

ANNUAL BUSINESS REPORT

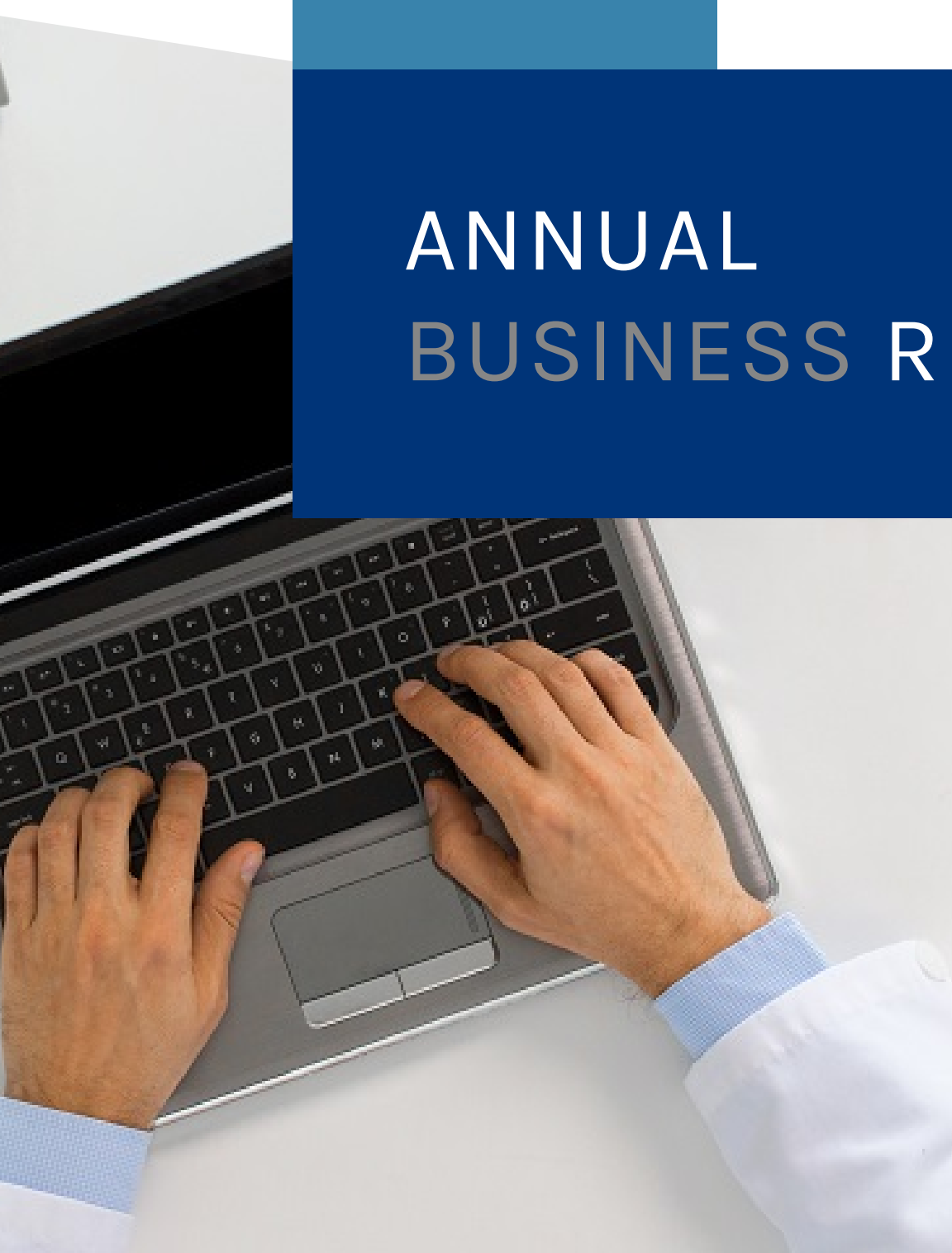


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Message from the Board Chair

On behalf of the Board of Directors, I am pleased to submit the Newfoundland and Labrador Centre for Health Information's 2019/2020 Annual Business Report. This report has been prepared according to the guidelines for Category 2 Government Entities per the **Transparency and Accountability Act**. The Board accepts accountability for the results outlined within the document.

Over the past three years, the Newfoundland and Labrador Centre for Health Information (the Centre) continued its commitment to support and enhance the provincial health care system, and in doing so, we have reached many important milestones.

Fiscal year 2019/2020 was a particularly momentous year for the Centre. In 2018, the Centre's mandate was broadened to include support of the regional health authorities in the delivery of information technology and eHealth services. In 2019/2020, the Centre began the transition to the new eHealth shared services model, establishing the foundation for the future of digital health in Newfoundland and Labrador. The Board of Directors views the accomplishments of this year as key enablers of success for both the Centre and the future of healthcare delivery in this province.

2019/2020 ended on an unusual note, with the onset of the COVID-19 Pandemic event, requiring the Centre to evolve, identify new innovations and re-prioritize activities to address the needs of Public Health, and our stakeholders and clients. Interest in, and demand for, health analytics and information to support more informed decisions has never been higher or more critical than it is today. The Centre is committed to using this opportunity to strengthen relationships with partners and build on successes achieved in 2019/2020 to continue to deliver on its mandate.

I extend my thanks to the members of our Board, executive team, employees and our stakeholders in the broader health system whose dedication to the work of the Centre shines through in the many accomplishments and successes we have been privileged to share in.

Sincerely,



Dr. Kris Aubrey-Bassler

Chairperson, Board of Directors

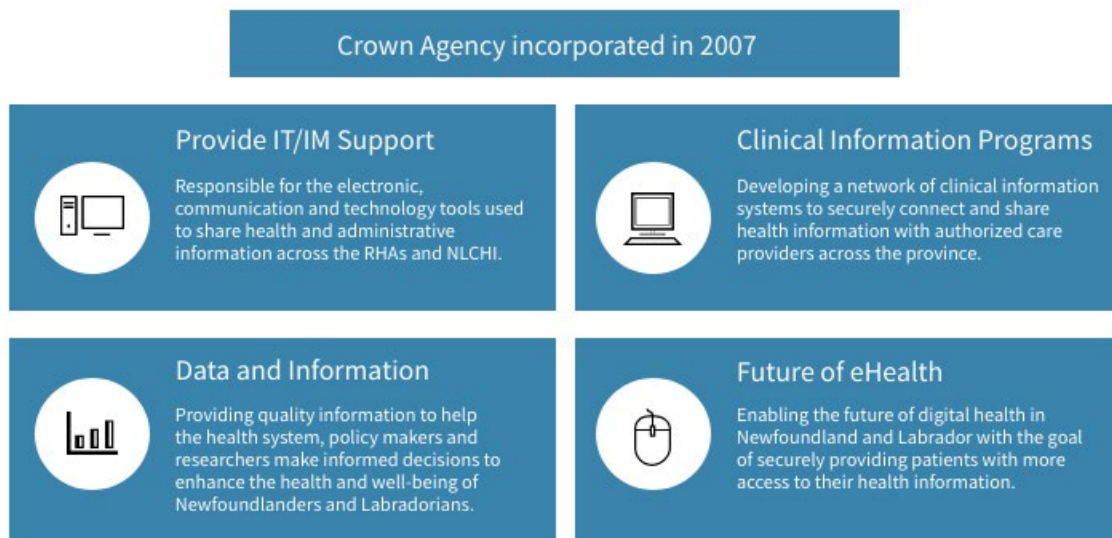
About the Centre for Health Information

The Newfoundland and Labrador Centre for Health Information (the Centre) provides quality information to health professionals, the public, researchers and health system decision-makers.

Through collaboration with the health system, the Centre supports improvements in the collection of data and use of information for individual and population levels of care, administration and planning; and provides analytics, evaluation and decision support services, supports health research, and maintains key health databases.

The Centre is also responsible for delivering provincial eHealth solutions and leading provincial eHealth services, combining technology and quality information to improve health care in Newfoundland and Labrador.

For more information about the Centre's mandate, vision, lines of business and primary clients, go to www.nlchi.nl.ca.



Number of Employees and Physical Location

The Centre is a provincial government crown agency, governed by a Board of Directors (Appendix A) and is structured into four departments: Data and Information Services; Clinical Information Programs and Change Leadership; Solutions and Infrastructure; and Corporate Services.

As of March 31, 2020, the Centre had 214 employees; 5 are members of our Executive Team. Most employees are based in the Centre's head office at 70 O'Leary Avenue (182) in St. John's, and the remainder at its Registry Integrity Unit in Bay Roberts (6) and at satellite offices across the province.



Our staff are allocated by department as follows: Data and Information Services (44), Clinical Information Programs and Change Leadership (81), Solutions and Infrastructure (61), and Corporate Services (28).

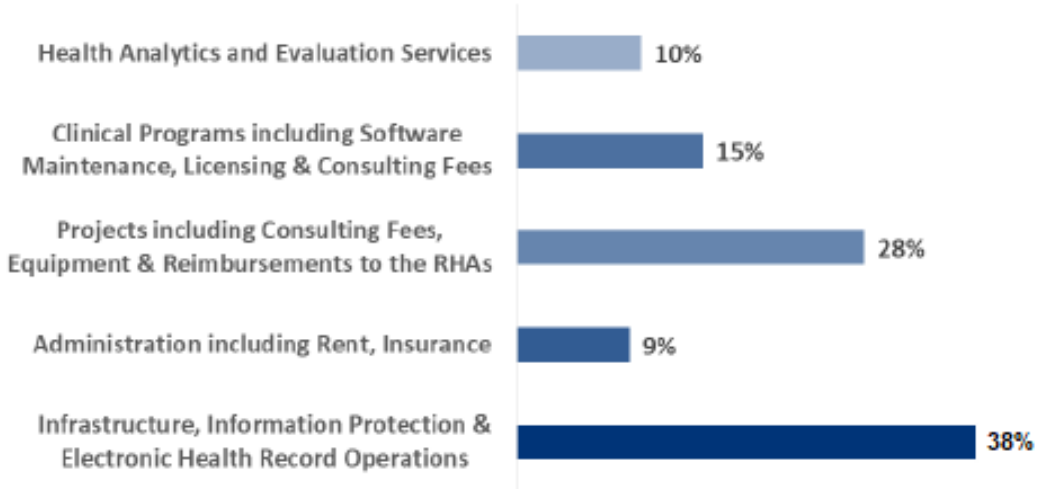


Financial Statements

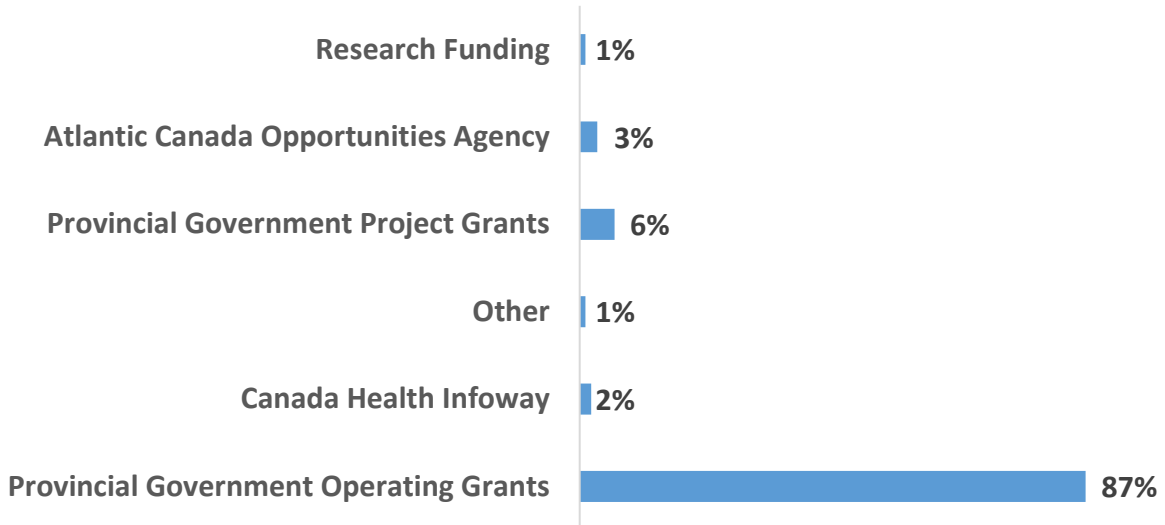
The Centre's revenues and expenses experience annual fluctuations due to project start and end dates, and according to the placement and achievement of funding for project milestones.

In fiscal year 2019/2020, the Centre's total revenue was \$57.17 million of which 87 per cent was a provincial operating grant, with the remaining 13 per cent coming from external research funding, capital funding from the Government of Newfoundland and Labrador and Canada Health Infoway for electronic health record (EHR) development, and from Atlantic Canada Opportunities Agency (ACOA) for various initiatives. Expenses for the fiscal year totaled \$56.8 million. A copy of the Centre's financial statements is located in Appendix B.

Expenses by Category



Revenue by Category



Highlights and Partnerships

The Centre is at the forefront of shaping the future of digital health in Newfoundland and Labrador. We are enabling the health system to evolve and grow in the face of ever changing technological and innovative opportunities. The Centre is facilitating the shift from paper to electronic records in physician offices, providing secure access to health information to assist with care, connecting patients

NLCHI is committed to improved health through quality health information.

and providers virtually, implementing electronic prescribing between a physician's office and a pharmacy and developing a robust and national leading health data platform that will provide a real-time provincial snapshot of our health system. The Centre developed and implemented the province's confidential and secure electronic health record (EHR) called HEALTHe NL, and is leading the provincial electronic medical record (EMR) program called eDOCSNL, both of which are undergoing continuous enhancement and improvement. HEALTHe NL is a private record of an individual's health care information, available electronically to authorized health care professionals. It supports patient care by giving health care providers access to essential information such as medical imaging, labs and medication profiles. eDOCSNL provides clinicians with a more complete patient record that informs their decision-making and supports better patient outcomes.

Highlights

eDOCSNL - Provincial EMR Program

The Centre is leading the implementation of Newfoundland and Labrador's Electronic Medical Record (EMR) Program (eDOCSNL). eDOCSNL is jointly governed by the Centre, Health and Community Services (HCS) and the Newfoundland and Labrador Medical Association (NLMA), and allows the Centre to work jointly with HCS and the RHAs to enable their primary health care strategies.



By March 31, 2020, a total of 432 physicians and 36 RHA primary health care clinics in all regions were using the EMR solution, and 362,823 patients had a record in EMR. As well, Canada's national e-prescribing service - PrescribeIT - is also

now available in Newfoundland and Labrador, with the first electronic prescriptions sent and received in Bonavista.

PrescribeIT makes prescribing easier and more convenient for prescribers, by enabling prescriptions to be sent directly from a doctor's office to the patient's pharmacy.

As a key objective of eDOCSNL, e-prescribing enables a direct link between prescribers and pharmacists that will help reduce medication errors, improve medication adherence and speed

up health care delivery. This e-prescribing service not only reduces errors when filling prescriptions, it also protects patient privacy, and improves patient safety and health outcomes, by reducing fraud and preventing abuse. The Centre is proud to be a partner of this national initiative and to help advance digital health in Newfoundland and Labrador.

Additionally, eDOCSNL began delivering a comprehensive suite of chronic disease management tools and took the lead in turning off paper results and stopping distribution of paper lab reports, eliminating the need for manual processing. With its integration to the provincial EHR, eDOCSNL clinicians have greater and more robust access to patient information in one location and are able to better serve the health needs of patients.

Implementing the Provincial eHealth Model

In 2018, the Centre's legislative mandate was changed to assume responsibility for all provincial eHealth functions including information technology, information management and decision support that reside in the four regional health authorities (RHAs) and combine them with the Centre to create one provincially focused eHealth organization. The objectives of the eHealth model are to strengthen health care technology; create efficiencies; improve health care delivery and patient safety; enhance system reliability; increase security and privacy; and, combine resources and expertise. As part of its new legislated mandate, the Centre assumed accountability for eHealth services delivered in the four RHAs on October 2, 2019.

In preparation for this event, the Centre worked with all of the RHAs to collaboratively restructure our organization and service delivery model to establish the foundation for the future of digital health in Newfoundland and Labrador. The Centre realigned provincial budgets, resources, accountabilities and responsibilities to ensure efficient and effective service delivery for all of our stakeholders. Equally important was establishing an organizational structure and culture that could be agile and flexible to respond to shifts in priorities and identify opportunities to foster and expand digital health in our province. By October 2019, all senior leadership and management roles were transitioned or filled, and the Centre began the task of aligning, and in some cases, establishing, provincial processes, policies and technologies.

Administering the Prescription Monitoring Program

Prescription monitoring programs can help improve drug prescribing, lower or prevent risks related to certain drugs, and can help identify patients who may be at risk of addiction. In 2018, the **Prescription Monitoring Act** came into effect, which designated the Centre as the administrators of Prescription Monitoring Program – NL (PMPNL). Under this Act, all prescribers who wished to prescribe a monitored drug were required to review their patient's medication profile in the provincial EHR, HEALTHe NL.

As part of the Centre's responsibilities, as administrators of the program and providing access to HEALTHe NL, 94 per cent of all prescribers in the province – including physicians, nurse practitioners and dentists – were connected to HEALTHe NL.

Information generated from PMPNL is shared back to clinicians to help promote appropriate prescribing and dispensing practices and to provide education. By the end of the Q1, 2019/2020 (at the end of the program's first year), there was an average of 4,602 fewer opioid prescriptions dispensed per month, compared to the previous year. And by the end of Q3, there was a 21 per cent decrease in patients receiving monitored drugs from multiple prescribers in a 30-day period.



HEALTHe NL Program (Provincial EHR) Expansion

In 2018, the Centre reached a significant milestone with the completion of the provincial EHR, HEALTHe NL. This province now has one of the most comprehensive EHRs in Canada. As of March 31, 2020, more than 9,300 authorized health care providers had been given access to a HEALTHe NL account, up from 8,358 at the end of March 2019.

As well, the eOrdering system for the Vascular Lab, St. Clare's Mercy Hospital is now available within HEALTHe NL. It is the result of a collaborative effort through a partnership with Quality of Care NL (MUN) and Eastern Health, and is governed through the HEALTHe NL Advisory Committee.

This new functionality allows for the prioritization, submission and booking of Vascular Lab Imaging Appointments. It offers a number of benefits to both physicians and patients, including a reduction in unnecessary testing, decreased wait times for patients, removal of fax machines from the referral process to improve efficiency, and automatic appointment bookings. The eOrder system saves physicians' time and improves patient safety and access to vascular procedures.

With approximately 4,500 patients seen annually at the Vascular Lab, eOrdering is an important step toward enhancing patient access to care, supporting timely decision-making, improving patient outcomes, and creating efficiencies within the healthcare system.

eHealth Privacy and Security Improvements and Vigilance

The Centre is committed to protecting the privacy of personal health information, while providing appropriate, reliable, secure access to that information, enabling improved health outcomes and a healthier population. The Centre's mandate is to make personal health information more accessible to the right people at the right time, and the organization is guided and directed by strict adherence to privacy and security in compliance with the **Personal Health Information Act**.

In 2019/2020, to support and maintain optimal privacy and security of health information, the Centre continued to execute its auditing framework and formal privacy and security risk assessments of all IT solutions. As part of the eHealth Model, the Centre is developing provincial frameworks for privacy and security. The Centre also conducted a cybersecurity risk

assessment, enhanced EHR user management processes, and completed development of Data Lab privacy and policy framework.

Partnerships

The Centre works with the Department of Health and Community Services and the four RHAs to develop, implement and manage health information standards and provincial health information systems such as the provincial EHR and EMR. The Centre also regularly provides quality health information to support them in meeting their respective mandates, goals and objectives.

The Centre partners with several stakeholders to achieve its strategic and operational goals within its mandate. These partnerships are essential to the Centre's success and include Canada Health Infoway, Canadian Institute for Health Information, Atlantic Canada Opportunities Agency, Digital Health Canada, regulated health professions and other provincial bodies, including the Office of the Chief Information Officer, Vital Statistics Division of Service NL and Office of the Information and Privacy Commissioner (OIPC).

Some of the partners the Centre collaborated with during 2019/2020 include:

Health and Community Services (HCS)

During 2019/2020, the Centre continued to provide analytic and evaluation services to HCS. It used a variety of health system data to develop indicators and generate information to support provincial strategies and plans such as the Chronic Disease Action Plan, Towards Recovery: Mental Health and Addictions Action Plan, Emergency Department Wait Time Strategy, and Opioid Action Plan. The Centre continued work to develop and produce indicators in key areas (e.g. opioid overdose, chronic obstructive pulmonary disease, stroke, and health system performance) for regular measuring and monitoring in support of a sustainable health system and better health for the people of the province.

The Centre supported HCS in executing key objectives relating to health analytics and made advancements towards an enhanced health analytic environment for the province. This included assessing existing capacity within the province for analytics to identify opportunities to maximize effectiveness; adding datasets to a linked provincial data repository; building an online portal to facilitate secure access to provincial data and information in data lab environments; enhancing and utilizing newly developed metadata repository to capture important information required to appropriately use and manage provincial health data; utilizing Business Intelligence tools to create dashboards for Public Health and other stakeholders; and reviewing data access procedures across the health system to identify opportunities for improving access to provincial health data for research.

The Centre also played a role in providing information, predictive analytics and dashboards to support HCS during the early days of the COVID-19 pandemic. In addition, the Centre provided solutions including mapping COVID-19 cases and expanding the Mental Health and Addictions portal "Bridge the Gapp" for provincial, Atlantic Canadian and national utilization.

Regional Health Authorities

In 2019/2020, the Centre provided analytic and evaluation support to the RHAs, partnered with Eastern Health on their Living Lab initiative, and worked with all of the RHAs to develop a provincial portfolio of digital health projects. Just prior to the COVID-19 pandemic event, there were 119 projects in the IT & IM project inventory. The Centre is committed to delivering these projects to our stakeholders as we enhance the health care system via digital health.

During the beginning of the COVID-19 pandemic event, the Centre played a critical role in supporting a number of RHA priorities, including: mapping COVID-19 cases by RHA, RHA-specific daily occupancy dashboards; PPE electronic ordering form; COVID-19 Employee Management Tool, tracking employees who tested positive/were self-isolating; and virtual care, allowing clinicians to safely host virtual appointments with patients.

Family Practice Renewal Program

This program is governed by the Family Practice Renewal Committee (FPRC) with membership from Newfoundland and Labrador Medical Association, HCS, and the RHAs. Working in conjunction with this program team and in support of their Quality Improvement initiative (MyQ Program), the Centre was able to advance their internal quality initiatives that improve the use, adoption and value of eDOCSNL EMR in the family practice setting, by adapting clinic workflows to EMR-based practice, and supporting professional development in electronic documentation, to optimize patient care and increase physician engagement and satisfaction.

Research Partners

In 2019/2020, the Centre continued to support research within the province. Data extraction, linkage and analytical services were provided to Memorial University researchers for various initiatives. This included researchers affiliated with the Translational and Personalized Medicine Initiative and its Quality of Care NL/Choosing Wisely NL initiative, the Primary Healthcare Research Unit, as well as other faculties and departments. The Centre has also been working with the Health Research Ethics Authority, HCS, and the RHAs to develop a data navigation service for researchers that will improve efficiency and mitigate risks to privacy.

The Centre is also part of the Pan-Canadian Real-World Health Data Network which has received funding from Canadian Institutes of Health Research for the Strategy for Patient-Oriented Research Canadian Data Platform.

The Centre is also working with Memorial University, Eastern Health, IBM, and the University of Toronto to produce information to inform the Provincial Government, Public Health, and the Regional Health Authority's response to COVID-19 management, health system planning, and the health care services available.

Canada Health Infoway (Infoway)

Canada Health Infoway is a federally-funded, independent, not-for-profit organization that invests with public sector partners to accelerate EHR development across Canada. Infoway provides joint funding with HCS for provincial EHR projects, facilitates knowledge transfer with other jurisdictions and supports project planning. It is also a key partner in developing the provincial EMR program.

In fiscal 2019/2020, Infoway provided funding of \$1 million to the Centre toward the Access Atlantic project to put in place the necessary resources and to begin planning exercises to identify initiatives, improve access to health care, and drive economic growth through digital health. ACCESS Atlantic is a collaboration between New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Infoway, with the goal of leveraging resources in the region to deploy and scale technological solutions in health care delivery.

ACCESS Atlantic will support patient-centred care by modernizing the infrastructure used to manage information and empowering patients with access to their own health information. It is also the driving force behind implementing the electronic prescribing service, PrescribeIT.

Atlantic Canada Opportunities Agency (ACOA)

ACOA is a federally-funded agency established to support and promote opportunities for economic development in Atlantic Canada, with particular emphasis on small and medium-sized enterprises, through policy, program and project development and implementation, and through advocacy of the interests of Atlantic Canada in national economic policy, program and project development and implementation.

ACOA provided funding of \$2 million to the Centre in May 2019 to continue with phase II of Data Lab development (Data Lab 2.0), leveraging investments and infrastructure established in phase I for further contribution to the national agenda for development of the Electronic Health Record with the first provincial client registry designed and implemented for the Electronic Health Record.

Report on Performance

The following section of the annual report focuses on progress of the goals and objectives related to the three strategic issues identified in the 2017/2020 Business Plan, including the initiatives and activities undertaken in 2019/2020.

Strategic Issue 1: Health Information

Delivering quality health information is the core of the Centre's mandate and is reflected in the mission statement. The Centre recognizes that quality health information is essential to improving efficiency and effectiveness of health care delivery. The Centre is committed to expanding and enhancing technology solutions to deliver quality health information.

The Centre plays a vital role in enabling private, secure access to health information for clinicians, clients and managers of health services, as well as policy and decision-makers within government. The Centre understands it is imperative to remain vigilant in the protection of personal health information, while providing secure, reliable and appropriate access to that information, enabling improved health outcomes and a healthier population.

Goal 2017-2020	By March 31, 2020, the Centre will have increased stakeholder access to reliable, relevant, quality information that protects privacy and supports a sustainable health system.
Indicators 2017-2020	<ul style="list-style-type: none">• Provided quality health information and progressive tools.• Completed the Data Warehouse Project.• Protected the privacy of health information.• Continued to monitor our systems to ensure security and reliability.

GOAL 1 PLANNED FOR 2017/2020	GOAL 1 ACTUAL FOR 2017/2020
<p>Provided quality health information and progressive tools.</p>	<ul style="list-style-type: none"> • Developed an indicator dashboard for regular public reporting related to COPD. • Developed performance monitoring reports to support work in the areas of Alternate Level Care, Emergency Department and Medical Imaging. • Developed indicators and generated information to support provincial strategies and plans such as the Chronic Disease Action Plan and the Towards Recovery: Mental Health Addictions plan. • Facilitated implementation of provincial Indigenous Administrative Data Identifiers in collaboration with HCS and stakeholder groups.
<p>Completed the Data Warehouse Project.</p>	<ul style="list-style-type: none"> • Data Lab and Data Warehouse Expansion projects were completed. • Developed secure environment for internal/external access to Data Warehouse and initiated pilot project to provide access to external users.
<p>Protected the privacy of health information.</p>	<ul style="list-style-type: none"> • Completed stakeholder consultations, documented current state of secondary use of personal health information. • Implemented risk review for PIAs and TRAs to ensure accountability. • Formal risk assessments of all IT solutions have been completed.
<p>Continued to monitor our systems to ensure security and reliability.</p>	<ul style="list-style-type: none"> • NLCHI executed its auditing framework and formal security risk assessments of all IT solutions. • NLCHI completed privacy enhancement and security training for all staff, and collaborated with public and private partners to advance the privacy and security environment in Newfoundland and Labrador. • Completed full IT asset inventory.

Year Three Objective

By March 31, 2020, the Centre will have continued to monitor systems and processes to ensure privacy, security and reliability of health information.

PLANNED FOR 2019/2020	ACTUAL FOR 2019/2020
<p>Piloted a provincial intake and consultation process for data access.</p>	<ul style="list-style-type: none"> • Worked collaboratively with the four regional health authorities and the Health Research Ethics Authority to align review processes across organizations. • Developed and implemented an intake email address for all data requests (DataAccess@nlchi.nl.ca). • Developed and implemented a common provincial application form. • Developed a communications plan and implementation strategy for the data navigation service/provincial intake process.
<p>Developed procedures and processes to implement a metadata solution.</p>	<ul style="list-style-type: none"> • Procedures and processes were developed to implement a metadata solution, that is being utilized internally, including in the development of information and materials for the Data Lab Portal, with further operationalization planned. • Operating procedures are under development as the solution will be transitioned into operations. • Staff training was completed related to the use and integration of a complementary metadata tool (SAP Information Steward) within the data warehouse.
<p>Developed metrics and processes to measure quality of data elements.</p>	<p>This indicator was achieved; the following actions were completed:</p> <ul style="list-style-type: none"> • Developed VIMO (Valid, Invalid, Missing and Outlier) SAS process flows to measure the quality of data elements and identify quality issues. • Completed training in Information Steward, a SAP product, which allows for data validation and monitoring through scorecards, and metadata products.
<p>Assessed and revised the data model for Drug Information System data.</p>	<ul style="list-style-type: none"> • Drug Information System (DIS) data model was assessed and revised. • Standard data documentation templates and tools, including data models, data mapping documents and dictionaries, file load specifications and related operating and maintenance procedures, were developed and populated for various datasets consolidated in the data repository, including the DIS data.
<p>Advanced implementation of the Data Warehouse Project.</p>	<ul style="list-style-type: none"> • An online portal was designed and built to enable access to the Data Lab environments. In addition to providing secure data access, the portal serves to educate users on the role of the Data Lab, as well as services and data available. • Additional datasets were added to the Data Warehouse area of the Data Lab, and audit reports were developed to track data access. • Business Intelligence (BI) tools were utilized to create dashboards of varying complexity and were made securely available to a range of user groups. • The Research and Evaluation (R&E) environment has been designed, built and configured with both high availability and disaster recovery functionality. A pilot was initiated and is currently underway. • The App Dev Environment is being utilized to support a critical component of a provincial clinical program. Work is on-going to further develop this environment into a space for external app developers to access data.

Discussion of Results

Data Warehouse will enhance existing analytics services to the health system and introduce new services and opportunities for economic development in the province by creating an environment for private sector researchers and innovators to securely work with health data. This enabled continued development work required to extract more value from provincial health data and facilitate health system management, research, innovation and economic development. At the end of the Data Lab 2.0 project, services are being delivered to an expanding client base and advancement has been made towards further expansion of Data Lab service offerings and commercialization opportunities.

Strategic Issue 2: System and Process Improvements

The Centre has a unique role in supporting health care delivery and enabling access to more and better health information for clinicians and policy and decision-makers. Partnerships with health system stakeholders throughout the province are essential to ensuring alignment of priorities, efficient utilization of resources, and for driving system and process improvements.

As part of “The Way Forward” commitment to expand primary health care delivery, the Centre continued to support the establishment of primary health care teams through the implementation of the provincial EMR eDOCSNL program. The Centre actively worked on similar initiatives in partnership with the RHAs and other health system stakeholders to achieve efficiencies through improved delivery of health and community services.

Goal 2017-2020	By March 31, 2020, the Centre will have increased partnerships with stakeholders that enable alignment of priorities and proactively identify solutions that connect our services with their needs.
Indicators 2017-2020	<ul style="list-style-type: none">• Implemented a strategy for purposeful, targeted engagement.• Continued to collaborate with our partners.• Identified opportunities to increase health system efficiency.• Listened to stakeholders and responded to their needs.

GOAL 2 PLANNED FOR 2017/2020	GOAL 2 ACTUAL FOR 2017/2020
Implemented a strategy for purposeful, targeted engagement.	<ul style="list-style-type: none"> • Developed and implemented a number of communications and stakeholder relations action plans to respond to a variety of opportunities, new initiatives and the growing role of the Centre. • Developed social media action plan and corporate newsletter to increase awareness among stakeholders of the Centre's activities. • Proactively engaged stakeholders and participated in several health care professional events (Family Practice Renewal, PANL, Janeway Hospital Kids Rock, MUN, etc.). • Established Strategic Engagement Committee to incorporate stakeholders' priorities into eHealth strategy from ancillary committees.
Continued to collaborate with our partners.	<ul style="list-style-type: none"> • eDOCSNL is deployed in over 300 FFS clinics and several PHC sites across the province under the joint governance of the Centre, Health and Community Services and the NL Medical Association. • Completed Multi-Jurisdictional Telepathology project, collaborating with Manitoba Health and University Health Network. • NLCHI partners with the HCS, the RHAs and a number of professional organizations to achieve its objectives, including NLMA, PANL, Family Practice Renewal Program and Quality of Care/Choosing Wisely NL, in addition to Canada Health Infoway, Canadian Institute for Health Information, Atlantic Canada Opportunities Agency, and Digital Health Canada.
Identified opportunities to increase health system efficiency.	<ul style="list-style-type: none"> • The Centre began the organizational transition to the provincial eHealth shared services model to create an efficient, effective and integrated provincial eHealth system. • Established eHealth Executive Advisory Committee providing oversight to a number of program and stakeholder advisory subcommittees. • Provided Multi-Jurisdictional Telepathology solution to pathologists throughout Newfoundland and Labrador, that enables them to directly consult with pathologists in Manitoba and at the United Health Network in Ontario.
Listened to stakeholders and responded to their needs.	<ul style="list-style-type: none"> • Identified priority HEALTHe NL initiatives for new and existing stakeholders including eOrdering, patient in context through Meditech, eConsult, access for Saint-Pierre and Miquelon health providers, organ donor flag, and cancer screening tab, and added them to our Project Roadmap. • Completed 11 consultation sessions including 57 external stakeholders to better understand and gather requirements for interacting with data and information in the data lab. • Expanded adoption of HEALTHe NL to occupations, such as dentists and social workers in LTC facilities.

Year Three Objective

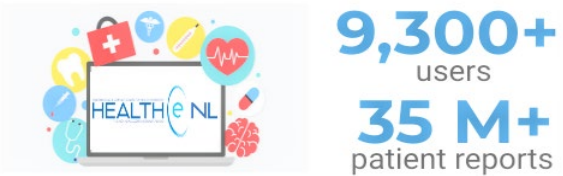
By March 31, 2020, the Centre will have implemented processes that enable proactive and anticipatory solutions that align with stakeholders' priorities.

PLANNED FOR 2019/2020	ACTUAL FOR 2019/2020
Increased HEALTHe NL active use and expanded adoption to include other health care providers (e.g. Chiropractors).	<p>The occupations that have been added during 2019/2020 are:</p> <ul style="list-style-type: none"> • Long Term Care - Social Worker; • Recreation Specialist; • Dashboard User; • Provincial Archiving Admin; • MRI Technologists; • Clerk – Ward, Administrative, I, II, etc.; and • Dentist and Oral Surgeon.
Increased adoption of HEALTHe NL by 2,500 new accounts.	<ul style="list-style-type: none"> • This was not achieved. The number of new signed-up users for the period 2019/2020 are 983. See “Discussion of Results” below for further information.
Incorporated HEALTHe NL training in the MUN School of Nursing curriculum.	<ul style="list-style-type: none"> • This is still ongoing. A demo was provided to the head of the Nurse Practitioner’s Program and their students, but future discussions around building this access into the program are ongoing, and onboarding processes need to be determined. • The main Registered Nurse’s program will be engaged when the school reopens. Collaborative work in progress.
Implemented an expanded governance structure to support the new Provincial eHealth Model.	<ul style="list-style-type: none"> • Established eHealth Executive Advisory Committee providing oversight to a number of program and stakeholder advisory subcommittees. • Established Strategic Engagement Committee to incorporate stakeholders’ priorities into eHealth strategy from ancillary committees (e.g., eDOCSNL (EMR) Management Committee, Provincial Pharmacy, Family Practice Renewal and EH Living Lab, and others).
Aligned NLCHI strategic planning process with key health system stakeholders.	<ul style="list-style-type: none"> • During the strategic planning process, NLCHI heard from over 200 stakeholders, representing 18 different stakeholder groups, via three engagement sessions, and a staff survey. • We held targeted engagement sessions for both patients and physicians. • Two of our sessions were facilitated by the Office of Public Engagement. • As well, NLCHI hosted the Health Analytics Summit and participated in the RHAs’ strategic planning processes.
Led eHealth model transition activities to support the implementation of a provincial eHealth solution delivery (projects) approach.	<ul style="list-style-type: none"> • Completed recruitment and onboarding of management team, with orientation in Fall 2019. • Implemented new organization structure. • Developed plan for onboarding unionized staff. • Completed financial transition of IT/IM assets and applications. • Completed transition financial reporting.
Developed an eHealth safety program and framework.	<ul style="list-style-type: none"> • Framework has been developed and program was established, but program implementation is ongoing; education and policy development are next steps. • NLCHI now incorporates patient safety proactively at the beginning of all projects and initiatives. • Developed eHealth Safety (Patient Safety) section to be included in the standardized documents used by teams so that it is integrated into the process.

Discussion of Results

The Centre continued to increase awareness of HEALTHe NL via ongoing promotions, sponsorships, speaking engagements, health care events, social media postings and training sessions with clinicians, in an effort to increase active use. However, the Centre was unable to meet our target adoption numbers this year, in part due to changes in resourcing as a result of the eHealth transition. As well, the target was based on last year’s adoption numbers, which were inflated due to the Prescription Monitoring Program deadline, so not representative of a realistic goal.

Despite the lower adoption rate, there are still over 9,300 users of HEALTHe NL and it contain more than 35 million patient reports.



Strategic Issue 3: Innovative Solutions

The Centre recognizes it is uniquely positioned to identify and deliver dynamic and innovative solutions necessary to enable the province to achieve its key healthcare objective of improved health outcomes. The Centre has completed the provincial EHR, HEALTHe NL, which gives clinicians access to laboratory and clinical reports, diagnostic imaging and complete prescription profiles from the Pharmacy Network, a historical first for Newfoundland and Labrador.

The Centre will continue to deliver more practical, sustainable and innovative solutions over the next few years.

Goal 2017-2020	By March 31, 2020, the Centre will have turned strategies into actions and implemented solutions that achieve results and are feasible, practical and sustainable.
Indicators 2017-2020	<ul style="list-style-type: none"> • Implemented practical solutions to critical issues. • Focused solutions on outcomes. • Used tools in innovative ways. • Expanded and enhanced services to support health system management.

GOAL 3 PLANNED FOR 2017/2020	GOAL 3 ACTUAL FOR 2017/2020
Implemented practical solutions to critical issues.	<ul style="list-style-type: none"> • eDOCSNL successfully implemented into Eastern Health’s primary care clinics in Bonavista and Burin and primary care clinics across the province. • Implemented the Provincial Prescription Monitoring Program (PMP) in partnership with HCS and signed on all prescribers of narcotics and opioids to HEALTHe NL in accordance with the Prescription Monitoring Act. • eOrdering process for vascular lab went live in November, 2019.
Focused solutions on outcomes.	<ul style="list-style-type: none"> • HEALTHe NL gives authorized health care professionals greater access to important patient information and supports safer, better quality health care and improves outcomes for patients. • Online mapping tools were developed for influenza immunization clinics and naloxone kit distribution sites, facilitating access to services, and supporting the outcome of improved population health.
Used tools in innovative ways.	<ul style="list-style-type: none"> • Access to electronic health record and Client Registry integrated directly into eDOCSNL. • Implemented eOrdering, HEALTHe NL patient in context through Meditech, eConsult, HEALTHe NL access for Saint-Pierre and Miquelon health providers, organ donor flag in HEALTHe NL, access to myCCath from HEALTHe NL, and access to iScheduler, a Telehealth scheduling application.
Expanded and enhanced services to support health system management.	<ul style="list-style-type: none"> • The Centre conducted or supported a number of evaluations of provincial programs and initiatives including the Automated Appointment Notification Reminder System, Tobacco Cessation Program for Individuals with Low Income, the Prescription Monitoring Program-NL and Towards Recovery: Mental Health and Addictions Action Plan. • Developed and implemented an external data access solution that will enable multiple user groups to access data in the data warehouse (secure environment).

Year Three Objective

By March 31, 2020, the Centre will have continued to add user-driven functionality to existing systems.

PLANNED FOR 2019/2020	ACTUAL FOR 2019/2020
Implemented the eDOCSNL EMR solution in 300 FFS physician practices.	<ul style="list-style-type: none"> 300 FFS target was met in Q3 2019/2020.
Developed and implemented an eOrdering process for the vascular lab at Eastern Health (St. Clare's Mercy Hospital).	<ul style="list-style-type: none"> eOrdering process for vascular lab went live in November, 2019.
Implemented technology to provide stakeholders secure access to interactive dashboards via the internet.	<ul style="list-style-type: none"> Designed and built a two-factor authentication gateway for BI users to securely access interactive dashboards; this can be accessed via the url analytics.healthenl.ca.
Developed a portal to provide stakeholders with information on data and information services and centralized data access.	<ul style="list-style-type: none"> A Data Lab Access Portal has been designed and configured to enable access to environments and provide users with functionality to browse a data catalogue as well as explore other Data Lab services.

Discussion of Results

While the original objective of the eDOCSNL program was to implement the EMR solution in 300 FFS physician practices, the program has expanded to include salaried physicians and nurse practitioners. As a result of this expansion to the program, an additional 148 deployments were completed in 2019 (family physicians and nurse practitioners) to 65 sites, including Primary Health Care sites in Stephenville, St. Mary's and Botwood.



Opportunities and Challenges

Some of the opportunities and challenges the Centre encountered during 2019/2020 in pursuit of its mandate include:

Opportunities

- eHealth Shared Services Model (legislative change announced by Government (GNL) in 2018 and implemented this year) and our expanded mandate brings together a team of eHealth experts. This team of experts enables the Centre to meet the requirements of the health industry in Newfoundland and Labrador to move the digital side of health care ahead. This enables decision makers at the front line, and at the policy level, to have access to expanded and real-time information for decision making. This was highlighted during the COVID-19 pandemic event.
- Enabling the citizens of the province with digital access to the healthcare system. Clinical research shows the more educated and involved a patient is it enables clinical care. NLCHI has begun offering digital tools to the citizens of Newfoundland and Labrador. This work aligns with the digital government strategy of the Government of Newfoundland and Labrador along with the business plan 2020-23 NLCHI has developed.
- Enabling the expansion of digital tools for the mental health, this enables the HCS Plan of “Towards Recovery: A Vision for a Renewed Mental Health and Addictions System for Newfoundland and Labrador”.
- Enable public health leadership with front line digital clinical tools for pandemic management. This aligns with the 2020-23 NLCHI strategic business plan.
- Enable digital tools for existing paper processes within the province's health care system. Examples being referrals from primary care to physician specialty services.
- Enable digital tools for primary care reform, this aligns with the HCS Healthy People, Healthy Families, Healthy Communities: A Primary Health Care Framework for Newfoundland and Labrador.
- eHealth Shared Services model allowed us to immediately realize efficiencies in the reduction of redundant processes and services.
- Increasing the data holdings of the Centre enables a broader scope of analytic work, in support of health care and health system management.
- Enabling approved private access to this anonymized data introduces economic development opportunities within Newfoundland and Labrador for such areas as research, artificial intelligence growth and local health technology companies to experiment.

- COVID-19 pandemic event gave us an opportunity to demonstrate our leadership and problem-solving skills, by providing information dashboards and reports to Public Health.
- The Centre enabled clinicians to provide services to patients remotely, patients to access negative test results through a patient portal and healthcare administrative staff to work from home.
- The Centre is continuing to facilitate the development and adoption of health information standards to increase consistency, usability and sharing of health data within the province.
- The Centre's ability to leverage continued collaboration of the EMR Management Committee to expand adoption and functionality of that provincial program (eDOCSNL). This work enables the continued work for the primary care action plan to move forward.
- Supporting HCS and RHAs decision-making processes by maintaining the Chronic Disease Registry.

Challenges

- The biggest challenge the Centre faced this year was working through the organizational and provincial re-structuring process to transition the Centre to the eHealth Shared Services model. This transition, years in the planning process, was largely implemented mid-year, requiring transfer and alignment of budgets, staff, assets and responsibilities, in addition to a full rework of our organizational structure and service delivery model.
- The establishment of governance, custodianship and operational structures to ensure the Centre meets the required eHealth needs of its stakeholders: the four RHAs, HCS, and other sectors of health care, such as retail pharmacies and private physician practices.
- Ensuring private, secure and confidential information management processes are maintained in an ever-evolving environment focused on data analytics expansion, while cybersecurity risks increase.
- Ensuring fiduciary responsibilities while the Centre meets the requirements of new eHealth solution development.
- An added challenge near the end of the year was the onset of the COVID-19 pandemic event, which significantly impacted our resources and our priorities. Many projects had to be put on hold so resources could be re-deployed to support our stakeholders. As well, there was a disruption to our normal operations that continued into the following year.

Appendix A: The Board of Directors

In keeping with the **Centre for Health Information Act, 2018**, the Centre is governed by a Board of Directors. Individuals are appointed to the Board by the Lieutenant-Governor in Council for a three-year term and can continue to serve as director until re-appointed or replaced. The following individuals comprise the Centre's Board of Directors as of March 31, 2020:

Dr. Kris Aubrey-Bassler, Chairperson	Allan Bradley	Allan Kendall
Pat Coish-Snow, Co-Chairperson	Elyse Bruce	Shaun Bugden
Pamela Anstey	Tom Bursey	Dr. Margaret Steele
Cassie Chisholm	David Heffernan	David Thornhill
	Cynthia Holden	Ted Howell

The Centre thanks Angela Power and Michael Harvey, whose terms on the Board ended in 2019. Sincerest appreciation is extended to both Angela and Michael for their contributions to the Centre and its mandate.

Appendix B: Financial Statements

Newfoundland and Labrador Centre for Health Information

**Financial Statements
For the Year Ended March 31, 2020**

Newfoundland and Labrador Centre for Health Information

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For the Year Ended March 31, 2020

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Statement of Responsibility

The accompanying financial statements are the responsibility of the management of the Newfoundland and Labrador Centre for Health Information (the "Centre") and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

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

The Finance and Audit Committee met with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

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



Chair



Director

Independent Auditor's Report

To the Directors of the Newfoundland and Labrador Centre for Health Information

Opinion

We have audited the financial statements of Newfoundland and Labrador Centre for Health Information (the "Centre"), which comprise the statement of financial position as at March 31, 2020, the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Comparative Information

The financial statements of Newfoundland and Labrador Centre for Health Information as at, and for the year ended March 31, 2019, were audited by another auditor who expressed an unqualified opinion on those financial statements on June 19, 2019.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Centre's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

BDO Canada LLP

Chartered Professional Accountants

St. John's, Newfoundland and Labrador
June 17, 2020

Newfoundland and Labrador Centre for Health Information
Statement of Financial Position
March 31, 2020

	<u>2020</u>	<u>2019</u>
Financial Assets		
Cash and cash equivalents	\$ 19,040,528	\$ 16,048,775
Accounts receivable (Note 2)	<u>2,155,752</u>	<u>3,698,266</u>
	<u>21,196,280</u>	<u>19,747,041</u>
Liabilities		
Accounts payable and accrued liabilities (Note 3)	11,812,710	5,292,280
Deferred revenue	15,658,540	16,355,806
Accrued paid leave (Note 4)	3,648,676	2,133,530
Accrued severance pay (Note 5)	42,039	230,683
Accrued sick leave (Note 6)	<u>580,700</u>	<u>613,700</u>
	<u>31,742,665</u>	<u>24,625,999</u>
Net Debt	<u>(10,546,385)</u>	<u>(4,878,958)</u>
Non-Financial Assets		
Tangible capital assets (Schedule 1)	11,231,615	14,077,739
Inventory	586,666	18,871
Prepays	<u>6,315,119</u>	<u>3,117,812</u>
	<u>18,133,400</u>	<u>17,214,422</u>
Accumulated Surplus	<u>\$ 7,587,015</u>	<u>\$ 12,335,464</u>

COVID-19 (Note 10)

Approved on behalf of the Centre:



Chair



Director

**Newfoundland and Labrador Centre for Health Information
Statement of Operations and Accumulated Surplus
For the Year Ended March 31, 2020**

	2020 Budget (Note 9)	2020 Actual	2019 Actual
Revenue			
Grants			
Atlantic Canada Opportunities Agency	\$ 1,859,500	\$ 1,670,834	\$ 6,888,777
Canada Health Infoway	1,000,000	1,313,135	1,259,187
Government of Newfoundland and Labrador - severance (Note 5)	-	-	1,852,389
Government of Newfoundland and Labrador	50,078,437	50,110,615	24,204,691
Research	562,600	450,210	501,590
Interest	400,000	410,173	346,231
Other projects	3,944,900	3,219,907	3,763,828
	<u>57,845,437</u>	<u>57,174,874</u>	<u>38,816,693</u>
Expenses (Schedule 2)			
Administration	4,580,714	3,539,401	3,085,526
Clinical Programs	10,514,974	9,204,543	5,504,895
Infrastructure, Information Protection and EHR Operations	33,210,590	33,837,911	13,807,536
Projects	5,133,024	5,794,011	10,166,049
Health Analytics and Evaluation Services	3,931,335	3,883,414	3,611,341
COVID-19 (Note 10)	-	557,021	-
	<u>57,370,637</u>	<u>56,816,301</u>	<u>36,175,347</u>
Annual Surplus Before Other Expenses	474,800	358,573	2,641,346
Other Expenses			
Amortization of capital assets (Schedule 1)	4,207,209	4,175,488	4,694,262
Regional Health Authority vacation pay (Note 4)	-	931,534	-
Loss on severance settlement (Note 5)	-	-	541,096
	<u>(3,732,409)</u>	<u>(4,748,449)</u>	<u>(2,594,012)</u>
Annual Deficit	(3,732,409)	(4,748,449)	(2,594,012)
Accumulated Surplus, Beginning of Year	12,335,464	12,335,464	14,929,476
Accumulated Surplus, End of Year	<u>\$ 8,603,055</u>	<u>\$ 7,587,015</u>	<u>\$ 12,335,464</u>

Newfoundland and Labrador Centre for Health Information
Statement of Net Debt
For the Year Ended March 31, 2020

	2020 Budget (Note 9)	2020 Actual	2019 Actual
Annual Deficit	<u>\$ (3,732,409)</u>	<u>\$ (4,748,449)</u>	<u>\$ (2,594,012)</u>
Acquisition of tangible capital assets	(494,500)	(1,329,364)	(2,178,779)
Amortization of tangible capital assets	4,207,209	4,175,488	4,711,611
Loss on disposal of tangible capital assets	-	-	43,825
Increase in inventory	-	(567,797)	2,723
Increase in prepaids	-	(3,197,305)	(308,879)
	<u>3,712,709</u>	<u>(918,978)</u>	<u>2,270,501</u>
Change in Net Debt	(19,700)	(5,667,427)	(323,511)
Net Debt, Beginning of Year	<u>(4,878,958)</u>	<u>(4,878,958)</u>	<u>(4,555,447)</u>
Net Debt, End of Year	<u>\$ (4,898,658)</u>	<u>\$ (10,546,385)</u>	<u>\$ (4,878,958)</u>

Newfoundland and Labrador Centre for Health Information
Statement of Cash Flows
For the Year Ended March 31, 2020

	<u>2020</u>	<u>2019</u>
Operating Transactions		
Annual deficit	\$ (4,748,449)	\$ (2,594,012)
Items not affecting cash:		
Amortization of tangible capital assets	4,175,488	4,711,611
Loss on disposal of tangible capital assets	-	43,825
Changes in non-cash items:		
Decrease (increase) in accounts receivable	1,542,515	(51,715)
Increase (decrease) in accounts payables and accrued liabilities	6,520,428	(2,756,966)
Increase (decrease) in deferred revenue	(697,266)	920,956
Increase in accrued paid leave	1,515,146	298,656
Decrease in accrued severance pay	(188,644)	(1,395,262)
Decrease in accrued sick leave	(32,997)	(2,600)
Increase in inventory	(567,797)	2,723
Increase in prepaids	(3,197,307)	(308,877)
	<u>4,321,117</u>	<u>(1,131,661)</u>
Capital Transactions		
Acquisition of tangible capital assets (Schedule 1)	<u>(1,329,364)</u>	<u>(2,178,779)</u>
Increase (Decrease) in Cash and Cash Equivalents	2,991,753	(3,310,440)
Cash and Cash Equivalents, Beginning of Year	<u>16,048,775</u>	<u>19,359,215</u>
Cash and Cash Equivalents, End of Year	<u>\$ 19,040,528</u>	<u>\$ 16,048,775</u>

1. Significant accounting policies

(a) Purpose of the organization and nature of operations

The Newfoundland and Labrador Centre for Health Information (the "Centre") was established by the Government of Newfoundland and Labrador in 1996, following the recommendation of the Health System Information Task Force (1995). The Newfoundland and Labrador Centre for Health Information Act was proclaimed April 27, 2007 and repealed March 12, 2018. The new Centre for Health Information Act, 2018 received Royal Assent March 12, 2018, and the Centre was continued as a Corporation without share capital under the Corporations Act. The Centre is a Government Organization and reports to the Legislative Assembly through the Ministry of Health and Community Services. The Centre is exempt from income tax under Section 149 of the Income Tax Act.

Through the support of the provincial government, Canada Health Infoway Inc. and the Atlantic Canada Opportunities Agency, the Centre has been recognized for its contributions to the national agenda for development of the Electronic Health Record with the first provincial client registry designed and implemented for the Electronic Health Record. The Centre is also involved with data standards development and dissemination, applied health research and the evaluation of health information systems.

As part of the Provincial Government's approach to developing a province-wide shared services eHealth model of the health care system, the Centre, through the new Act, was mandated to develop and implement a Provincial eHealth Model. This model coordinated the information technology and information management functions of the four regional health authorities (the "RHAs") and the Centre into one provincial solution. Effective April 1, 2019, the information technology and information management functions of Central Regional Health Authority, Eastern Regional Health Authority, Labrador-Grenfell Regional Health Authority, Western Regional Health Authority, and the Newfoundland and Labrador Centre for Health Information have amalgamated into one organization.

(b) Basis of presentation

The financial statements are prepared using Canadian public sector accounting standards (PSAS).

(c) Revenue recognition

When the Centre is a recipient, government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria and/or stipulations have

When the Centre is the transferor, government transfers are recognized as an expense in the statement of operations when they are authorized and all eligibility criteria have been met by the recipient.

Revenues from research and other projects are recognized when the related expenditures are incurred. Interest income is recognized as it is earned.

1. Significant accounting policies (continued)

(d) Employee benefits

Paid leave

Employees of the Centre are entitled to paid leave benefits as stipulated in their conditions of employment. The right to be paid these benefits vests immediately for employees. Paid leave is used as employees take time off, however balances accumulate and are paid out when employees cease employment with the Centre or another public sector employer, upon retirement, resignation or termination without cause. In accordance with PSAS for post-employment benefits and compensated absences, the Centre recognizes the liability in the period in which the employee renders service. The liability is reported at the gross amount by using the number of hours accrued at the employee's current rate of pay. The paid leave obligation has not been actuarially determined as there is a high historical usage rate of the benefits within 12 months of being earned. Adjustments to the liability arising from plan amendments are recognized immediately.

Severance pay

Employees of the Centre are entitled to severance pay benefits as stipulated in their conditions of employment. The right to be paid severance pay vests for employees with nine years of continuous service with the Authority or another Newfoundland and Labrador Government employer. Severance pay is payable when the employee ceases employment with the Authority or the public sector employer, upon retirement, resignation or termination without cause. In accordance with PSAS for post-employment benefits and compensated absences, the Centre recognizes the liability in the period in which the employee renders service. 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 16 years. Adjustments to the liability arising from plan amendments are recognized immediately.

During the prior year, the severance plan was terminated and settled as disclosed in Note 4.

Sick leave

Employees of the Centre are entitled to sick leave benefits that accumulate but do not vest. In accordance with PSAS for post-employment benefits and compensated balances, the Centre recognizes the liability in the period in which the employee renders service. The obligation is actuarially determined using assumptions based on management's best estimate of the probability of use of accrued sick leave, future salary and wages 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 15 years. Adjustments to the liability arising from plan amendments are recognized immediately.

1. Significant accounting policies (continued)

(e) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net debt for the year.

(f) Cash and cash equivalents

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

(g) Prepaid expenses

Prepaid expenses include software maintenance, software license fees, insurance, rent and other operating expenses that the Centre has paid but the services have not been provided as of year end.

(h) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided for on a straight-line basis over the estimated useful lives of the tangible capital assets as follows:

Computer equipment	20%
Computer software	33%
Electronic Health Records - Labs	10%
Health Information Access Layer	10%
Leasehold improvements	10%
Office furniture	15%

(i) Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates. Estimates include the useful lives of tangible capital assets, rates of amortization of tangible capital assets and the assumptions used in determining accrued sick leave payable.

Newfoundland and Labrador Centre for Health Information
Notes to the Financial Statements
March 31, 2020

2. Accounts receivable	<u>2020</u>	<u>2019</u>
Trade accounts receivable	\$ 1,253,473	\$ 615,926
Government remittances receivable	723,049	562,269
Regional Health Authorities	179,230	-
Atlantic Canada Opportunities Agency	-	2,239,686
Canada Health Infoway	-	232,796
Government of NL	-	27,623
Accrued interest	-	19,966
	<u>\$ 2,155,752</u>	<u>\$ 3,698,266</u>

3. Accounts payable and accrued liabilities	<u>2020</u>	<u>2019</u>
Trade accounts payable	\$ 11,565,411	\$ 5,237,867
Vacation and compensatory pay	191,232	54,413
Government remittances payable	56,067	-
	<u>\$ 11,812,710</u>	<u>\$ 5,292,280</u>

4. Accrued paid leave

The Centre provides paid leave benefits to employees to be used for vacation, sick leave, personal leave and other absences. Employees receive between six and eight weeks of paid time off per year, depending on years of service with the Centre. Employees must use a minimum of three weeks paid leave time per year, and may carry forward excess balances. The paid leave benefits can be used at any time, however the accumulated balances are only paid out upon termination, resignation or retirement. Below is the accrued paid leave obligation:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 2,133,530	\$ 1,888,496
Accrued during the period	2,135,085	1,778,479
Paid leave brought over from Regional Health Authorities	931,534	-
Benefits payments	<u>(1,551,473)</u>	<u>(1,533,445)</u>
Balance, end of year	<u>\$ 3,648,676</u>	<u>\$ 2,133,530</u>
Net benefit expense for the year:	<u>2020</u>	<u>2019</u>
Paid leave included in salaries and benefits expense	<u>\$ 2,991,102</u>	<u>\$ 1,721,894</u>

During the year, a number of employees of the Regional Health Authorities were transferred to the Centre under a Memorandum of Understanding (the "MOU") with an effective date of October 2, 2019. Under this MOU, the Centre is responsible to settle and pay all outstanding annual leave balances accrued to each transferring employee as per the employees' applicable collective agreement. Accordingly, as at the effective date, the Centre recognized salaries and benefits expense of \$931,536.

Newfoundland and Labrador Centre for Health Information
Notes to the Financial Statements
March 31, 2020

5. Accrued severance pay

In a prior year, the severance plan was terminated and a plan settlement of severance benefits for executives, managers, and other non-union employees was negotiated. As a part of this plan settlement, employees with at least one year of eligible service received a lump sum payout of their accrued severance benefit based on pay and service as at May 31, 2018. Individuals either took payment by March 31, 2019, or elected to defer payment for a short period.

In the prior year, the Centre recognized a loss on plan the settlement of \$541,096, and received funding from the Government of Newfoundland and Labrador in the amount of \$1,852,389 towards funding the payouts.

Accrued Benefit Obligation:	<u>2020</u>	<u>2019</u>
Balance, beginning of the year	\$ 230,683	\$ 1,625,944
Benefits payments	(188,644)	(1,936,357)
Loss on plan settlement	-	541,096
Balance, end of year	<u>\$ 42,039</u>	<u>\$ 230,683</u>
Net benefit expense for the year:	<u>2020</u>	<u>2019</u>
Loss on plan settlement	<u>\$ -</u>	<u>\$ 541,096</u>

Accrued severance obligations at March 31, 2020 and March 31, 2019 were based on an actuarial valuation completed effective March 31, 2018 using the following significant assumptions:

	<u>2018</u>
Discount rate	3.2%
Average remaining service period of active employees	16 years
Wage and salary escalation	3.0%

6. Accrued sick leave

The Centre provides sick leave benefits to employees with sick leave days to their credit as of December 31, 2003 and employees who transfer from another government department of agency with accumulated sick leave days. The following accrued benefit obligation has been determined by an actuarial report:

Accrued benefit obligation:	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 613,700	\$ 616,300
Current period benefit cost	11,900	-
Interest cost	-	17,400
Benefits payments	(44,900)	(15,700)
Amortization of actuarial gains	-	(4,300)
Balance, end of year	<u>\$ 580,700</u>	<u>\$ 613,700</u>

Newfoundland and Labrador Centre for Health Information
Notes to the Financial Statements
March 31, 2020

6. Accrued sick leave (Continued)

Net benefit expense for the year:	<u>2020</u>	<u>2019</u>
Interest cost	<u>\$ 34,400</u>	<u>\$ 13,100</u>

Accrued sick leave obligations have been calculated based on an actuarial valuation completed effective March 31, 2020. The significant assumptions shown below are based on future events.

	<u>2020</u>	<u>2019</u>
Discount rate	2.9%	2.9%
Average remaining service period of active employees	14 years	15 years
Wage and salary escalation	3.0%	3.0%

7. Public Service Pension Plan and Government Money-Purchase Pension Plan

The Centre participates in the Government of Newfoundland and Labrador's defined benefit Public Service Pension Plan (PSPP) for full-time employees and the defined contributions Government Money-Purchase Pension Plan (GMPP) for part-time employees. The assets of the plan are held separately from those of the Centre in an independently administered fund. Plan participation is mandatory for all employees.

PSPP members must have at least five years of pensionable service to obtain a pension benefit. Normal retirement age under the plan is 65, however early retirement options are available. The PSPP is integrated with the Canada Pension Plan (CPP).

Members of the Plan are required to make contributions toward the funding of their pension and benefits as follows:

- (i) 1.75% of earnings up to the Year's Basic CPP Exemption, the portion of earnings upon which no CPP contributions are required;
- (ii) 8.95% of earnings in excess of the Year's Basic CPP Exemption up to and including the Year's Maximum Pensionable Earnings ("YMPE"); and
- (iii) 11.85% of earnings in excess of the YMPE.

The lifetime PSPP pension benefit is determined as 1.4% of the best five year average salary (up to the three year average YMPE) multiplied by the years of pensionable service, plus 2% of the best five year average salary (in excess of the average YMPE) multiplied by the years of pensionable service.

Members of the GMPP can use the contributions along with interest and/or investment gain/loss to purchase a pension at retirement. Contributions made on or after January 1, 1997 are fully vested and locked-in after the completion of two years of plan participation.

Employer contributions paid and expensed by the Centre during the year for the PSPP and GMPP totaled \$1,522,285 (2019 - \$1,279,998). Additional information about the plan surplus or deficit is not available.

Newfoundland and Labrador Centre for Health Information
Notes to the Financial Statements
March 31, 2020

8. Lease commitments

The Centre has long-term contracts relating to the rental of office space, equipment lease and software fees. The Centre has committed to make the approximate payments for the next five years as follows:

2021	\$ 3,637,078
2022	\$ 2,221,239
2023	\$ 1,544,727
2024	\$ 1,498,307
2025	\$ 245,431

9. Budget

The financial plan presented in the statement of operations and statement of net debt is in accordance with the Canadian public sector accounting standards, and agrees to the budget as approved by the Finance and Audit Committee.

10. COVID-19

At year end, the World Health Organization ("WHO") had declared the COVID-19 outbreak a pandemic and the global response to curb the spread of the virus had begun to evolve. As the technology arm for the four Regional Health Authorities in the province, the Centre plays an integral role in the Government of Newfoundland and Labrador's response to the COVID-19 outbreak. As at the report date, the Centre has incurred approximately \$557,021 in COVID-19 related expenses, which include the implementation of virtual care, provision of technology to support employees working from home, as well as increased labour costs for overtime. While these costs were not funded, the Centre has achieved operational savings to cover these costs for the current fiscal year. Subsequent to year end, the Centre has incurred approximately \$2,352,158 in additional COVID-19 related expenses, with \$1,000,000 in funding secured from Canada Health Infoway Inc. Assuming no additional funding is secured in fiscal 2021, these expenses will have an adverse effect on the annual deficit and net debt position of the Centre. The full impact of COVID-19 on the Centre cannot be determined at this time.

11. Comparative Information

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Newfoundland and Labrador Centre for Health Information
Schedule of Tangible Capital Assets
Year Ended March 31, 2020

Schedule 1

Cost	Computer equipment	Office furniture	Computer software	Leasehold improvements	Pharmacy network	Electronic Health Records - Labs (EHR Labs)	Health Information Access Layer (HIAL)	2019	
								2020	2019
Opening costs	\$ 14,728,529	\$ 428,229	\$ 8,126,769	\$ 300,481	\$ 10,334,829	\$ 8,332,003	\$ 8,291,887	\$ 50,542,727	\$ 48,425,099
Additions during the year	1,052,030	-	277,334	-	-	-	-	1,329,364	2,178,779
Disposals and write downs	-	-	-	-	-	-	-	-	(61,151)
Closing costs	15,780,559	428,229	8,404,103	300,481	10,334,829	8,332,003	8,291,887	51,872,091	50,542,727
Accumulated Amortization									
Opening accumulated amortization	11,476,972	380,451	6,679,975	265,434	9,202,246	3,005,654	5,454,256	36,464,988	31,770,703
Amortization	1,122,924	11,249	847,570	3,830	694,693	833,200	662,022	4,175,488	4,711,611
Disposals and write downs	-	-	-	-	-	-	-	-	(17,326)
Closing accumulated amortization	12,599,896	391,700	7,527,545	269,264	9,896,939	3,838,854	6,116,278	40,640,476	36,464,988
Net Book Value of Tangible Capital Assets	\$ 3,180,663	\$ 36,529	\$ 876,558	\$ 31,217	\$ 437,890	\$ 4,493,149	\$ 2,175,609	\$ 11,231,615	\$ 14,077,739

The accompanying notes are an integral part of these financial statements.

Schedule of Expenses

For the Year Ended March 31, 2020

	2020	2019
Administration		
Salaries and benefits	\$ 1,808,967	\$ 1,556,270
Rent	1,144,347	898,511
Other	394,101	482,208
Insurance	85,946	95,150
Consulting fees	52,073	20,500
Software maintenance	28,978	24,996
License fees	11,946	-
Minor equipment	10,211	4,534
Communication	2,832	3,177
Security services	-	180
	3,539,401	3,085,526
Clinical Programs		
Salaries and benefits	5,813,100	2,984,014
Software maintenance	1,364,250	1,273,795
License fees	1,010,486	515,613
Consulting fees	794,408	564,320
Minor equipment	90,038	7,505
Other	62,111	111,248
Pharmacy incentives	36,250	14,500
Rent	33,900	33,900
	9,204,543	5,504,895
Infrastructure, Information Protection and EHR Operations		
Salaries and benefits	13,149,947	5,311,654
Software maintenance	10,576,694	3,769,002
Other	3,416,038	108,673
License fees	2,742,706	2,324,597
Data communication charges	2,551,818	534,308
Minor equipment	609,786	18,786
Consulting fees	501,510	1,467,768
Data centre rent	289,412	272,748
	33,837,911	13,807,536
Projects		
Salaries and benefits	2,308,894	2,713,455
Consulting fees	1,724,139	3,997,203
Equipment and RHA reimbursements	809,356	1,789,116
License fees	774,737	991,671
Other	134,084	165,356
Software maintenance	32,112	312,775
Minor equipment	10,689	-
Rent	-	196,473
	5,794,011	10,166,049

The accompanying notes are an integral part of these financial statements.

Schedule of Expenses

For the Year Ended March 31, 2020

	<u>2020</u>	<u>2019</u>
Health Analytics and Evaluation Services		
Salaries and benefits	3,778,495	3,443,156
Other	55,205	56,634
Consulting fees	-	53,059
Software maintenance	37,692	38,773
License fees	8,428	12,442
Minor equipment	3,594	7,277
	<u>3,883,414</u>	<u>3,611,341</u>
COVID-19		
Salaries and benefits	364,686	-
License fees	94,116	-
Minor equipment	89,650	-
Other	8,569	-
	<u>557,021</u>	<u>-</u>
Total expenses	<u>\$ 56,816,301</u>	<u>\$ 36,175,347</u>



Newfoundland and Labrador Centre for Health Information

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