supports delivered by a multitude of individuals. These services and supports include: addictions and mental health counselling, dementia care, chronic

disease prevention and self-management training, promotion of healthy lifestyles, and supports allowing people to remain in their own homes or communities as they age. Effective primary health care services and supports are critical to population health (Premier's Summit on Health Care, January, 2015).

In order to properly address population health and wellness issues in the region, Labrador-Grenfell Health appointed a Project Manager for Chronic Disease and Health Promotion who is overseeing the development of a framework based on an environmental scan and epidemiological assessment of prominent health conditions. Among other chronic diseases prevalent in the region, a high incidence of diabetes justified attention on system improvements for diabetes management through the establishment of a framework that will be transferable to other chronic diseases.

A high incidence of mental health and addictions issues, in particular, suicide, led the Mental Health and Addictions Department to establish a Regional Training and Development Program. This initiative, which sponsored

¹⁰ Statistics Canada, Canadian Community Health Survey, 2011-12.

Mental Health and Addictions staff at Flower's Cove observe Mental Health Illness Awareness Week during a walk with community members at Plum Point.



workshops in numerous communities, is aimed at increasing the skills and ability of community members, paraprofessionals, and health care providers to assist individuals affected by mental health and addictions issues. Preventative services and supports in the area of mental health and addictions are key ingredients to address population health issues.

Goal: By March 31, 2017, Labrador-Grenfell Health will have strengthened capacity to address population health issues in the region.

Objective: By March 31, 2015, Labrador-Grenfell Health will have implemented selected initiatives to address population health issues in the region.

Measure: Implemented selected initiatives to address population health issues in the region.

A new state-of-the-art ambulance acquired by Labrador-Grenfell Health services residents living in the area from Englee to Main Brook.



Indicators:

Planned for 2014-15	Actual Performance for 2014-15
<p>Finalized a renewed chronic disease prevention and management plan.</p>	<p>Due to continued changes in key leadership personnel and an accompanying significant organizational structure redesign, the finalization of a renewed chronic disease management and prevention plan took longer than anticipated and was not completed in 2014-15. The realignment of the organizational structure resulted in combining previously fragmented departments into a consolidated Population Health service.</p> <p>Work started in May 2014 with the establishment of a partnership with the Canadian Foundation for Healthcare Improvement. This Foundation is a national innovative healthcare improvement team who partner with local health authorities to provide the tools and support needed to advance healthcare improvement goals - namely chronic disease projects. These consultations continued into the Fall of 2014 with the completion of both an environmental scan and epidemiology assessment and the appointment of a Project Manager for Chronic Disease and Health Promotion.</p> <p>The renewed chronic disease prevention and management plan, which is now being established as a framework and which will be completed in 2015-16, has an initial focus on diabetes management and will have transferability to other chronic diseases.</p> <p>The environmental scan revealed an inconsistent approach to diabetes care delivery within the Labrador-Grenfell Health region. As a result, a consistent approach to diabetes management was initiated, including the following system improvements made in 2014-15:</p> <ul style="list-style-type: none"> • standardized charting in the client’s hospital chart and the use of the provincial collaborative flow sheet, and • standardized appointment time frames.
<p>Identified opportunities to build capacity at the community level in the area of mental health and addictions.</p>	<p>During 2014-15, the Mental Health and Addictions Department identified through a review of current best practices, that many mental health and addictions issues can be effectively supported by providing appropriate training and skills to a variety of key persons or groups close to the client at a community level. As a result and in response to these identified opportunities to build capacity, Labrador-Grenfell Health established a Regional Training and Development Program. Through this program, a total of 27 workshops were delivered in various communities throughout the region with a total of 226 participants. The participants included parents, community members, paraprofessionals (individuals who are trained to assist professionals but do not themselves have professional license) and health care professionals. Through these training sessions, community members built their skill sets and enhanced their ability to assist with the mental health and addictions issues at the grassroots level, including being able to provide initial support to someone who may be developing a mental health problem or who is experiencing a mental health crisis. These workshops were delivered in Labrador City, Happy Valley-Goose Bay, Makkovik, Natuashish, Nain, Port Hope Simpson, Flower’s Cove, Roddickton and St. Anthony.</p> <p>In November 2014, with financial support from the International Grenfell Association, staff from the Mental Health and Addictions Department were trained to deliver key two-day courses offered by the Mental Health Commission of Canada, including: <i>Mental Health First Aid Canada and Mental Health First Aid Canada: For Adults Who Interact with Youth.</i></p>

Planned for 2014-15	Actual Performance for 2014-15
<p>Assessed suicide prevention best practices and implemented a risk assessment tool.</p>	<p>In 2014-15, the Mental Health and Addictions Department, in consultation with other Labrador-Grenfell Health health care professionals, completed an extensive environmental scan of suicide prevention best practices. This scan, which extended across multiple jurisdictions, resulted in the selection of two risk assessment tools to be implemented in Labrador-Grenfell Health: the “Rapid Assessment of Patients in Distress”¹¹ and the “Beck Hopelessness Scale”¹². The goal is to have all frontline health care professionals trained in the use of the same processes for assessment, monitoring, treatment and transfer of care for clients who present with suicidal ideation or post-attempt.</p> <p>The Rapid Assessment of Patients in Distress, developed by the New Zealand Ministry of Health, is a tool used to assist in the assessment of individuals with potential mental health problems and to consider the urgent need for mental health services and safety measures. This risk assessment tool in particular has a strong consideration for clients of indigenous or Aboriginal ethnicity and therefore was especially relevant for use by Labrador-Grenfell Health.</p> <p>The Beck Hopelessness Scale is a 20-item self-report inventory developed by Dr. Aaron T. Beck that was designed to measure three major aspects of hopelessness: feelings about the future, loss of motivation, and expectations. The test is designed for adults, age 17-80. It measures the extent of the respondent’s negative attitudes, or pessimism, about the future. It may be used as an indicator of suicidal risk in depressed people who have made suicidal attempts.</p> <p>All members of the Mental Health and Addictions Department were trained on the protocol required, including these tools, for an improved suicide risk assessment process. In addition, nursing staff in Hopedale, Nain, Postville, Makkovik, Rigolet and Forteau were trained, as well as nursing staff at the Charles S. Curtis Memorial Hospital, St. Anthony, and the Labrador West Health Centre, Labrador City.</p> <p>Additionally, staff from the Mental Health and Addictions Department were trained in early 2015 in Applied Suicide Intervention Skills Training (ASIST)¹³. This program will be integrated into the regional training and development program and will build capacity for both professionals and paraprofessionals to feel better prepared to respond to clients presenting with suicidal ideation.</p>
<p>Continued work on a chronic disease management database for diabetes.</p>	<p>Work continued in 2014-15 on the development of an internal Labrador-Grenfell Health standardized chronic disease management database for diabetes. The focus during this past year was on refining processes to extract data from the Authority’s Meditech Healthcare Information System.</p> <p>Progress was also being realized in 2014-15 towards the establishment of a provincial diabetes registry, which will rely on a variety of data sources from the Regional Health Authorities and Newfoundland and Labrador Centre for Health Information.</p>

¹¹ Retrieved from: http://www.psychiatryweb.mywebhome.nl/pw.spoed/files/docs/nzgg_0307_1_rapid_assessment.pdf, June 6, 2015.

¹² Retrieved from: <http://www.beckinstitute.org/beck-inventory-and-scales/>, May 31, 2015.

¹³ Retrieved from: <https://www.livingworks.net/programs/asist/>, May 31, 2015.

Discussion of Results:

While 2014-15 saw continued changes in the leadership and organizational structure of Labrador-Grenfell Health's population health services, a renewed approach to population health was developed which includes the ongoing development of a framework, with an initial focus on diabetes management, which will be finalized in 2015-16 and will be transferable to other chronic diseases. Some of the early components of this framework have involved measures to standardize reporting for diabetes clients on hospital charts, standardized appointment time frames, and progress in developing a standard chronic disease management database for clients diagnosed with diabetes.

Significant work was also completed in 2014-15 towards identifying approaches to developing capacity in mental health and addictions at the community level and work progressed beyond this initial objective with the delivery of multiple educational sessions to both staff and members of the community. To support the efforts in the area of suicide prevention, two risk assessment tools were identified. In addition, training was provided to Mental Health and Addictions staff and selected Nursing staff on the use of these tools and protocols for assessing the mental health and suicidal risk of youths and adults.

All of these initiatives provide a strong foundation for

Labrador-Grenfell Health as the Authority continues to move forward in the remaining two years of the current strategic plan cycle and focuses on strengthening its capacity to address population health issues experienced by clients in the region. These initiatives also support Government's Strategic Direction of *Population Health with an Outcome of Strengthened Population Health and Healthy Living*.

Objective: By March 31, 2016, Labrador-Grenfell Health will have continued to work to address population health issues in the region.

Measure: Continued work to address population health issues in the region.

Indicators:

- Finalized a transferrable Chronic Disease Framework with an initial focus on Diabetes Care.
- Completed implementation of the standardized suicide risk assessment tool through education sessions to all staff who have direct contact with clients.
- Completed the development of a database of clients diagnosed with diabetes.
- Implemented a standardized service delivery model for diabetes care.
- Started work to identify and determine the characteristics of youth experiencing mental health and addictions issues.

St. Anthony and Happy Valley-Goose Bay teams display awards for completing 80 per cent of the training modules under the MORE^{OB} program.



Issue #2: Improved Performance

The Government of Newfoundland and Labrador spends almost \$3 billion annually on health care, which represents approximately 40 per cent of the provincial budget. At \$5,124 per person, that is \$1,180 more than the Canadian average.¹⁴

Labrador-Grenfell Health recognizes that it has a responsibility to manage the resources allocated by Government and to implement initiatives that will ensure it is in a position to provide quality services and safe care to residents of the region. In order to be in a position to respond to the growing demand for services, Labrador-Grenfell Health has to demonstrate that it is delivering health care programs and services in a manner that is efficient and effective. Building on the Operational Improvement process launched in 2013-14, a variety of initiatives aimed at achieving greater operational efficiencies were and continue to be implemented, ultimately enhancing the performance of the health care system.

An approach for Health Authorities to become more efficient is through the sharing of expertise, systems and

services, where appropriate. Labrador-Grenfell Health moved forward in 2014-15 in several key initiatives in conjunction with other Health Authorities, such as the Provincial Automated Notification System (PANS), which will enhance communication to clients, and the consolidation of its healthcare information system.

The ongoing objective is to improve operating performance through reducing costs and increasing productivity. Throughout all of these initiatives, the goal is to target the most sustainable approaches to providing high quality services, while at the same time, affirming a commitment to sustain service levels and maintaining quality and safety.

Goal: By March 31, 2017, Labrador-Grenfell Health will have implemented initiatives to achieve greater operational efficiency in the delivery of health care in the region.

Objective: By March 31, 2015, Labrador-Grenfell Health will have introduced improvements to enhance system performance.

Measure: Introduced improvements to enhance system performance.

Indicators:

Planned for 2014-15	Actual Performance for 2014-15
<p>Implemented new client communication tools.</p>	<p>In 2014-15, several service areas, including endoscopy, mental health and addictions, and rehabilitation services, implemented new policies as tools to clearly communicate to clients the processes that will be followed should a client either refuse, cancel or not show for their scheduled appointment on multiple occasions.</p> <p>In addition, during 2014-15, the four Regional Health Authorities (RHA), led by Central Health and in partnership with the Department of Health and Community Services, began the implementation of a Provincial Automated Notification System (PANS). PANS is an automated system designed to provide a client-centered process for appointment notification, confirmation and scheduling, which will improve system performance and access by reducing no-show appointments and improve client experiences in each RHA. The initial focus of the system is to remind clients of endoscopy procedures. Work on this initiative will continue in 2015-16.</p> <p>This system will also have the capacity to provide mass emergency notification services.</p>

¹⁴ Retrieved from: http://www.health.gov.nl.ca/summit/Participant_Workbook-Premiers_Summit_On_Healthcare.pdf, June 6, 2015.

Planned for 2014-15	Actual Performance for 2014-15
<p>Completed consolidation of health care information system.</p>	<p>Labrador-Grenfell Health has been a consolidated Regional Health Authority since 2005 but had been maintaining two separate legacy Meditech health care information systems since that time. These former systems (commonly referred to as “north” and ‘south”) held all of the available electronic diagnostic test results and clinical care documentation for clients who received care at Labrador-Grenfell Health facilities, but could not communicate with each other. Health professionals had to access two separate systems for all of a client’s information, if the client had received care in both the “north” and the “south”. During the same period of time, the Eastern Regional Health Authority had successfully consolidated four of its legacy Meditech systems into one single system for all of its facilities and services and was well positioned to partner with Labrador-Grenfell Health on a larger consolidation project. The financial modules of the Eastern Health and Labrador-Grenfell Health Meditech health care information systems were consolidated on April 1, 2014. This was followed by the clinical modules on June 4, 2014, completing the health care information system consolidation project between the two Health Authorities and also eliminating the separation between the former two Labrador-Grenfell Health legacy systems.</p> <p>As a result of bringing together healthcare information systems, authorized health care professionals are able to access available client care results and information seamlessly and electronically across the Labrador-Grenfell Health and Eastern Health systems, minimizing the duplication of diagnostic tests and the dependence on exchanging paper copies of charts and results. For clients, there are tremendous improvements in continuity of care and greater efficiency in the use of resources. Many clients from the Labrador-Grenfell Health region are referred to Eastern Health for secondary and tertiary care, which means that they will be able to benefit from a seamless approach to their care through a shared health record. Health care professionals in a client’s circle of care now have easy access to clinical information gathered through the Meditech system anywhere in the Labrador-Grenfell Health and Eastern Health regions to assist in making care and treatment decisions for that client.</p> <p>With significant financial support from Government, this represented the first consolidation project of its kind between two Health Authorities and is an important step in the development of a provincial electronic health record.</p>
<p>Continued implementation and identification of operational improvement initiatives.</p>	<p>Labrador-Grenfell Health continued to implement operational improvement initiatives that were identified through an organizational wide self-assessment process in 2013-14.</p> <p>In 2014-15, specific improvements included changes in human resources practices, such as reducing overtime, callbacks, sick leave relief and constant care, readjusting work schedules, and implementing recognized skill mix ratios.</p> <p>In addition, savings were also realized through attrition, not filling vacancies, and reductions in travel and minor equipment purchases.</p> <p>An example of an operational improvement initiative, which started in 2014-15, is the ongoing implementation of a region-wide print management strategy in collaboration with Government and a contract with an industry leader. This project, which has the goals of improving office document processes and services, identifying efficiencies and better managing costs, will determine areas of improvement to better meet the Authority’s copying, printing and scanning needs.</p>
<p>Developed regional protocols, based on current best practices, for obstetrical care.</p>	<p>Labrador Grenfell Health continued its commitment to the Managing Obstetrical Risk Efficiently (MORE^{OB}) program and received an award in November 2014, which recognized that staff enrolled in the program had completed 80 per cent of the training modules, culture assessment survey and clinical knowledge tests. MORE^{OB} is a three-year, comprehensive, performance improvement program that creates a culture of safety in obstetrical units.</p> <p>In 2014-15, the core team oversaw the development of and implemented selected standardized best practice and regional protocols for obstetrical care, including vacuum extraction, forceps delivery and shoulder dystocia. All have algorithms that are now posted in each birthing room at the three hospital sites in Labrador City, St. Anthony and Happy Valley-Goose Bay.</p> <p>In addition, the core team facilitated educational sessions, skills drills, emergency drills, audits and system improvements. This work has led to many safety improvements, including updated policies and protocols and implemented structured communication tools.</p>

Discussion of Results:

Labrador-Grenfell Health is continuing to improve the efficiency of its operations and procedures, human resource and office management practices, and information systems. Among the accomplishments achieved in 2014-15 was the consolidation of the financial and clinical modules of the Health Authority's health care information systems with Eastern Health, and the implementation of policies by several departments to educate clients on the procedures for refusing, cancelling or changing appointment times.

In 2014-15, Labrador-Grenfell Health reaffirmed its commitment to identify areas where efficiencies could be achieved, such as the implementation of a region-wide print management strategy, to improve productivity and realize cost savings. Similarly, the evolution of the Managing Obstetrical Risk Efficiently (MORE^{OB}) program, now in its third and final year, has demonstrated that it is possible to establish a culture of safety and improve services in obstetrical units by adopting best practices, revising policies, planning education sessions and implementing other system improvements.

These initiatives have had a positive impact on the

operational efficiency and performance of Labrador-Grenfell Health and have supported Government's Strategic Direction of *An Accountable, Sustainable and Quality Health and Community Services System with the Outcome of Improved Performance and Efficiency in the Health and Community Services System to Provide Quality Services that are Affordable and Sustainable.*

Objective: By March 31, 2016, Labrador-Grenfell Health will have continued to introduce improvements to enhancing system performance.

Measure: Continued introduction of improvements to enhance system performance.

Indicators:

- Decreased number of clients who do not show for selected appointments and services.
- Improved performance through expanded electronic client registration in the community clinics and selected community and population health programs.
- Developed a regional process for auditing the standardized suicide risk assessment tool.
- Completed implementation of the Labrador-Grenfell Health Model of Nursing Care in multiple sites and units.

Barbara Wood benefits from the home-based chemotherapy program in Happy Valley-Goose Bay with help from nurses Angie Lawrence and Cathy Fewer.



Issue #3: Access

Primary health care is the day-to-day services and supports needed to protect, maintain or restore our health. For most people, it is both their first point of contact with the health care system and the health services they use most often. Primary health care is not the specialized medical services received in a health care facility like a hospital or a cancer clinic. Visiting a local family doctor or nurse practitioner, discussing a prescription with a community pharmacist, and learning about ways to become more physically active or better manage a chronic disease are all examples of how Newfoundland and Labrador citizens access primary health care services every day.¹⁵

Challenges with access to primary health care services were identified as a strong theme at the Premier’s Summit on Healthcare, which was held in St. John’s on January 14, 2015. These issues had already been recognized by Labrador-Grenfell Health as a primary concern for the residents of its region and a focus on improving access had been vocalized as a strategic goal for 2014-17 and as the Authority’s overall Mission for the 2011-17. Labrador-Grenfell Health has a relatively small population spread over a large geographic

area, and delivers primary health care services through three hospitals, three health centres and 14 community clinics. This illustrates the challenges associated with access to health care services and programs for residents. Diagnostic tests, examination by healthcare professionals, referrals for treatment, consultation with specialists, various medical procedures and surgery often require residents to travel either to a hospital in the region or to referral centre in St. John’s or elsewhere. Labrador-Grenfell Health is taking steps to achieve the goal of improving access to selected services by introducing home-based treatment programs, improving the air transportation network available to clients, working with the Province to examine primary health care models in other jurisdictions, participating in the development of a new provincial primary health care framework, and improving wait times through access to selected services.

Goal: By March 31, 2017, Labrador-Grenfell Health will have improved client access to selected services in the region.

Objective: By March 31, 2015, Labrador-Grenfell Health will have implemented selected initiatives to improve access.

Measure: Implemented selected initiatives to improve access.

Indicators:

Planned for 2014-15	Actual Performance for 2014-15
<p>Implementation of the home-based chemotherapy program.</p>	<p>Implementation in Labrador-Grenfell Health of a home-based chemotherapy program began in early 2014 and received extremely positive feedback from clients. This program allows clients to stay in their homes instead of being admitted to hospital for the course of their chemotherapy treatment. Remaining at home while receiving chemotherapy (and while also often having a weakened immune system) was a much safer treatment option for the client as it limited the level of their exposure to potential infections and other illnesses.</p> <p>In order to implement the home-based chemotherapy program, Labrador-Grenfell Health pharmacy, oncology, home-care and community health nursing staff received training in the safe preparation and administration of the new method of chemotherapy treatment.</p> <p>During the 2014-15, 157 clients received treatments through the home-based chemotherapy program. By eliminating the need for admissions to hospital, the home-based chemotherapy program also improved accessibility to inpatient beds and services for other clients.</p>

¹⁵ Retrieved from: http://www.health.gov.nl.ca/summit/Participant_Workbook-Premiers_Summit_On_Healthcare.pdf, June 6, 2015.

Planned for 2014-15	Actual Performance for 2014-15
<p>Improved client air transportation (schedevac) services.</p>	<p>An improved client air transportation service, for the community clinics in Southeast Labrador was launched in the Spring of 2014. This service, commonly referred to as the “schedevac”, facilitated the ability for clients to now travel in either direction between Happy Valley-Goose Bay, the Southeast Labrador communities (including Mary’s Harbour, St. Lewis, Port Hope Simpson, Charlottetown, Cartwright and Black Tickle) and St. Anthony to attend appointments for health care services that are not available in their home community. Prior to this improvement, clients could not travel on the same schedevac flight from Happy Valley-Goose Bay, Cartwright or Black Tickle to St. Anthony (or in reverse). The schedule features a three-day-a-week service and reduces the length of time a client has to be away from home in order to access health care services.</p> <p>A total of 1,803 clients and their medical escorts accessed the schedevac service in 2014-15, an increase of 13 per cent from 2013-14.</p>
<p>Researched primary health care models from other jurisdictions.</p>	<p>Work completed in 2014-15 focused on researching models from other jurisdictions, including Alberta and Nova Scotia, which are based on standardized primary health care delivered by Nurse Practitioners. In particular, focus was given to models that rely upon standardized practice schedules and appointment times, thereby increasing the health professional’s capacity to see more clients, be available after regular working hours, and to improve access for clients.</p>
<p>Examined client and health care provider relationships to identify potential areas for improvement.</p>	<p>Labrador-Grenfell Health was not able in 2014-15 to formally examine client and health care provider relationships for opportunities for improvement due to the need to focus on other priority areas. However, informal anecdotal evidence and feedback from the Health Authority’s processes to track client complaints and occurrences indicated that an important area to examine in further detail is the manner and mechanisms by which health care providers communicate diagnostic test results (both abnormal and normal) to their clients. Labrador-Grenfell Health intends to complete this review in 2015-16.</p>

A mock exercise at the Charles S. Curtis Memorial Hospital helps assess the effectiveness of the Telestroke Pilot Program.



Planned for 2014-15	Actual Performance for 2014-15
<p>Begun implementation of selected recommendations of specific provincial wait times initiatives.</p>	<p>The initial provincial wait times initiative that was selected for focus by Labrador-Grenfell Health was endoscopy wait times.</p> <p>In 2014-15, with the financial support of Government, Labrador-Grenfell Health implemented selected recommendations of the Provincial Endoscopy Wait Times initiative with the goal of improving access to endoscopy services in the region. The focus of these initiatives was on the four urgency categories for endoscopy: urgent, non-urgent, screening and surveillance.</p> <ul style="list-style-type: none"> • Consultants from the University of Toronto visited the Labrador-Grenfell Health region in June 2014 and collaborated with the endoscopy teams in each of the three hospital facilities in Labrador City, St. Anthony and Happy Valley-Goose Bay, to develop specific action plans for urgent colonoscopies. The focus was on the development of a “clinical pathway” to ensure seamless care from referral to time of procedure, with the goal of having all urgent colonoscopies completed within the 14 day access target. A similar access target was also applied to non-urgent colonoscopies and the clinical pathway for non-urgent colonoscopies was developed at each of the three hospital sites. • Additional endoscopy clinics were held during the 2014-15 fiscal year to improve access for those clients on the waitlist for non-urgent colonoscopies. • On June 18, 2014, the Newfoundland and Labrador Colorectal Screening Program (CRSP) was officially launched in the Labrador-Grenfell Health region by the Minister of Health and Community Services. The program was well-received in the Labrador-Grenfell Health region: up to the end of March 2015, a total of 426 requests for screening test kits were received from local residents. Labrador-Grenfell Health also completed an audit of its waitlist for colonoscopies to identify clients who were clinically eligible to participate in the CRSP instead of waiting for a screening colonoscopy procedure. This audit assisted in reducing the number of clients on the waitlist; increased participation in the CRSP; and provided faster access to a colonoscopy for those clients who received a positive result through the CRSP. (Additional information in <i>Shared Commitments</i> on page 13). • By December 2014, the surveillance waitlist, which consists of clients who have had a previous colonoscopy and need to have a follow-up colonoscopy at a future point in time, was validated to ensure that clients were being booked for their follow-up colonoscopies in accordance with the guidelines from the Canadian Association of Gastroenterologists (CAG). Adjustments to booking intervals were made, as appropriate. <p>As a result of these initiatives, Labrador-Grenfell Health saw a reduction in the number of clients waiting for all endoscopy procedures, in all of the above categories. On April 1, 2014 there were a total of 807 clients on the endoscopy waitlist. By March 31, 2015, the endoscopy waitlist had been reduced to 672 clients.</p> <p>In the previous year, Labrador-Grenfell Health enrolled in the Canadian Association of Gastroenterologist’s quality program for Endoscopy Services, the Global Rating Scale. The Global Rating Scale is an ongoing quality improvement program, with semi-annual surveys to assess the quality of the endoscopy service and measure progress toward required improvements. As a follow-up, two surveys were completed in 2014-15 by the endoscopy teams in each hospital facility, with the Regional Endoscopy working group having reviewed survey results and developing action plans for improvement.</p>

Discussion of Results:

Labrador-Grenfell Health made significant progress in 2014-15 in addressing several key indicators and these efforts and initiatives have clearly led to early positive results and supported Government's Strategic Direction of *Access with an Outcome of Improved Accessibility to Programs and Services Meeting the Current and Future Needs of Individuals, Families and Communities Particularly Those Most Vulnerable*. Relatively straightforward changes, such as the implementation of a new home-based chemotherapy treatment program or a modification of a flight schedule, can realize a very immediate and positive impact on access to the broader system. Other more complex issues, such as access to endoscopy services, and its associated wait list, required a multi-faceted and persistent approach to ensure continued and systemic improvements. While important components of a preferred primary health care model have been identified, the Authority looks forward to further work in defining this approach in 2015-16. Labrador-Grenfell Health also intends to continue efforts to address wait

times in its hospital emergency departments and to explore relationships between clients and health care providers, as they are important factors in improving access to services.

Objective: By March 31, 2016, Labrador-Grenfell Health will have defined primary health care model(s) appropriate to the region.

Measure: Defined primary health care model(s) appropriate to the region.

Indicators:

- Chosen preferred primary health care model for implementation in selected sites.
- Examined client and health care provider relationships to identify potential areas for improvement.
- Begun implementation of Canadian Triage Acuity Scale (CTAS) in the Emergency Room Departments at selected hospital sites.
- Increased access for mental health and addictions clients to health professionals throughout the region by the use of telehealth.

OPPORTUNITIES AND CHALLENGES AHEAD

Multidisciplinary Team Offering Autism Diagnosis Service in Labrador West.

In 2014-15, Labrador-Grenfell Health recognized an opportunity and established the first autism diagnosis service in Labrador West. Health professionals from various parts of the Labrador-Grenfell Health region worked together to establish a multidisciplinary team, comprised of a pediatrician, rehabilitation services staff, and a nurse coordinator, to carry out comprehensive assessments of children. Since the first autism diagnosis clinic was held in February 2014, six children from the Labrador West area have availed of the service. Work continues to promote community awareness of the availability of this new service and opportunity for clients.

Nurses Expanding Their Skill Set Through the Mentorship Retention Program.

Regional Nurses who work in rural and isolated community clinics on the Labrador coast have a considerable amount of knowledge and first-hand experience. Without immediate access to physicians, they work in roles that require autonomy and critical thinking skills. Due to the growing challenge with the number of Regional Nurses who are anticipated to retire in the next few years, Labrador-Grenfell Health focused efforts in 2014-15 on promoting the Mentorship Retention Program to educate newly-trained nurses and assist them in attaining the support, direction and guidance they need to work as Regional Nurses. To date, four nurses have successfully completed the program and are practicing to the full scope of their duties as Regional Nurses. Feedback from participants indicated that the opportunity to be partnered with experienced nurses early in their career was paramount in building confidence and competence as an advanced practice nurse. The Mentorship Retention Program provides the opportunity to learn and grow at a supported pace in a nurturing environment. Labrador-Grenfell Health credits the success of the program to the willingness and involvement of experienced nurses and the desire in new nurses to learn and expand their skills.

Telestroke Initiative Improving Stroke Care Services.

Time is of the essence in achieving the best possible outcomes for people who suffer a stroke. The quicker a stroke client can access specialized care, the better their chance of recovery. The launch of the Telestroke Pilot Project in August 2014 took advantage of advances in technology to bridge the distance between health care facilities in

rural and urban centres. Once the client has arrived at a Telestroke Pilot Project location (currently St. Anthony and Happy Valley-Goose Bay), a neurologist in St. John's can use a sophisticated camera attached to a dedicated videoconferencing unit to see a stroke client, discuss their symptoms, review the physical findings, and assess images from a Computed Tomography (CT) scan. When a stroke is caused by a blood clot, a drug called tissue plasminogen activator, or tPA, can reduce the effects of the stroke. Clot-busting tPA must be administered within a few hours of the onset of the stroke symptoms in order to be effective. Dissolving the clot and restoring blood flow as soon as possible reduces brain damage, improves recovery, and reduces long-term disability. Labrador-Grenfell Health, in collaboration with the Department of Health and Community Services, the Canadian Stroke Network, and other partners, implemented the telestroke initiative and the result is enhanced access to stroke services for residents of the region. The Telestroke Pilot Project team is currently reviewing outcomes to assess how the initiative can be effectively expanded to other parts of the Labrador-Grenfell Health region.

A Greater Push Towards Environmentally-friendly Cleaning Products.

The Environmental Services (EVS) Department with Labrador-Grenfell Health has taken steps to incorporate the use of a greater number of environmentally-friendly products to clean and disinfect its health care facilities. There is a balance in choosing cleaning products that kill disease-causing microorganisms (germs) while recognizing the need to be aware of the harmful effects that chemicals can have on the environment. The EVS Department took these factors into consideration and researched the options that would best satisfy both objectives. Labrador-Grenfell Health is proud to report that more than 75 per cent of the products used in cleaning and disinfecting contact and flooring services are green certified, which means they meet stringent environmental standards that have been verified by a third party. Products bearing the certification have been subjected to thorough, state-of-the-art scientific evaluations which use internationally-accepted methodologies. Labrador-Grenfell Health will continue efforts to source additional environmentally-friendly cleaning products as part of its regular EVS operations.

Supporting the Expansion of Long-Term Care Services in Happy Valley-Goose Bay.

Labrador-Grenfell Health is projecting the new 20-bed expansion of the Happy Valley-Goose Bay Long-Term Care Facility to be completed in the winter 2016. To prepare for the opening of the extension, additional staff will be required to provide care to residents. It was recognized that the current supply of Licensed Practical Nurses and Personal Care Attendants was not sufficient to meet the projected needs. Labrador-Grenfell Health has partnered with both Government and the College of the North Atlantic to support Practical Nursing and Personal Care Attendant programs at the Happy Valley-Goose Bay campus. In addition, students enrolled in both of these programs are eligible to receive financial assistance and sponsorship through Government's Bursary and Incentive Program. Through this arrangement, there are several students who are expected to join the Health Authority in December 2015 upon graduation from the Practical Nursing program.

Partnering to Address Tuberculosis in Labrador.

Tuberculosis (TB) is an infectious bacterial disease characterized by the growth of nodules in the tissues, especially

the lungs. Between August of 2014 and the end of March 2015, there were 16 new active cases of pulmonary TB diagnosed in Nain and Happy Valley-Goose Bay. Approximately 300 individuals were followed through contact tracing as a result of these positive cases. With oversight provided from the Medical Officer of Health, the Tuberculosis Clinic established at the Labrador Health Centre, and in partnership with the Nunatsiavut Government's Department of Health and Social Development, Labrador-Grenfell Health is addressing a wide variety of issues arising from this outbreak. Specific activities that were initiated in 2014-15 and that will continue into the coming year include, but are not limited to: treatment of clients, identification and testing of their contacts, expedited laboratory and diagnostic imaging testing, assessment and treatment clinics in both Happy Valley-Goose Bay and Nain, public health follow-up, public meetings and presentations for the general public in the community of Nain, targeted media communications, and a multi-stakeholder TB outbreak team that meets on a regular basis. Continued vigilance of all high risk clients will continue into the future until the outbreak is declared over by the Medical Officer of Health.

Students in the Practical Nursing Program at the College of the North Atlantic receive hands-on experience during rounds at the Happy Valley-Goose Bay Long-Term Care Facility.



LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

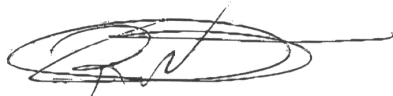
STATEMENT OF MANAGEMENT RESPONSIBILITY

The accompanying consolidated financial statements of the **Labrador-Grenfell Regional Health Authority** as at and for the year ended March 31, 2015 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 the notes to the consolidated financial statements and schedules.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management developed and maintains systems of internal control to provide reasonable assurance that transactions are properly authorized and recorded, proper records are maintained, assets are safeguarded, and the Authority complies with applicable laws and regulations.

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 consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee [the "Committee"]. The Committee meets with management and the external auditors to review any significant accounting and auditing matters, to discuss the results of audit examinations, and to review the consolidated financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements.

The external auditor, Ernst & Young LLP, conducts an independent examination in accordance with Canadian generally accepted auditing standards and expresses an opinion on the consolidated financial statements for the year ended March 31, 2015.



Ray Norman

Board Chair



Tony Wakeham

Chief Executive Officer

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the **Labrador-Grenfell Regional Health Authority**

We have audited the accompanying consolidated financial statements of the **Labrador-Grenfell Regional Health Authority**, which comprise the consolidated statement of financial position as at March 31, 2015, and the consolidated statements of operations and accumulated surplus (deficit), changes in net debt, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the **Labrador-Grenfell Regional Health Authority** as at March 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

St. John's, Canada

September 12, 2015

Ernst + Young LLP Chartered Professional Accountants

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY


CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT MARCH 31

	2015 \$	2014 \$
Financial assets		
Cash	885,105	840,870
Restricted cash [note 3]	1,702,545	1,692,826
Accounts receivable [note 5]	29,906,907	20,656,204
Inventories for resale	916,436	880,020
	33,410,993	24,069,920
Liabilities		
Bank overdraft [note 4]	2,172,939	2,219,117
Demand credit facility [note 4]	14,970,000	-
Accounts payable and accrued liabilities [note 6]	12,872,606	10,811,980
Accrued vacation pay and other accrued benefits	9,755,188	9,073,022
Employee future benefits		
Accrued sick leave [note 7]	7,544,611	7,379,200
Accrued severance pay [note 7]	13,259,904	12,729,376
Deferred contributions [note 8]		
Deferred operating contributions	4,022,273	4,433,766
National Child Benefit [NCB] initiatives	1,118,594	1,830,642
Deferred capital contributions	17,701,367	24,063,802
Special purpose funds	747,649	984,584
Long-term debt [note 10]	783,301	896,670
	84,948,432	74,422,159
Net debt	(51,537,439]	(50,352,239]
Non-financial assets		
Tangible capital assets [note 9]	55,626,926	45,027,216
Prepaid expenses	3,033,522	3,017,836
Supplies inventory	1,570,617	1,464,735
	60,231,065	49,509,787
Accumulated surplus [deficit]	8,693,626	(842,452]

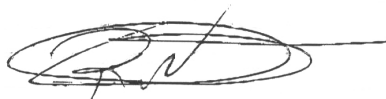
Contractual obligations [note 11]

Contingencies [note 17]

Approved by the Board:



Trustee



Trustee

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT FOR THE YEAR ENDED MARCH 31

	2015	2014
	\$	\$
Annual surplus (deficit)	9,536,078	(578,777)
Acquisition of tangible capital assets, net of disposals	(17,444,117)	(5,870,406)
Amortization of tangible capital assets	6,844,407	5,358,552
Increase in net book value of tangible capital assets	(10,599,710)	(511,854)
Net increase in prepaid expenses	(15,686)	(325,121)
Net (increase) decrease in supplies inventory	(105,882)	212,875
Increase in non-financial assets	(121,568)	(112,246)
Increase in net financial debt	(1,185,200)	(1,202,877)
Net debt, beginning of year	(50,352,239)	(49,149,362)
Net debt, end of year	(51,537,439)	(50,352,239)

See accompanying notes

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (DEFICIT)

FOR THE YEAR ENDED MARCH 31

	Budget	2015	2014
	\$	\$	\$
	<i>[note 14]</i>		
Revenue			
Provincial plan – Operating	136,067,518	136,136,023	129,142,450
MCP physicians	23,530,585	19,210,201	19,850,767
Other	7,144,400	9,089,530	8,238,590
Provincial plan – Capital grant	-	17,106,089	5,692,905
National Child Benefit	1,117,221	817,495	1,606,246
Outpatient	3,271,700	2,744,507	2,890,089
Inpatient	1,467,500	685,529	1,552,291
Long-term care	1,552,000	1,607,131	1,506,905
Transportation and works	1,285,500	1,285,500	1,285,500
	175,436,424	188,682,005	171,765,744
Expenses [note 12]			
Support services	31,506,967	32,509,373	31,804,365
Community and social services	32,064,406	29,320,993	29,816,698
Nursing inpatient services	27,374,050	31,221,427	27,452,589
Medical services	25,839,759	21,538,858	22,171,748
Ambulatory care services	20,058,807	22,770,022	21,734,145
Diagnostic and therapeutic services	16,984,161	17,536,858	17,278,535
Administration	20,707,187	16,549,763	15,827,560
Amortization	-	6,844,407	5,358,552
Education	95,691	554,004	599,803
Research	805,396	69,728	68,826
Apartment Complexes	-	220,316	210,256
Foundation	-	10,178	21,446
	175,436,424	179,145,927	172,344,521
Annual (deficit) surplus		9,536,078	(578,777)
Accumulated deficit, beginning of year		(842,452)	(263,675)
Accumulated surplus (deficit), end of year		8,693,626	(842,452)

See accompanying notes.

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2015	2014
	\$	\$
Operating activities		
Annual surplus (deficit)	9,536,078	(578,777)
Adjustments for:		
Amortization of tangible capital assets	6,844,407	5,358,552
Accrued severance pay	530,528	843,726
Accrued sick leave	165,411	254,326
Net change in non-cash assets and liabilities related to operations [note 16]	(7,789,436)	308,458
Cash provided by operating transactions	9,286,988	6,186,284
Capital transactions		
Acquisition of capital assets, net of disposals	(17,444,117)	(5,870,406)
Cash used in capital transactions	(17,444,117)	(5,870,406)
Investing transactions		
Changes to restricted cash	(9,719)	7,333
Cash used in investing transactions	(9,719)	7,333
Financing transactions		
Change in deferred contributions		
Deferred capital contributions	(6,362,435)	1,751,966
Special purpose funds	(236,935)	339,838
Drawdown of demand credit facility	14,970,000	-
Repayment of long-term debt	(113,369)	(109,776)
Cash provided by (used in) financing transactions	8,257,261	1,982,028
Net increase in cash during the year	90,413	2,290,573
Bank indebtedness, beginning of year	(1,378,247)	(3,668,820)
Bank indebtedness, end of year	(1,287,834)	(1,378,247)
Comprised of:		
Cash	885,105	840,870
Bank overdraft	(2,172,939)	(2,219,117)
Bank Indebtedness	(1,287,834)	(1,378,247)

See accompanying notes.

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1. NATURE OF OPERATIONS

The Labrador-Grenfell Regional Health Authority [the “Authority”] manages and operates all health facilities, services and programs on the Northern peninsula and all of Labrador in the Province of Newfoundland and Labrador. The Authority manages and controls the operations of the following facilities:

- Labrador Health Centre, Happy Valley-Goose Bay
- Happy Valley-Goose Bay Long Term Care Facility, Happy Valley-Goose Bay
- Labrador West Health Centre, Labrador City
- Charles S. Curtis Memorial Hospital, St. Anthony
- John M. Gray Centre, St. Anthony

The Authority also manages and controls the operations of all community clinics, health centres, facilities programs and services in the geographic area.

The operations of the Authority are primarily funded by the Government of Newfoundland and Labrador [the “Government”].

The Authority is incorporated under the Regional Health Authorities Act of Newfoundland and Labrador and is exempt from income taxes under the *Income Tax Act*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The 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 consolidated financial statements are as follows:

Basis of presentation

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity, which is composed of all organizations that are controlled by the Authority. These organizations are listed under principles of consolidation. Trusts administered by the Authority are not included in the consolidated statement of financial position [note 13].

The Authority has also prepared separate non-consolidated financial statements for the operations of the operating fund of Labrador-Grenfell Regional Health Authority.

Principles of consolidation

The Authority controls The St. Anthony Interfaith Home 12 Unit Apartment Complex, The St. Anthony Interfaith Home 20 Unit Apartment Complex, and the Grenfell Foundation Incorporated [together with Labrador-Grenfell Health Authority, collectively referred to herein as the “Authority”]. These entities are consolidated in the consolidated financial statements.

Cash, bank overdraft and restricted cash

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

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

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

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 discharged existing liabilities but are employed to deliver healthcare services, may be consumed in normal operations and are not for resale.

Employee Future Benefits

Accrued sick leave

Employees of the Authority are entitled to sick leave benefits that accumulate but do not vest. In accordance with PSAS for post-employment benefits and compensated balances, the Authority recognizes the liability in the period in which the employee renders service. The obligation is actuarially determined using assumptions based on management's best estimates of the probability of use of accrued sick leave, future salary and wage changes, employee age, the probability of departure, retirement age, the discount rate and other factors. Discount rates are based on the Government'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. Adjustments to the liability arising from plan amendments are recognized immediately.

Accrued severance

Employees are entitled to severance benefits as stipulated in their conditions of employment. The right to be paid severance pay vests with employees with nine years of continual service with the Authority or another public sector employer. Severance is payable when the employee ceases employment with the Authority or the public sector employer. The severance benefit obligation has been actuarially determined using assumptions based on management's best estimates of future salary and wage changes, employee age, years of service, the probability of voluntary departure due to resignation or retirement, the discount rate and other factors. Discount rates are based on the Government'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. Adjustments to the liability arising from plan amendments are recognized immediately.

Accrued vacation pay and other accrued benefits

Vacation pay and other accrued benefits are accrued for all employees as entitlement is earned.

Pension costs

The employees of the Authority are included in the Public Service Pension Plan ["PSPP"] and the Government Money Purchase Plan administered by the Government. The Government also provides for the continuation of certain dental and medical benefits for retirees. The Government determines the required plan contributions annually. The annual contributions are recognized as expense as incurred and amounted \$4,567,108 for the year ended March 31, 2015 [2014 – \$4,142,273].

During the year ended March 31, 2015 changes were made to the PSPP by the plan administrators including an increase in retirement ages, changes to post retirement indexing, and increased contributions from both PSPP members and the Authority. These changes were effective January 1, 2015.

The costs of insured benefits reflected in these consolidated financial statements are the employer's portion of the insurance premiums owed for coverage of employees during the period.

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Tangible capital assets

The Authority utilizes certain land, buildings and equipment, with the title resting with the Government and consequently these assets are not recorded as tangible capital assets. The Government does not charge the Authority any amounts for the use of such assets. Certain additions and improvements made to such tangible capital assets are paid for by the Authority and are reflected in the consolidated financial statements of the Authority.

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives as follows:

Buildings	5%
Leasehold improvements	5%
Equipment and vehicles	20%
Land improvements	20%

Contributed capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Works of art, historical treasures, intangible assets and items inherited by right of the Crown, such as artwork displayed in the facilities, are not recognized in these consolidated financial statements.

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 the Authority's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations and accumulated surplus (deficit).

Inventories for resale

Inventories for resale include pharmaceuticals and are recorded at the lower of cost, determined on a first-in, first-out basis, and net realizable value.

Supplies inventory

Supplies inventory include medical, surgical, general supplies, fuel oil and pharmaceuticals.

Medical surgical and general supplies are valued at the lower of cost, determined on an average cost basis and net realizable value.

Fuel oil and pharmaceuticals are valued at the lower of cost, determined on a first-in, first-out basis, and net realizable value.

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Prepaid expenses

Prepaid expenses include equipment service contracts, insurance and other miscellaneous items that are charged to expenses over the periods expected to benefit from it.

Revenue

Provincial plan revenue without eligibility criteria and stipulations restricting their use are 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 the Authority, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a 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.

The Authority is funded by the Department of Health and Community Services [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 the Authority for a particular fiscal year will not be determined until the Department has completed its review of the Authority's consolidated financial statements. Adjustments resulting from the Department's review and final position statement will be considered by the Authority and reflected in the period of assessment. There were no changes from the previous year.

Other revenue includes, but not limited to, drug revenue, rental revenue from accommodations and dental revenue and salary recoveries from Workplace, Health and Safety and Compensation Commission of Newfoundland and Labrador [the "Commission"]. Rebates and salary recovery amounts are recorded once the amounts to be recorded are known and confirmed by the Commission.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Financial instruments

Financial instruments are classified in one of the following categories: [i] fair value or [ii] cost or amortized cost. The Authority 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, 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.

Contributed services

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

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

Use of estimates

The preparation of consolidated financial statements 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 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. Actual results could differ from these estimates.

3. RESTRICTED CASH

	2015 \$	2014 \$
Deferred contributions – special purpose funds	802,102	794,331
Endowment fund	778,231	778,231
Restricted cash held by Newfoundland and Labrador Housing Corporation for replacement reserve	122,212	120,264
	1,702,545	1,692,826

4. BANK INDEBTEDNESS

Bank indebtedness represents the bank overdraft position and use of the available credit facility. The Authority was in a bank overdraft position of \$2,172,939 as at March 2015 [2014 – \$2,219,117].

The Authority has a demand credit facility [the “facility”] with a Canadian chartered bank for a maximum amount of \$20,000,000, bearing interest at the bank’s prime rate plus 0.25%. The relevant prime rate was 2.85% as at 31 March 2015 [2014 – 3.00%]. As at March 31, 2015 the Authority has drawn \$14,970,000 in funds from the facility [2014 – nil]. The effective interest rate for the year ended March 31, 2015 was 3.25% [2014 – 0%].

5. ACCOUNTS RECEIVABLE

	2015 \$	2014 \$
Patient	3,178,837	3,196,545
Government of Newfoundland and Labrador – Department of Child, Youth and Family Services	7,722,149	5,831,616
Government of Newfoundland and Labrador – Other	18,348,396	11,242,227
Harmonized sales tax receivable	1,460,879	553,403
Other	260,946	770,137
	30,971,207	21,593,928
Less: provision for doubtful accounts	(1,064,300)	(937,724)
	29,906,907	20,656,204

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

The aging of patient and other accounts receivable is as follows:

		2015					
		Past due					
	Total	Current	1-30 days	31-60 days	61-90 days	Over 90 days	
	\$	\$	\$	\$	\$	\$	
Patient	3,178,837	139,258	647,574	454,232	262,756	1,675,017	
Other	260,946	260,946	—	—	—	—	

		2014					
		Past due					
	Total	Current	1-30 days	31-60 days	61-90 days	Over 90 days	
	\$	\$	\$	\$	\$	\$	
Patient	3,196,545	671,775	613,665	339,741	198,116	1,373,248	
Other	770,403	770,403	—	—	—	—	

For the year ended March 31, 2015, the Authority has not recorded any impairment of receivables relating to the Government of Newfoundland and Labrador [2014 – nil].

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2015	2014
	\$	\$
Accounts payable and accrued liabilities	7,091,528	6,947,296
Salaries and wages payable	3,808,453	3,279,004
Government remittances	591,478	484,052
Other due to government	1,381,147	101,628
	12,872,606	10,811,980

7. EMPLOYEE FUTURE BENEFITS

The Authority provides their employees with at least nine years of service, upon termination, retirement or death, with severance benefits equal to one week of pay per year of service up to a maximum of twenty weeks. The Authority provides these benefits through an unfunded defined benefit plan.

The Authority also provides their employees with sick leave benefits that accumulate, but do not vest, as follows:

	Accumulated rate	Maximum accumulation	Maximum utilization per 20-year period
NLNU hired up to December 1, 2006	15 hours per 162.5 hours	1,800 hours	N/A
NLNU hired after December 1, 2006	7.5 hours per 162.5 hours	1,800 hours	1,800 hours
CUPE/NAPE hired up to May 4, 2004	2 days per month	N/A	480 days
CUPE/NAPE hired after May 4, 2004	1 day per month	N/A	240 days

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

CUPE/NAPE hired up to May 4, 2004 – 12-hour shifts	15 hours per 162.5 hours	N/A	3,600 hours
CUPE/NAPE hired after May 4, 2004 – 12-hour shifts	7.5 hours per 162.5 hours	N/A	1,800 hours

In addition, while management employees do not accrue additional sick leave days, they may use accrued sick leave banked after first using two days of paid leave.

The accrued benefit obligations for post-employment benefit plans as at March 31, 2015, are based on an actuarial valuation for accounting purposes as at March 31, 2012, and an extrapolation of that valuation has been performed to March 31, 2015.

The actuarial valuation is based on assumptions about future events. Significant actuarial assumptions used in measuring the accrued severance and accrued sick leave liabilities are as follows:

	2015	2014
	%	%
Wages and salary escalation	4.00	4.00
Discount rate	2.90	3.90

Significant actuarial assumptions used in the measuring the accrued severance pay and accrued sick leave expenses are as follows:

	2015	2014
	%	%
Wages and salary escalation	4.00	4.00
Discount rate	3.90	3.60

(a.) Severance and sick leave liabilities

	Severance	Sick leave	2015 Total	2014 Total
	\$	\$	\$	\$
Accrued benefit liability, beginning of year	12,729,377	7,379,200	20,108,577	19,010,525
Total expenses during the year	1,539,778	1,231,478	2,771,256	2,907,876
Less: benefits paid	(1,009,251)	(1,066,067)	(2,075,318)	(1,809,824)
Accrued benefit liability, end of year	13,259,904	7,544,611	20,804,515	20,108,577

(b.) Severance and sick leave expenses

	Severance	Sick leave	2015 Total	2014 Total
	\$	\$	\$	\$
Current year benefit cost	979,003	928,902	1,907,905	1,977,577
Interest on accrued benefit obligation	510,988	288,186	799,174	760,117
Amortization of loss	49,787	14,390	64,177	170,181
Employee future benefit expenses	1,539,778	1,231,478	2,771,256	2,907,875

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

During the year ended March 31, 2015 the assumptions for the retirement ages were changed for both plans. The retirement ages were adjusted to agree with the PSPP retirement ages set by the Government of Newfoundland and Labrador. These changes were effective January 1, 2015.

8. DEFERRED CONTRIBUTIONS

Deferred contributions are set aside for specific purposes as required either by legislation, regulation or agreement:

March 31, 2015	Balance at beginning of year	Receipts during the year	Recognized as revenue	Balance at end of year
	\$	\$	\$	\$
Deferred operating contributions	4,433,766	2,850,914	3,262,407	4,022,273
NCB initiatives	1,830,642	379,126	1,091,174	1,118,594
Deferred capital grants	24,063,802	12,317,636	18,680,071	17,701,367
Special purpose funds	864,320	405,155	644,036	625,439
	31,192,530	15,952,831	23,677,688	23,467,673

March 31, 2014	Balance at beginning of year	Receipts during the year	Recognized as revenue	Balance at end of year
	\$	\$	\$	\$
Deferred operating contributions	4,602,533	3,038,521	3,207,288	4,433,766
NCB initiatives	2,551,037	885,851	1,606,246	1,830,642
Deferred capital grants	22,311,836	7,444,871	5,692,905	24,063,802
Special purpose funds	644,746	526,344	186,506	984,584
	30,110,152	11,895,587	10,692,945	31,312,794

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

9. TANGIBLE CAPITAL ASSETS

March 31, 2015	Land	Land Improvements	Construction in progress	Buildings	Leasehold improvement	Equipment and vehicles	2015 Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Opening balance	36,203	216,064	5,514,407	37,302,922	223,678	74,949,669	118,242,943
Additions	—	—	5,803,684	—	—	11,667,652	17,471,336
Transfers	—	—	(10,134,985)	—	10,134,985	—	—
Disposals	—	—	(27,219)	(84,662)	—	—	(111,881)
Closing balance	36,203	216,064	1,155,887	37,218,260	10,358,663	86,617,321	135,602,398
Accumulated amortization							
Opening balance	-	172,434	-	17,647,964	113,263	55,282,066	73,215,727
Amortization	-	5,066	-	1,634,707	258,896	4,945,738	6,844,407
Disposals	-	-	-	(84,662)	-	-	(84,662)
Closing balance	-	177,500	-	19,198,009	372,159	60,227,804	79,975,472
Net book value	36,203	38,564	1,155,887	18,020,251	9,986,504	26,389,517	55,626,926
March 31, 2014	Land	Land improvements	Construction in progress	Buildings	Leasehold improvement	Equipment and vehicles	2014 Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
Opening balance	11,203	216,064	4,296,061	38,191,268	223,678	70,322,609	113,260,883
Additions	25,000	—	1,218,346	—	—	4,627,060	5,870,406
Disposals	—	—	—	(888,346)	—	—	(888,346)
Closing balance	36,203	216,064	5,514,407	37,302,922	223,678	74,949,969	118,242,943
Accumulated amortization							
Opening balance	—	166,656	—	17,525,226	107,452	50,946,187	68,745,521
Amortization	—	5,778	—	1,011,084	5,811	4,335,879	5,358,552
Disposals	—	—	—	(888,346)	—	—	(888,346)
Closing balance	—	172,434	—	17,647,964	113,263	55,282,066	73,215,727
Net book value	36,203	43,630	5,514,407	19,654,958	110,415	19,667,603	45,027,216

Assets included in construction in progress are not amortized until construction of the asset is complete.

The Authority has works of art displayed in its facilities valued at \$195,714 not recognized in these consolidated financial statements as these assets are the legal property of the Government.

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

10. LONG-TERM DEBT

	2015 \$	2014 \$
Newfoundland and Labrador Housing Corporation 2.86% first mortgage on land and building of 20 Unit apartment complex, repayable \$6,537 monthly, interest included, and maturing January 2019.	283,221	353,455
Newfoundland and Labrador Housing Corporation 1.67% first mortgage on land and building of 12 Unit apartment complex, repayable \$4,298 monthly, interest included, and maturing October 2025.	500,080	543,215
	783,301	896,670

The aggregate amount of principal payments estimated to be required in each of the next five financial years is as follows:

	\$
2016	115,134
2017	117,426
2018	119,759
2019	109,573
2020	46,523

11. CONTRACTUAL OBLIGATIONS

The Authority has entered into a number of multiple year operating leases and contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

Contractual obligations	2015 \$	2016 \$	2017 \$
Future operating lease payments – properties	418,477	156,384	1,000
Future operating lease payments – vehicles	129,073	18,585	—
Future operating lease payments – equipment service contracts	82,148	748	—
Service contracts	1,399,811	810,975	350,749
	2,029,509	986,692	351,749

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

12. EXPENSES BY OBJECT

This disclosure supports the functional display of expenses provided in the consolidated statements of operations and accumulated surplus (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 the Authority during the year:

	2015	2014
	\$	\$
Salaries and benefits	121,400,722	117,319,896
Direct client costs	11,017,754	10,785,102
Other supplies	9,813,947	10,135,186
Medical supplies	7,220,010	7,336,116
Amortization of tangible capital assets <i>[note 9]</i>	6,844,407	5,248,773
Equipment expenses	3,481,708	3,555,716
Referred out services	2,602,977	2,584,357
Other	16,764,402	15,379,375
	179,145,927	172,344,521

13. TRUSTS UNDER ADMINISTRATION

Trusts administered by the Authority have not been included in these consolidated financial statements as they are excluded from the Government reporting entity. At March 31, 2015, the balance of funds held in trust for long-term care residents was \$271,263 [2014 – \$283,833].

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

14. BUDGET

The Authority prepares an initial budget for a fiscal period that is approved by the Board of Trustees and Government [the "Original Budget"]. The Original Budget may change significantly throughout the year as it is updated to reflect the impact of all known service and program changes approved by 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 the Authority. The updated budget shown below is the updated budget after all amendments that have been processed. These final updated budget amounts are reflected in the budget column as presented in the consolidated statement of operations and accumulated surplus (deficit) [the "Budget"].

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. The Authority also does not prepare a full budget in respect of changes in net debt as the Authority does not include an amount for tangible capital asset amortization or the acquisition of tangible capital assets in the Original Budget or the Budget.

The following presents a reconciliation between the Original Budget and the Budget as presented in the consolidated statement of operations and accumulated surplus (deficit) for the year ended March 31, 2015:

	Revenue	Expenditures	Annual surplus
	\$	\$	\$
Original Budget	162,743,254	162,743,254	—
Adjustments during the year for service and program changes, net	9,293,170	9,293,170	—
Revised Original Budget	172,036,424	172,036,424	—
Stabilization fund approved by the Government	3,400,000	3,400,000	—
Budget	175,436,424	175,436,424	—

15. CHILD, YOUTH AND FAMILY SERVICES

On March 31, 2014, the Authority transferred five properties with a net book value of \$665,436 to the Child, Youth and Family Services ["CYFS"] Department, as outlined in their CYFS/Labrador-Grenfell Regional Integrated Health Authority Transition Agreement. The transfer of the properties was recognized as an amortization expense in the consolidated statement of operations and accumulated surplus (deficit).

16. NET CHANGES IN NON-CASH ASSETS AND LIABILITIES RELATED TO OPERATIONS

	2015	2014
	\$	\$
Accounts receivable	(9,250,703)	2,784,492
Supplies inventory and inventory for resale	(142,298)	(751)
Prepaid expenses	(15,686)	(325,121)
Accounts payable and accrued liabilities	2,060,626	(948,829)
Accrued vacation pay and other accrued liabilities	682,166	(312,171)
Deferred contributions – operating and NCB initiatives	(1,123,541)	(889,162)
	(7,789,436)	308,458

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

17. CONTINGENCIES

A number of legal claims have been filed against the Authority. An estimate of loss, if any, relative to these matters is not determinable at this time and no provision has been recorded in the accounts for these matters. In the view of management, the Authority's insurance program adequately addresses the risk of loss in these matters.

18. RELATED PARTY TRANSACTIONS

The Authority's related party transactions occur between the Government and other government entities. Other government entities are those who report financial information to the Government. Transactions between the Authority and related parties are conducted as arm's-length transactions.

The Authority handles payments for other government entities. As a result of these transactions, the Authority has a net asset (liability) of \$440,200 as of March 31, 2015 [2014 - nil].

Transfers from the Government consist of funding payments made to the Authority for both operating and capital expenditures. Transfers from other related government entities are payments made to the Authority from the Medical Care Plan and the Department of Transportation and Works. Transactions are settled at prevailing market prices under normal trade terms.

The Authority had the following transfers from the Government and other government controlled entities:

	2015	2014
	\$	\$
Transfers from the Government	154,233,963	141,408,554
Transfers from other government entities	20,495,701	21,136,267
	174,729,664	157,755,369

Transfers to other Government authorities include PSPP contributions of \$4,567,108 for the year ended March 31, 2015 [2014 - \$4,142,273].

LABRADOR-GRENFELL REGIONAL HEALTH AUTHORITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk factors

The Authority is exposed to a number of risks as a result of the financial instruments on its consolidated statement of financial position that can affect its operating performance. These risks include credit risk, interest rate risk and liquidity risk. The Authority's Board of Trustees has overall responsibility for the oversight of these risks and reviews the Authority's policies on an ongoing basis to ensure that these risks are appropriately managed. The source of risk exposure and how each is managed is outlined below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligation. The Authority's credit risk is primarily attributable to accounts receivable. The Authority has a collection policy and monitoring processes intended to mitigate potential credit losses. Management believes that the credit risk with respect to accounts receivable is not material.

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. The Authority is exposed to cash flow interest rate risk on its floating interest rate for the demand credit facility and interest rate fair value on its fixed term long-term debt.

Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they become due. The Authority is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and demand loan. To the extent that the Authority 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 Government, assuming these can be obtained.

20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified from statements previously presented to conform to the presentation adopted for the current year.

Front cover photo:

A wandering polar bear stops for a moment near Black Tickle, Labrador, while en route to the North.

Photo credit: Neil Williams

Additional photo credits

Christopher Patey (page 5)

Aurora Newspaper (page 14)

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