2014 - 15 ANNUAL PERFORMANCE REPORT

Western Health

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MESSAGE FROM THE BOARD CHAIR

It is my pleasure, on behalf of the Board of Trustees of Western Health to present our Annual Performance Report for the year 2014-15. This is our tenth Annual Performance Report as an integrated health authority. Western Health is a Category One Public Body under the *Transparency and Accountability Act*. The publication of this report is in keeping with the legislative guidelines. In accordance with the requirements of the *Act*, the Board accepts accountability for the results published in this Annual Performance Report. In addition to myself, the members of the Board of Trustees in 2014-15, were Mr. Don Fudge, Mr. David Kennedy, Ms. Sonia Lovell, Mr. Tom O'Brien, Mr. Richard Parsons, Mr. Ralph Rice, Mr. Colin Short and Ms. Regina Warren.

On November 17, 2014, the Board of Trustees participated in a provincial teleconference session with the Honourable Steve Kent, Deputy Premier and Minister of Health and Community Services. The session included the Board of Trustees and senior executive members from each of the four Regional Health Authorities and the Department of Health and Community Services. The Board of Trustees appreciated the opportunity to discuss shared commitments and priorities.

The Board is pleased to share some of the accomplishments of employees, physicians, volunteers and partners for fiscal year 2014-15, and acknowledges their commitment and dedication to enhancing the health and well being of the people of Western Newfoundland. On behalf of the Board of Trustees, I would like to take this opportunity to extend our sincere appreciation to them. In 2015-16, we will continue to work together to further achievements related to our strategic goals and the strategic directions of the Government of Newfoundland and Labrador.

With Sincere Best Wishes,

Tony Genge, PhD

A staff member poses with a taxi driver in the sexual health working group's campaign to provide access to condoms and promote safer sex.

OVERVIEW

The **vision** of Western Health is that the people of Western Newfoundland have the highest level of health and well being possible – Your Health Our Priority. In the pursuit of the vision, the following **mission statement** was determined to provide direction until March 31, 2017: Western Health will have enhanced programs and services, in priority areas, to address the population health needs within the Western region.

The **mandate** of Western Health is derived from the *Regional Health Authorities Act* and its regulations. Western Health is responsible for the delivery and administration of health and community services in the Western Health region in accordance with the above referenced *Act*. Western Health's full mandate is delineated in its current strategic plan for April 2014, to March 2017.

Western Health provides a continuum of programs and services, within allocated resources, to the people of Western Newfoundland. In 2014-15, Western Health had a budget of $349 million with most of its revenue coming from provincial plan funding through the Department of Health and Community Services. Major expenditures include: salaries, direct client payments, fixed capital costs and diagnostic and therapeutic services. An additional breakdown of Western Health's budget and expenditures can be found in the audited financial statements for 2014-2015 (see page 49).

Western Health provides health and community services from 24 office sites, 26 medical clinics (including travelling clinics), and eight health facilities (see Western Health Regional Map, page 13). Its regional office is located in Corner Brook. The organization employs over 3,100 employees; approximately 84 per cent of employees are female. There are numerous volunteers who assist in delivering a number of programs and services and special events, which enhance the quality of life for patients, residents and clients.

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

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

A. Promoting Health and Well Being

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

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

As some of the highlights and accomplishments will suggest, health promotion activities are integrated throughout all lines of business within Western Health.

B. Preventing Illness and Injury

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

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

Health protection services identify, reduce and eliminate hazards and risks to the health of individuals in accordance with current legislation. There is a formal memorandum of understanding in place with Services NL to support and/or monitor health protection activities including licenses, permits and inspections of food establishments, waste management and swimming pools. The main components of health protection are:

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

In 2014-15, Western Health's work with partners related to Ebola preparedness highlights some of the achievements related to this line of business.

C. Providing Supportive Care

Western Health provides broad ranging supportive care services across the continuum of care and lifespan in various situations within provincial guidelines, organizational policies, legislation and resources. This includes the provision and/or coordination of access to an array of services generally at the community level, as determined by a professional needs assessment and/or financial means assessment. Supportive care promotes the safety, health and well being of the individual by supporting the existing strengths of the individual, family and community.

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

- maternal, child and family health;
- services to families of infants, preschool and school age children who have, or are at risk of, delayed development;
- services to clients who require support as a result of family and/or social issues;
- services to clients with physical and/or cognitive disabilities;
- elder care services including community outreach services;
- mental health and addictions services including specialized services such as Blomidon Place, Humberwood Treatment Centre, West Lane Recycling Program and Sexual Abuse Community Services (SACS);
- home support services;
- community health nursing including immunization, child health and school health;
- health care supplies and equipment;
- respite, convalescent and palliative care services;
- chronic disease prevention and management.

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

- long term care homes;
- seniors cottages;
- monitoring of personal care homes;
- alternate family care;
- monitoring of residential services;
- monitoring of transition house;
- hostel accommodations.

Western Health has one strategic issue related to enhancing cardiovascular programs and services as part of its provision of supportive care for chronic disease prevention and management. The update on progress with respect to this strategic issue is discussed in the Annual Report on Performance section.

D. Treating Illness and Injury

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

Primary and secondary services include:

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

To improve access for patients living in more rural areas of the region, in 2014-15, Western Health supported outreach clinics and/or surgical services by Corner Brook based physician specialists in the areas of internal medicine, neurology, obstetrics, ophthalmology, orthopedics and urology.

E. Providing Rehabilitative Services

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

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

F. Administering Distinctive Provincial Programs

Western Health operates the Western Regional School of Nursing. The school follows the academic path set out by the Senate of Memorial University to offer a Bachelor of Nursing (BN) program. A fast track program is available to individuals who wish to pursue a baccalaureate degree in nursing at an accelerated pace. The Inuit Nursing Access program is offered in conjunction with the College of the North Atlantic.

As well, Western Health has responsibility for the addictions inpatient facility, Humberwood Treatment Centre, which is based in Corner Brook. Through its 11 treatment beds, this facility provides treatment to adults 19 years and older for chronic addiction to alcohol, drugs and/or gambling. Through its four withdrawal management beds, the program offers clients the ability to detox prior to treatment.

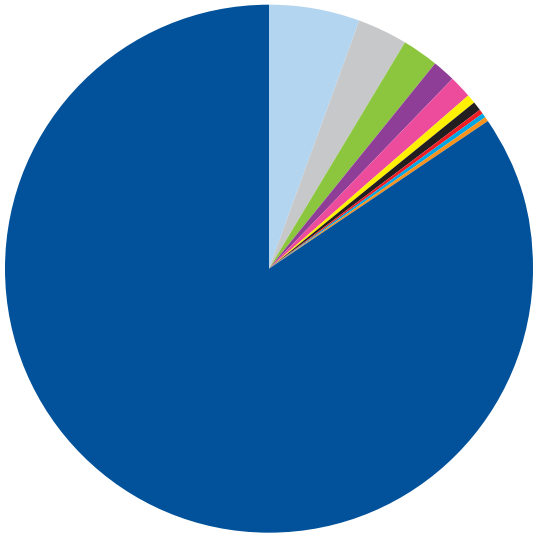
In 2014-15, Western Health enhanced security at Humberwood with the installation of additional security cameras around the exterior of the building. This supported client safety through monitoring and supervision of clients when outside.

Additional information about Western Heath is located online at www.westernhealth.nl.ca.

Student Maike van Niekerk selling cupcakes to raise money for Katrin's Karepackage.

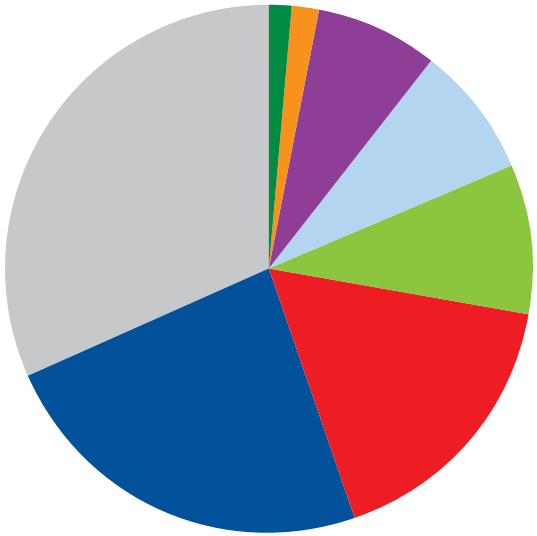
OPERATING REVENUE AND EXPENSES

OPERATING REVENUE



- **Provincial Plan $300,303,000**
- **MCP Physician Revenue $19,179,000**
- **Other Recoveries $10,488,000**
- **Resident Revenue (LTC) $7,978,000**
- **Other $5,498,000**
- **Capital Grant (NL) $5,123,000**
- **Food Service $1,725,000**
- **Outpatient $1,581,000**
- **Inpatient $1,334,000**
- **Capital Grant (Other) $816,000**
- **National Child Benefit $780,000**
- **ECD $359,000**
- **Mortgage Interest Subsidy $22,000**

EXPENSES



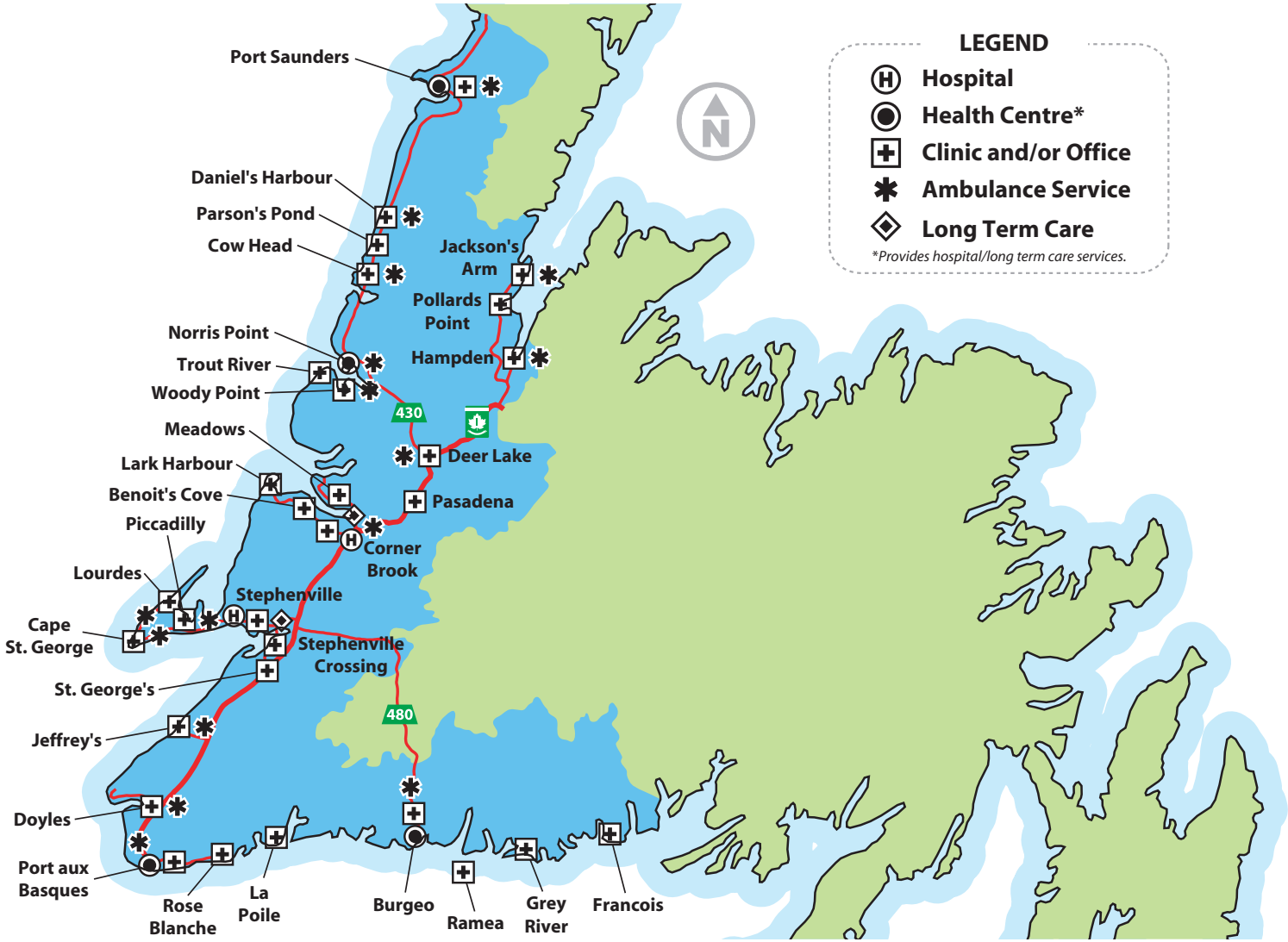
- **Nursing Inpatient Services $109,630,000**
- **Community and Social Services $83,164,000**
- **Support Services $58,502,000**
- **Diagnostic and Therapeutic Services $32,430,000**
- **Ambulatory Care Services $27,866,000**
- **Administration $26,597,000**
- **Education $5,715,000**
- **Undistributed* $5,149,000**
- **Shareable Amortization $194,000**

**An expense for which allocation to specific services, or programs is inappropriate and/or impractical (e.g. municipal taxes).*

Hiker Eileen Janes of Norris Point, a participant in the 2015 Healthy Aging Calendar.

WESTERN HEALTH REGIONAL MAP

Hospitals, Health Centres, Clinics and/or Offices, Ambulance Service, and Long Term Care Centres.



A behaviour Management Specialist works with a child.

SHARED COMMITMENTS

Western Health values the need for partnership and collaboration with its many stakeholders. Collaboration is integral to the achievement of the vision of Western Health "…that the people of Western Newfoundland have the highest level of health and well being possible - Your Health Our Priority." Collaboration is also a value of the organization and is defined as "each person works with others to enhance service delivery and maximize the use of resources." Western Health acknowledges the work achieved through shared commitments with many partners including volunteers, physicians, private services providers, the Department of Health and Community Services, other departments of the Government of Newfoundland and Labrador, non-governmental agencies, post secondary institutions, municipal councils, professional associations and the general public.

In recognition of Western Health's achievements through partnerships, the National Collaborating Centre for Determinants of Health profiled Western Health as an example of effective leadership. The report was titled: *Leadership for health equity: Working intersectorally and engaging the community in Western Health*.[1] The study identified that Western Health had embedded a population health approach into its strategic directions and operations. Through leadership and training, Western Health has supported employees to work in an environment where population health and health equity are priorities and community involvement is a common mode of working.

The subheadings in this section help to identify Western Health's progress toward addressing strategic directions of the Government of Newfoundland and Labrador.

Strengthening Population Health and Healthy Living

In 2014-15, Western Health's Primary Health Care Teams supported collaboration with the aboriginal community, through the Flat Bay Indian Band, Aboriginal Spirit and Recreation Circle, Newfoundland Aboriginal Women's Network and the Indian Cove Women's Circle, and the francophone community. Western Health continued to participate on the provincial committee to help develop aboriginal cultural safety training for employees.

[1] *National Collaborating Centre for Determinants of Health. (2014). Leadership for health equity: Working intersectorally and engaging the community in Western Health. Antogonish, NS: National Collaborating Centre for Determinants of Health, St. Francis Xavier University.*

A partnership with the Canadian College of Health Leaders, the Canadian Agency for Drugs and Therapeutics, Central Health and Western Health supported a national education session through internet/web conferencing. The session aimed to improve the clinical management of long term care residents with diabetes. Additional to the Newfoundland and Labrador participants, individuals from seven other provinces and one territory joined the session, to learn from experts how to best manage blood glucose (sugar) monitoring for the frail elderly. The information supported Western Health's implementation of policy direction on blood glucose monitoring for the frail elderly with Type II diabetes. An e-Learning module[2] and tool kit will continue to support employees with their provision of the evidence informed care practices.

Western Health has worked with partners on initiatives to improve the quality of life for residents with dementia in long term care. Three e-Learning modules for employees were developed in collaboration with many partners, including the Alzheimer's Society of Newfoundland and Labrador. The modules are designed to provide information to assist with the care of individuals and include the following topics: understanding dementia; delirium, depression and dementia; and communication strategies. Western Health also engaged community partners with a passion for quilting who readily shared their skills, materials and time to produce touch quilts for residents in long term homes in the region. More than 70 touch quilts have been donated region wide. The Alzheimer's Society of Manitoba reports that touch quilts provide comfort and happiness and lessen sadness and fear.

Sharing a commitment to strengthen healthy aging, Western Health's Community Advisory Committees in Bonne Bay and Port Saunders supported the Joining Generations Project funded by New Horizons. Twenty-one intergenerational events were held in communities from Trout River to Bartlett's Harbour, reaching approximately 1,300 participants. The project also supported home visiting and food baskets for seniors in the area.

Western Health's continuing partnership with the Western Regional Wellness Coalition supported the awarding of 63 grants totalling approximately $37,047, to fund projects for healthy aging (i.e. seniors fitness) and healthy living (i.e. diabetes networking day).

[2] *An e-Learning module is a computer based education session that Western Health makes available to staff to support their continuing professional development.*

In partnership with the Newfoundland and Labrador English School District, Western Health has worked with children in the school environment to emphasize healthy living. Throughout the region, programs such as Kids Live Well marathon, student wellness action teams or obstacle courses were implemented to promote physical activity. Some of these events were offered as part of a municipal planned activity, while others were offered in a summer camp, as a school based activity, or in partnership with the YMCA. Healthy eating was promoted through the implementation of programs such as Kids in Community Kitchens, Fun Food Camps and Community Gardens.

The issue of distracted driving was identified as a concern in Western Health's Community Health Needs and Resource Assessment (2013). In 2014-15, Western Heath partnered with Parachute Canada, the Royal Newfoundland Constabulary and the Royal Canadian Mounted Police to participate in National Teen Driver Safety Week activities in 22 of 28 of the region's high schools. One of the activities offered during the week was the use of a vehicle simulator that allowed teens to simulate driving while texting; this activity in particular helped teens to better appreciate the impact of distracted driving.

Improving Accessibility to Programs and Services

Western Health is leading a province-wide implementation of the interRAI (Resident Assessment Instrument) Home Care software for employees to use to capture clinical data from assessments of clients requiring home support and/or long term residential care. The e-health solution includes a mobile option allowing community based workers to capture the assessment at the point of care in clients' homes. The software also flags client risks, at the time of an assessment, to inform care planning. Employees in Western Health began completing electronic assessments in April 2014, and, as of September 2014, all regional health authorities were using the software. By March 31, 2015, Western Health employees had completed 1,286 assessments using the interRAI Home Care and had started to submit the assessment data to the Canadian Institute for Health Information (CIHI) for inclusion in the National Home Care Reporting System. The national system will support provincial and national analysis of standard information to support planning, improvement and accountability at policy making levels.

In 2014-15, the Corner Brook Care Team consultant group initiated work on design planning for the new campus of care in Corner Brook. Working with the Department of Transportation and Works, Department of Health and Community Services, Eastern Health and the Corner Brook Care Team consultant group, Western Health employees participated in interactive design planning sessions to advance new facilities planning for acute care, cancer care and long term care.

Suicide prevention remained as one of the priority areas for mental health and addictions. Western Health, along with the Suicide Prevention and Awareness Committee, held a walk for World Suicide Prevention Day on September 10, 2014, and the Annual Tree of Memories on December 22, 2014. In January 2014, Western Health facilitated a suicide prevention partnership meeting with stakeholders participating (through video conferencing) from seven sites in the region. This meeting provided an opportunity for community collaboration, sharing of best practices and identification of next steps for prevention and awareness efforts.

Improving Accountability and Stability in the Delivery of Health and Community Service within Available Resources

With continued support from the Department of Health and Community Services and the University of Toronto Centre for Research in Healthcare Engineering, in June 2014, Western Health developed a plan to improve access to endoscopy services. Western Health monitored wait list information, the utilization of the endoscopy procedure rooms and performance indicators of quality. In 2014-15, Western Health worked to enhance how the procedure rooms were booked to ensure that all of the time available for procedures was used. Employees and physicians initiated work to explore central intake as an option to further improve procedure room scheduling and reduce wait times. Central intake will support one regional wait list and procedure booking by patient priority, unless a patient chooses to wait.

The redevelopment of the endoscopy reprocessing suite at Western Memorial Regional Hospital was an example of multidiscipline collaboration to enhance quality and safety. Employees from medical device reprocessing, patient services, infection prevention and control, and occupational rehabilitation and ergonomics formed the project team. The team researched standards and completed site visits at facilities in Canada of comparable size. The information gathered informed the redevelopment of the endoscopy reprocessing suite; the resulting space became a streamlined, process driven reprocessing suite, which was renovated with minimal clinical disruption.

Western Health continued to participate in a National Quality Improvement Collaborative with the Canadian Federation for Health Care Improvement to reduce antipsychotic medication usage in long term care homes. Western Health is one of 10 organizations participating in this national initiative. The collaborative supports shared learning and support for changes to practices to improve appropriate drug usage in long term care. The initiative has been implemented on five of nine units at Corner Brook Long Term Care with the involvement of numerous family physicians. A target of 25 per cent reduction in antipsychotic medication usage was met and exceeded on those units.

In September 2014, Western Health, in partnership with the Department of Health and Community Services and a consultant group, began an external review of the emergency department at Sir Thomas Roddick Hospital focusing on improved wait times and patient flow (the movement of patients, from arrival to screening, assessment, admission and/or discharge). Employees and physicians participated in a two day course on applying Lean principles in the emergency department. The final report from the consultant group was received February 2015. The emergency department working group members prioritized recommendations from the report and initiated implementation of recommendations related to revised processes for the initial screening of patients (triage) and standardization of procedure carts. Work on this initiative will continue into 2015-16.

In preparation for regulation and licensure of the medical radiography profession, a scope of practice document was developed in collaboration with the four regional health authorities, the Newfoundland and Labrador Association of Medical Radiation Technologists, College of the North Atlantic and the Department of Health and Community Services. Western Health initiated work to ensure employee compliance with the scope of practice at rural sites utilizing combined laboratory and x-ray technologists and technicians.

During 2014-15, faculty at the Western Region School of Nursing, Memorial University of Newfoundland School of Nursing and the Centre for Nursing Studies worked to prepare the Bachelor of Nursing (Collaborative) Program for accreditation through the Canadian Association of Schools of Nursing and approval through the Association of Registered Nurses of Newfoundland and Labrador. The reviews for accreditation and approval took place February 23 to 27, 2015. The process included a review of the nursing education program and a site review of each School of Nursing. The decision regarding our accreditation status is expected by July 2015, and the decision regarding our approval status is expected in October 2015.

Western Memorial Regional Hospital Endoscopy staff.

HIGHLIGHTS AND ACCOMPLISHMENTS

The subheadings in this section help to identify Western Health's progress toward addressing strategic directions of the Government of Newfoundland and Labrador.

Strengthening Population Health and Healthy Living

A continued focus on the importance of breastfeeding has been a priority both at the public health and maternal newborn areas of practice. Partnering with community service providers has resulted in four breastfeeding support groups being established in the Western region (Corner Brook, Deer Lake, Stephenville and Port Saunders) with a fifth group being developed in Port aux Basques. In 2014-15, the Western region experienced an increase in the percentage of mothers who initiated breastfeeding, to 72.4 per cent, from 64.2 per cent in 2013-14.

Western Health continued to strive for excellence in stroke care. Highlights from two working groups, the pre hospital and acute stroke pillars, included the following:

(a) the pre hospital stroke pillar has implemented a protocol to ensure that patients who require treatment for stroke, within a window of time, are transported to the most appropriate hospital independent of health authority boundaries. The protocol ensures that patients receive appropriate care, in a timely manner, at the right location, in an effort to prevent harm;

(b) the acute stroke pillar initiated implementation of the TOR-BSST© (Toronto Bedside Swallowing Screening Tool). This tool supports screening of the swallowing ability of stroke patients to minimize the risk of complications. The second area of focus for the acute stroke pillar was to decrease the length of stay of patients in the stroke unit at Western Memorial Regional Hospital. In 2014-15, Western Health decreased the lengths of stays for the patients diagnosed with a transient ischemic attack (TIA) and acute stroke patients, by one to two days. The decrease brought Western Health closer to the national expected lengths of stay targets. The decrease was largely as a result of daily and weekly meetings among care providers targeting discharge planning and/or application to other rehabilitation services.

In recognition of Seniors Month, June 2014, Western Health employees and volunteers hosted activities to celebrate the many seniors residing in long term care homes in the region. The activities included resident art shows, antique shows and fashion shows. In 2014, efforts were made to reach a broader audience using a Myth Busters campaign to dispel some of the common myths about aging. Posters were distributed to public locations and facilities. Western Health continued to support its annual Healthy Aging Calendar campaign with the production of the 2015 calendar.

Improving Accessibility to Programs and Services

In its progress toward achieving electronic health records, Western Health continued its implementation of the clinical online documentation (COD) system. The COD system supports the electronic capture of clinical documentation (assessments, care plans, progress notes, vital signs, etcetera) for all disciplines, except physicians, in all acute and long term care settings in the region. By March 31, 2015, the COD system was live on all medical and surgical inpatient units at all acute care sites and all residential units at long term care sites, in the Western region. In 2015-16, clinical online documentation will be expanded to include the maternal newborn unit and enhance electronic documentation specific to medication and transfusion administration records.

In November 2014, Western Health launched the community rapid response team in the emergency department at Western Memorial Regional Hospital. The team works with seniors who could return home with short term enhanced community support services. The team included a nurse practitioner, occupational therapist, physiotherapist and community health nurse. Clients are initially seen in the emergency department and then followed up in their homes by the team. By March 31, 2015, 31 clients accepted referral to the community rapid response team. Clients and families are pleased with the support offered, as illustrated by the comments of a daughter of one of the clients: "I felt like a team moved in, with big warm hugs, reassuring me that they would do whatever they can to help in this transitional period. This was a gift."

With the support of the Department of Health and Community Services, Western Health responded to two opportunities to enhance services for patients who no longer require acute medical care but who still wait in hospital, for discharge home or to long term care. In April 2014, Western Health opened a new alternate level of care unit at Western Memorial Regional Hospital. The new unit supports the provision of nursing, recreation and physiotherapy services in keeping with appropriate standards of care, including safe client handling. Additionally, Western Health modified the environment of the alternate level of care unit on the fifth floor of Western Memorial Regional Hospital to provide a safer option for patients with cognitive impairment.

Western Health continued to use wait list information to guide decision making to enhance efficiencies in mental health and addictions services. Referrals to mental health and addictions services increased from 3,139 in 2013-14, to 3,298 in 2014-15. At the same time, wait list information continued to identify concerns with clients not showing for appointments, which added to staff's work as they rescheduled the missed appointments. In February 2015, employees in Stephenville introduced a new process - an open clinic day - to provide a second opportunity for those newly referred clients who had missed their initial appointment for an intake assessment. The preliminary review of the results of the change suggest that the open clinic day is a more effective use of intake resources and employees have been able to dedicate more time to clinical intervention with new and existing clients.

Other changes in mental health and addictions to enhance access and efficiency included improvement in: (a) compliance with client appointments per day targets; (b) treatment planning and appropriate closure of cases; (c) appropriate use of group sessions and telehealth. Group sessions helped service provision related to raising families, bereavement, anxiety and depression, autism, anger management, life skills and addictions support. Through telehealth, employees supported the provision of counselor services in the areas of the region with greater demand regardless of the employees' locations. Telehealth was also used to support methadone clinic services. Humberwood piloted the use of telehealth to support family day and connect Humberwood clients with their families throughout the province.

A new model of access for outpatient physiotherapy services was implemented at Sir Thomas Roddick Hospital in January 2015. Clinical pathways and treatment guidelines for the four largest referral groups (back, shoulder, hip/knee and neck) were developed based on researched best practice, to support urgent access within six days of referral.

Improving Accountability and Stability in the Delivery of Health and Community Service within Available Resources

The *Adult Protection Act* was proclaimed on June 29, 2014. This *Act* provides guidance in evaluating and investigating a report of an adult in need of protective intervention. From June 29, 2014, to March 31, 2015, Western Health employees responded to 27 reports, involving various allegations of abuse or neglect, within established response time targets (ranging from immediate to five days). To support meeting the response time targets, Western Health established an on call process for community support social workers. To monitor and evaluate performance measures, Western Health linked clinical documentation (in the Client Referral Management System) to an electronic tracking and reporting system. Western Health continued to offer employee training to support reporting, evaluations and investigations and worked with other provincial partners to ensure consistency in processes and tools.

Evaluations of programs and services continued to support evidence informed improvements. Thirty-four evaluations were initiated or continued in 2014-15. Programs and services that support healthy living that were evaluated included the comprehensive school health program, food and fun camps, team effectiveness and women's wellness clinic. Programs and services that support chronic disease prevention and management that were evaluated included the chronic obstructive pulmonary disease education program, the restorative care program, the implementation of the community rapid response team and the adult day support program. Western Health's research on the factors associated with being designated alternate level of care was published in Home Health Care Management & Practice. Following last year's (2013-14) release of its Community Health Needs and Resources Assessment, in 2014-15, Western Health evaluated this assessment and process. Recommendations for revision were implemented to ensure that our approach to surveying individuals and families is an efficient and effective way to help us hear from the residents and use their feedback to guide planning.

During the fall of 2014, Western Health prioritized health emergency management preparations for Ebola. Preparations included the development of Ebola response plans for health facilities and clinics, occupational health and safety protocols, the acquisition of personal protective equipment (PPE) and the education of employees. Significant investment was made to ensure that employees were prepared to safely identify and manage a potential Ebola patient. Training in putting on and taking off PPE was provided to employees in emergency rooms, intensive care units and ambulances. Proper use of PPE was an important part of preparedness for all health care providers and support services providers in these areas. Protocols for the identification, containment and transport of a potential Ebola patient were developed to guide regional and provincial responses. These protocols were augmented by guidelines for the safe handling and disposal of waste, i.e., supplies and equipment used in the management of an Ebola patient, tracing the contacts of an Ebola patient and care and support of individuals required to remain in quarantine or isolation. Employees also participated in regional and provincial tabletop exercises to review and test plans and procedures.

Recruitment and retention of excellent employees and volunteers remained a key objective for Western Health. In 2014-15, Western Health identified less than ten difficult to fill classifications with permanent vacancies. This achievement was supported by success in obtaining bursaries for eligible positions, to aid in the recruitment of specialized positions, and attention on employee health and wellness programs, to support retention. Western Health continued efforts to meet the conditions of the Workplace Health, Safety & Compensation Commission's PRIME program which supported a refund in 2014-15, and a reduction in lost time claims when compared to the previous year.

Falls prevention and the prevention of injury from falls continued to be a quality and safety priority for Western Health. Performance measures related to falls continued to be monitored by employees, managers, regional committees, and the Board of Trustees. During Patient Safety Week in October 2014, Western Health focused on the prevention of falls and injury resulting from falls. Throughout the week, employees supported displays at sites throughout the region, sharing of key messages and opportunities to participate in other activities related to falls prevention. Western Health also completed an extensive review of the health records of patients and residents who experienced a fall with fracture to build on previous research and better understand the factors that contributed to falls with fractures. The findings will guide revision of the falls prevention program at Western Health during 2015-16.

As a condition of the accreditation decision from the onsite survey visit in November 2013, Western Health provided evidence of action on four priority criteria to Accreditation Canada in April 2014. Our evidence of action for two of the four priority criteria: implementation of an antimicrobial stewardship program and appropriate venous thromboembolism prophylaxis (preventing blood clots) also supported our work to achieve the year one (2014-15) objective for our strategic goal related to medication safety (as described on subsequent pages in this report). The remaining two priority criteria required evidence of compliance with infusion pump training in two clinical areas. This evidence was accepted by Accreditation Canada and as a result of the review, the accreditation decision awarded to Western Health was changed to Accredited with Commendation. Evidence of action on the seven remaining priority criteria is being finalized for submission to Accreditation Canada in April 2015.

Staff participate in Personal Protective Equipment training for Ebola preparedness.

ANNUAL REPORT ON PERFORMANCE 2014-15

This section of the annual performance report will highlight Western Health's progress toward achievement of its mission and strategic goals in support of Government's strategic directions.

Western Health's mission statement provides direction to March 31, 2017, in the pursuit of its vision that the people of Western Newfoundland have the highest level of health and well being possible - *Your Health Our Priority*. The mission statement supports the vision through primary prevention with a health promotion focus on healthy living, secondary prevention especially in chronic disease prevention and management and a commitment to improving performance to provide quality services.

Two strategic plans have guided Western Health in its work to achieve its mission statement: the Western Health Strategic Plan April 1, 2011 - March 31, 2014, and the Western Health Strategic Plan April 1, 2014 - March 31, 2017.

Information from Western Health's annual environmental scanning (more fully presented in the strategic plan documents and on subsequent pages in this report), including (1) incidence rates for, and community concerns with, some chronic diseases, as well as (2) research which suggested that the incidences of chronic diseases may be attributable to unhealthy behaviours and health practices, support Western Health's identification of strategic goals, in both strategic plans, with a focus on health promotion and chronic disease prevention and management. Provincial strategic directions and national accreditation requirements support quality and safety as a strategic priority for Western Health, with a focus on medication safety in 2014-17. Western Health's Community Health Needs and Resources Assessment (2013) reported that people in the Western region indicated there were challenges related to access to emergency health services and a lack of awareness of our programs and services. This information supports Western Health's strategic goals to improve performance.

The accomplishments shared in this annual performance report, complement and augment those shared in previous annual performance reports, and continue to support Western Health in its progress toward achievement of its mission.

Mission

By March 31, 2017, Western Health will have enhanced programs and services, in priority areas, to address the population health needs within the Western region.

Strategic Issue One: Chronic Disease Prevention and Management and Cardiovascular Health

Western Health's Community Health Needs and Resources Assessment (2013) indicated high blood pressure was among the top three community concerns identified by regional residents. Other survey results which supported the community concern included:

(a) the Canadian Community Health Survey (2011) results: (i) 24.5 per cent of people 12 years of age and older, in the Western region, reported having high blood pressure as compared to 22.9 per cent in Newfoundland and Labrador and 17.0 per cent in Canada; (ii) 63.7 per cent of adults over the age of 18 years reported being overweight or obese as compared to 63.9 per cent in Newfoundland and Labrador and 52.0 per cent in Canada; (iii) 37.5 per cent of people 12 years of age and older, in the Western region, consume fruits and vegetables five to ten times per day as compared to 44.2 per cent in Canada. Unhealthy practices are correlated with chronic diseases such as cardiovascular disease;

(b) the Canadian Institute for Health Information (2013-14) health indicator results: (i) the rate of hospitalization for acute myocardial infarction (i.e., heart attack), in the Western region, was 248 per 100,000 population as compared to 206 per 100,000 in Canada and (ii) the rate of hospitalization for stroke, in the Western region, was 128 per 100,000 population as compared to 119 per 100,000 in Canada.

Since 2011, Western Health has used the Expanded Chronic Care Model (Barr et al, 2003) to support strategic planning for enhanced programs and service in diabetes management. In 2011-12, the Department of Health and Community Services launched Improving Health Together: A Policy Framework for Chronic Disease Prevention and Management in Newfoundland and Labrador and released Improving Health: My Way, a chronic disease self management program. In 2013-14, Western Health implemented evidence based practices to enhance chronic disease prevention and management of diabetes, including increasing access to the Improving Health: My Way program. From 2014-17, Western Health planned to continue its work to enhance chronic disease management. To support Government's strategic direction for strengthened population health and healthy living, enhancing cardiovascular programs and services in keeping with the expanded chronic care model is a strategic issue for Western Health.

Strategic Goal One
By March 31, 2017, Western Health will have enhanced cardiovascular programs and services in keeping with the expanded chronic care model.

Objective Year One (2014-15)
By March 31, 2015, Western Health will have identified priority initiatives to enhance cardiovascular programs and services.

Measure Year One (2014-15)
Identified priority initiatives and quality indicators.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Reviewed programs and services.	Programs and services were reviewed as: (a) an environmental scan to identify strengths and gaps in current cardiovascular programs and services was completed and (b) key informant interviews and focus groups were held with internal and external stakeholders, including clients. The information from the review was compiled in a report *An Environmental Scan of Cardiovascular Programs and Services*.
Identified evidence based practices consistent with the expanded chronic care model.	Evidence based practices for cardiovascular programs and services consistent with the expanded chronic care model were identified through a review of the literature which included evidence based practices from the Public Health Agency of Canada Best Practices Portal and Accreditation Canada standards.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Identified priority initiatives that support evidence based practices.	From the review of programs and services in keeping with evidence based practices, two priority initiatives were identified to enhance cardiovascular programs and services: (a) enhance the quality of cardiovascular programs and services provided to clients, patients, residents, and their families and (b) enhance access to cardiovascular programs and services provided to clients, patients, residents, and their families.
Identified strategies to improve self management support.	Strategies to improve the uptake of the Improving Health: My Way program for self-management support include expanding the recruitment campaign and adding e-Learning opportunities to the training program.
Identified appropriate quality indicators for cardiovascular programs and services.	Literature and best practice reviews were completed to identify appropriate quality indicators for the two priority initiatives: - increased number of referrals to CARE (Community Action and Referral Effort program) by 20 per cent; - enhanced quality of care after a heart attack as measured by increased appropriate utilization of TNK (tenecteplase) within 30 minutes of hospital arrival by five per cent; - enhanced quality of care after a stroke as measured by increased utilization of tPA (tissue plasminogen activator) to five per cent; - lifestyle awareness sessions offered in all seven of the primary healthcare areas; - 80 per cent of acute care sites implemented regional program content in expanded inpatient cardiac rehabilitation program; - increased uptake of the Improving Health: My Way program by cardiovascular clients.

Objective Year Two (2015-16)
By March 31, 2016, Western Health will have initiated implementation of the priority initiatives to enhance cardiovascular programs and services.

Measure Year Two (2015-16)
Initiated implementation of priority initiatives.

Indicators for the Year Two (2015-16)
Work plan developed for the implementation of priority initiatives.
Program description developed for cardiovascular programs and services.
Priority initiatives initiated to enhance cardiovascular programs and services.
Processes identified to monitor outcomes of priority initiatives.

Discussion of Results
Western Health's work towards achievement of this goal started with a regional scan of cardiovascular programs and services, a literature review to identify evidence based practices for cardiovascular programs and services and an assessment of the consistency of evidence based practices with the Expanded Chronic Care Model (Barr et al, 2003). Key informant interviews and focus groups were held with 94 internal and external stakeholders including clients. The draft report An Environmental Scan of Cardiovascular Programs and Services was reviewed by key stakeholders including the Chronic Disease Prevention and Management Advisory Committee and feedback was incorporated into the final document.

Priority initiatives identified were to enhance: (a) the quality of cardiovascular programs and services provided to clients, patients, residents, and their families, through the implementation of evidence based practices to support smoking reduction and appropriate care for patients presenting to the emergency department with some cardiovascular symptoms; (b) access to cardiovascular programs and services provided to clients, patients, residents, and their families, through increased utilization of telehealth and increased uptake of Improving Health: My Way program. In 2015-16, a regional cardiovascular steering committee will be established to monitor the implementation of the priority initiatives to enhance cardiovascular programs and services in keeping with the expanded chronic care model.

A mother breastfeeds her baby as part of promoting Breastfeeding Awareness Week.

Strategic Issue Two: Medication Safety

Accreditation Canada requires that healthcare organizations make client and staff safety a part of their strategic and operational plans in order to remain accredited. Accreditation Canada's Managing Medications standards and required organizational practices guide Western Health in its assessment of compliance with evidence informed standards. The 2013 onsite assessment by Accreditation Canada identified opportunities for improvement in our management of medications in the areas of antimicrobial stewardship (ensuring the appropriate use of antibiotics in the prevention and treatment of infections), medication reconciliation (maintaining a current accurate list of medications as people move through the health system) and venous thromboembolism prophylaxis (preventing blood clots). In 2014-15, Accreditation Canada supported Western Health's targeted work to enhance antimicrobial stewardship and preventing blood clots. Western Health monitors medication related occurrences through the Clinical Safety Reporting System (CSRS) to identify opportunities for improvement in client safety. Western Health works with occupational health and safety experts to identify opportunities to enhance staff safety related to the preparation and handling of hazardous medications. In keeping with Government's strategic direction of improved performance and efficiency in the health and community services system to provide quality services that are affordable and sustainable, enhanced medication safety to improve outcomes for clients, patients, residents and staff is a strategic issue for Western Health.

Strategic Goal Two

By March 31, 2017, Western Health will have enhanced medication safety to improve outcomes for clients, patients, residents and staff.

Objective Year One (2014-15)

By March 31, 2015, Western Health will have established priority initiatives and performance outcomes for priority initiatives in medication safety to enhance client, patient, resident and staff safety.

Measure Year One (2014-15)

Established performance outcomes.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Assessed practices in current programs and services.	Practices in current programs and services were assessed utilizing information from an environmental scan and literature review.
Identified priority initiatives.	Priority initiatives were identified based on the assessment of current practices and the environmental scan. These priorities included: (a) reduction of medication errors in priority areas, (b) reduction in the development of blood clots, through appropriate prevention, in priority areas and (c) development of an effective antimicrobial stewardship program to ensure appropriate use of targeted medications to prevent and treat infections in priority areas.
Identified evidence based practices for priority initiatives in medication safety.	Evidence based practices for priority initiatives were identified from Accreditation Canada standards, Institute for Safe Medication Practices recommendations, Safer Health Care Now Guidelines, Western Health's Clinical Safety Reporting System data, journal articles and other research and literature sources.
Identified performance outcomes for priority initiatives.	Performance outcome indicators identified for reduction of medication errors, reported in the CSRS: - five per cent reduction in occurrences related to incorrect identification of patients/residents; - five per cent reduction in occurrences related to the copying of medication instructions; - five per cent reduction in occurrences related to a missed dose of a medication.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Identified performance outcomes for priority initiatives.	Performance outcome indicators identified for reduction in the development of two types of blood clots: deep vein thrombosis (DVT) and pulmonary embolism (PE), in medical/surgical patients, through appropriate prevention: - 10 per cent increase in the completion of the blood clot prevention risk assessment tool on medical/surgical patients; - five per cent increase in compliance with evidence based practices for appropriate blood clot prevention in hospital; - five percent decrease in the number of blood clots in admitted and readmitted (within 28 days) medical/surgical patients. Performance indicators identified for development of an effective antimicrobial stewardship program to ensure appropriate use of targeted medications to prevent and treat infections: - 10 per cent decrease in the use of intravenous (IV) ciprofloxacin, moxifloxacin and metronidazole in the hospital settings and the Community Home Infusion Program in the Western region; - 80 per cent of patients reviewed by pharmacists achieve targeted therapeutic levels of vancomycin within 72 hours of initial review.
Identified strategies to improve measurement and monitoring of priority initiatives.	Strategies for improved measurement and monitoring of priority initiatives were identified. These strategies included regular reporting from electronic systems and audits, feedback to staff and implementation of improvement strategies, as described more fully in the Discussion of Results section.

Objective Year Two (2015-16)
By March 31, 2015, Western Health will have initiated implementation of priority initiatives in medication safety to enhance client, patient, resident and staff safety.

Measure Year Two (2015-16)
Initiated implementation of priority initiatives.

Indicators for the Year Two Objective (2015-16)
Develop work plan for priority initiatives to support achievement of performance outcomes.
Implementation of priority initiatives initiated.

Discussion of Results
An environmental scan was completed in 2014-15, to assess practices in current programs and services and identify evidence based practices using Accreditation Canada standards, Institute for Safe Medication practices recommendations, Safer Healthcare Now Guidelines and Western Health's Clinical Safety Reporting System (CSRS). The medication safety committee reviewed the environmental scan and identified three priority initiatives to enhance medication safety: (a) reduction of medication errors, reported in the CSRS, in three priority areas; (b) reduction in the development of two types of blood clots in medical/surgical patients through appropriate blood clot prevention; (c) development of an effective antimicrobial stewardship program to ensure the appropriate use of four targeted medications used to prevent and treat infections, in priority areas. Strategies for improved measurement and monitoring of priority initiatives were identified. These strategies included:

- identify numbers of occurrences in the priority areas, provide staff with feedback and implement strategies to prevent recurrence;
- audit health records to identify compliance with evidence based practices in the priority areas and implement strategies to enhance compliance;
- audit health records to identify the use of the targeted medications to prevent and treat infections in priority areas, education for staff to support appropriate use of medications, audit of medications stored in hospital settings, and analysis of vancomycin monitoring forms.

The medication safety committee will lead the work for year two (2015-16) to support the implementation and monitoring of the priority initiatives.

A nurse with the Community Supports Program consults with a client.

Strategic Issue Three: Access to Emergency Room Services

Western Health's Community Health Needs and Resources Assessment (2013) reported that people in the Western region indicated there were challenges related to access to emergency health services including that there were long wait times to access services. The report stated that there was a lack of availability of emergency health services in some areas within the Western region. In 2012, A Strategy to Reduce Emergency Department Wait Times was developed by the province. In June 2012, Western Health completed an internal review of the emergency department at Western Memorial Regional Hospital (WMRH), to identify and/or enhance efficiency of current processes, from patient arrival to discharge, utilizing lean principles. In 2013, the Department of Health and Community Services supported additional review with an external consultant which ensured comprehensiveness in keeping with the provincial strategy. Improved access to emergency room services in keeping with the provincial strategy is a strategic issue for Western Health in keeping with two of Government's strategic directions: (a) improved performance and efficiency in the health and community services system to provide quality services that are affordable and sustainable, focus area clinical efficiency review; as well as (b) improved accessibility to programs and services meeting the current and future needs of individuals, families and communities, particularly those most vulnerable, focus areas rural health and wait times.

Strategic Goal Three

By March 31, 2017, Western Health will have improved access to emergency room services in keeping with the provincial strategy.

Objective Year One (2014-15)

By March 31, 2015, Western Health will have identified the priority initiatives to improve access to emergency room services in keeping with the provincial strategy.

Measure Year One (2014-15)

Identified priority initiatives and performance outcomes.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Identified priority initiatives from the review of emergency room services at Western Memorial Regional Hospital (WMRH).	Priority initiatives were identified based on a literature review of evidence based practices for emergency rooms, a review of the X32 Healthcare consultant report for WMRH and a review of Accreditation Canada standards for emergency departments. The identified priority initiatives to improve access were: (a) improved standardization and (b) improved communication.
Assessed the identified priority initiatives for consistency with the provincial strategy.	The priority initiatives were validated and prioritized with key stakeholders. The identified priority initiatives were assessed for consistency with the provincial strategy.
Identified performance outcomes for priority initiatives.	Performance outcomes were identified for the following priority initiatives: (a) improved standardization; - regional standardization of medical directives in priority areas; - regional standardization of treatment rooms in priority areas; - documentation audit tool completed and implemented; - completion of a patient flow map to guide patient access/ transfer from rural sites to WMRH; - implementation of electronic solutions for registration and patient tracker in emergency departments in priority sites; - improved appropriate monitoring, reassessment and/or retriage of patients waiting for emergency room services, in priority sites.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
	(b) improved communication, in keeping with the Provincial strategy, through the measurement, monitoring and reporting of performance measures:

Objective Year Two (2015-16)
By March 31, 2016, Western Health will have completed a review of emergency room services throughout the region to determine the adaptability of initiatives at other sites and initiated implementation of the priority initiatives.

Measure Year Two (2015-16)
Completed review of emergency room services throughout the region and implementation of priority initiatives initiated.

Indicators for the Year Two Objective (2015-16)
Review of emergency room services throughout the region.
Implementation of priority initiatives initiated.

Discussion of Results
With the support of the Department of Health and Community Services, a review of the emergency room services at WMRH was completed by X32 Healthcare in 2013. The consultant identified opportunities to enhance emergency room services at WMRH including ensuring the best scheduling of staff, appropriate skill mix, supportive policies, efficient physical layout and patient flow. Additional to the consultant review, Western Health completed a literature review to identify evidence based practices for emergency room services. Analysis of the information supported the identification of the following priority initiatives to improve access to emergency room services: (a) improved standardization including standardization of patient flow and (b) improved communication including through the reporting of performance measures. The initiatives were assessed for consistency with the provincial strategy, as documented in A Strategy to Reduce Emergency Department Wait Times in Newfoundland and Labrador (2012), and were validated and prioritized with key stakeholders. Performance outcomes for the priority initiatives were identified and include the provincial strategy's minimum wait times reporting requirements. A two year work plan (2015-17) was developed which focuses on the completion of the review of emergency room services throughout the region and the initiation of the implementation of priority initiatives in accessing emergency room services. A regional emergency room steering committee was formed to guide this two year work plan.

Strategic Issue Four: Enhanced Awareness of Programs and Services and Evidence Based Resources

Western Health's Community Health Needs and Resources Assessment (2013) indicated that there was a lack of awareness of Western Health's programs and services. The report indicated that residents throughout the Western region access health related information on the internet and many were not aware that Western Health had a website or that Western Health used the website to post wait time information as well as information about accessing programs and services including in the more rural areas of the region. Western Health's Acute Care Patient Experience Survey (2013) results indicated that there was a lack of written information provided to patients about what symptoms or health problems to look for when they leave the hospital. To support Government's strategic direction of improved accessibility to programs and services meeting the current and future needs of individuals, families and communities, particularly those most vulnerable, enhancing access to information about programs and services through the implementation of a communication strategy is a strategic issue for Western Health.

Strategic Goal Four

By March 31, 2017, Western Health will have enhanced access to information about programs and services through the implementation of a communication strategy.

Objective Year One

By March 31, 2015, Western Health will have identified the priority initiatives in a communication strategy.

Measure Year One (2014-15)

Identified priority initiatives.

Planned and Actual Performance

INDICATORS FOR THE YEAR ONE OBJECTIVE (2014-15)	ACCOMPLISHMENTS
Completed environmental scan.	An environmental scan to identify strengths and opportunities to enhance awareness of programs and services at Western Health was completed.
Identified priority initiatives in a communication strategy.	The Regional Director Corporate Communications in collaboration with the Regional Primary Health Care Management Committee identified three priority initiatives based on the completed environmental scan. These priorities included: (a) enhancements to the Western Health website, (b) continued growth and development of social media specifically Twitter and (c) development of an e-learning module for administrative support staff.
Initiated development of the evaluation plan and the identification of performance outcomes.	An evaluation plan was developed based on the yearly objectives of the three year goal. Performance outcomes were identified for the following priority initiatives: (a) enhancements to the Western Health website - increase in the number of website hits by 500, (b) continued growth and development of social media specifically Twitter - increase in the number of tweets by 10 per cent and (c) development of an e-learning module - the e-learning module developed and implemented.

Objective Year Two (2015-16)
By March 31, 2016, Western Health will have initiated implementation of priority initiatives in a communication strategy.

Measure Year Two (2015-16)
Initiated implementation of priority initiatives.

Indicators for the Year Two Objective (2015-16)
Work plan for 2015-16 to support achievement of performance outcomes completed.
Implementation of priority initiatives initiated.

Discussion of Results
An environmental scan to identify strengths and opportunities for enhancing communication of programs and services was compiled in 2014-15. A report An Environmental Scan to Identify Strengths and Opportunities to Enhance Awareness of Programs and Services at Western Health was completed. A review of the literature to identify evidence based practices and an analysis of Western Health's Client Patient Resident Experience Surveys (2013) and Western Health's Community Health Needs and Resources Assessment (2013) provided client feedback on awareness of programs and services. The results from a review of the Western Health website and analysis of feedback from community partners on how they would like to receive information about programs and services from Western Health was included. Priority initiatives identified from the scan included enhancements to the Western Health website, continued growth and development of social media specifically Twitter and development of an e-learning module for administrative support staff to support and enhance their ability to assist with the navigation of programs and services at Western Health. The document A Communication Plan for the Strategic Goal to Enhance Awareness of Programs and Services at Western Health and a work plan for implementation of priority initiatives were completed in 2015.

Volunteers with the Greeter Program at the main entrance of Western Memorial Regional Hospital.

OPPORTUNITIES AND CHALLENGES AHEAD FOR WESTERN HEALTH

Efficient Operations

Western Health continues to focus attention on opportunities to establish, measure, monitor and meet performance targets related to operational efficiency, quality and safety. The improvements to date have benefitted from coordinated efforts across the region and province. Further focused attention is required to sustain and/or enhance excellent and efficient operations, especially with respect to the prevention and management of sick leave benefits, standardization of care and/or operational processes and implementation of the standards.

Waiting for Services

Western Health acknowledges the waiting that clients, patients and residents do as they try to access, or be discharged from, a program or service. Specific to acute care, waiting may occur as part of: an initial presentation to an emergency department; the admission to an inpatient service; the discharge from an inpatient service and/or the transfer or admission to another community based or long term care service. Enhancements to programs and services, including those previously mentioned in this report, support the timely and appropriate flow of clients, patients and residents through the health system. Continued identification of evidence informed practices, process revisions, introduction of new service and/or technology enablers, recruitment and retention of employees and stakeholder engagement, will be needed in 2015-16.

Population Health

The health status of the population continues to support efforts to seek opportunities, especially through partnerships with communities, to enhance healthy eating, active living, appropriate health protection (through screening and immunization for example) and self management of chronic diseases. These efforts are integral to increasing life expectancy and wellness.

Rural Health

Western Health continues to explore service delivery models that may enhance opportunities to support the delivery of safe, quality services in areas experiencing challenges with declining requirements for services and /or employee vacancies.

A Nurse Practitioner reviews an X-ray in the Emergency Department.

FINANCIAL REPORTS

In keeping with the *Transparency and Accountability Act*, Western Health is pleased to share its audited financial statement for 2014-15.

Non-Consolidated Financial Statements

Western Regional Health Authority

March 31, 2015

Contents

Statement of responsibility

The accompanying non-consolidated financial statements are the responsibility of the Board of Trustees of the Western Regional Health Authority (the "Board") and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards as recommended by the Chartered Professional Accountants of Canada.

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 Board met with management and its external auditors to review a draft of the non-consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the non-consolidated finalized financial statements.

Grant Thornton LLP as the Board's appointed external auditors, have audited the non-consolidated financial statements. The auditor's report is addressed to the Board 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 non-consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Board in accordance with Canadian public sector accounting standards.

Director

Director

Independent auditors' report

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To the Board of Trustees

Western Regional Health Authority

We have audited the accompanying non-consolidated financial statements of Western Regional Health Authority, which comprise the non-consolidated statement of financial position as at March 31, 2015, and the non-consolidated statement of operations, 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 financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these non-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 non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the non-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 organization's internal control. An audit also 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 non-consolidated financial statements.

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

Opinion

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

Basis of Presentation and Restriction of Use

Without modifying our opinion, we draw attention to Note 2 to the non-consolidated financial statements, which describe the basis of presentation of the non-consolidated financial statements of Western Regional Health Authority. These non-consolidated financial statements have been prepared for specific users and may not be suitable for another purpose.

Grant Thornton LLP

Corner Brook, Canada
June 18, 2015

Chartered Accountants

Western Regional Health Authority

Non-Consolidated statement of financial position

March 31 (in thousands of dollars)		2015		2014
Financial assets				
Cash and cash equivalents	$	**11,207**	$	-
Receivables (Note 3)		**20,296**		25,637
Due from associated funds (Note 4)		**2,121**		1,922
Trust funds on deposit (Note 5)		**639**		638
Restricted cash – NLHBA program liabilities (Note 6)		**-**		5,503
Restricted cash and investments		**157**		150
	$	**34,420**	$	33,850
Liabilities				
Bank indebtedness (Note 7)	$	**-**	$	1,743
Payables and accruals		**31,348**		31,169
Vacation pay accrual		**9,076**		8,659
Severance pay accrual (Note 8)		**30,421**		29,804
Sick leave accrual (Note 8)		**16,860**		16,967
Deferred contributions – operating		**9,518**		3,090
Deferred contributions – capital		**14,051**		13,694
Long term debt (Note 9 & 10)		**1,841**		2,035
NLHBA program liabilities (Note 6)		**-**		5,503
Trust funds payable		**639**		638
	$	**113,754**	$	113,302
Net debt	$	**(79,334)**	$	(79,452)
Non-financial assets				
Tangible capital assets (Note 11)	$	**66,087**	$	67,807
Inventory (Note 12)		**4,893**		5,061
Prepaid expenses		**6,233**		6,852
		77,213		79,720
Accumulated (deficit) surplus	$	**(2,121)**	$	268

Contingencies and commitments (Note 13)

On behalf of the Board

Member Member

See accompanying notes to the non-consolidated financial statements

Western Regional Health Authority

Non-Consolidated statement of operations

Year ended March 31 (in thousands of dollars)	**Budget 2015 (Note 14)**	**Actual 2015**	Actual 2014
Revenue			
Provincial plan – operating grant	**$ 300,303**	**$ 300,303**	**$ 287,879**
Capital grant – provincial	**5,062**	**5,123**	**5,021**
Capital grant – other	**816**	**816**	**562**
National Child Benefit	**694**	**780**	**831**
Early Childhood Development	**359**	**359**	**394**
MCP physician revenue	**19,230**	**19,179**	**19,084**
Inpatient	**1,608**	**1,334**	**1,583**
Outpatient	**1,691**	**1,581**	**1,678**
Resident revenue – long term care	**8,020**	**7,978**	**8,199**
Mortgage interest subsidy	**22**	**22**	**23**
Food service	**1,730**	**1,725**	**1,775**
Other recoveries	**9,798**	**10,488**	**10,203**
Other	**4,879**	**5,498**	**3,126**
	354,212	**355,186**	**340,358**
Expenditures			
Administration	**23,972**	**26,597**	**24,856**
Support services	**57,942**	**58,502**	**59,144**
Nursing inpatient services	**87,710**	**86,923**	**81,541**
Medical services	**22,933**	**22,707**	**23,010**
Ambulatory care services	**27,272**	**27,866**	**26,831**
Diagnostic and therapeutic services	**32,990**	**32,430**	**32,325**
Community and social services	**84,130**	**83,164**	**78,972**
Educational services	**5,876**	**5,715**	**5,890**
Undistributed	**5,508**	**5,149**	**2,015**
	348,333	**349,053**	**334,584**
Surplus	**$ 5,879**	**$ 6,133**	**$ 5,774**

See accompanying notes to the non-consolidated financial statements

Western Regional Health Authority

Non-Consolidated statement of operations (cont'd)

Year ended March 31 (in thousands of dollars)	**Budget 2015 (Note 14)**	**Actual 2015**	Actual 2014
Adjustments for undernoted items – net expenses			
Amortization expense	**$ 7,595**	**$ 7,595**	$ 7,956
Accrued vacation expense - increase (decrease)	**417**	**417**	(578)
Accrued severance expense - increase (decrease)	**617**	**617**	(656)
Accrued sick expense - (decrease)	**(107)**	**(107)**	(839)
Total adjustments for above noted items	**8,522**	**8,522**	5,883
Deficit	**(2,643)**	**(2,389)**	(109)
Accumulated surplus, beginning of year	**268**	**268**	377
Accumulated (deficit) surplus, end of year	**$ (2,375)**	**$ (2,121)**	$ 268

See accompanying notes to the non-consolidated financial statements

Western Regional Health Authority

Non-Consolidated statement of changes in net debt

Year ended March 31 (in thousands of dollars)	**Budget 2015 (Note 14)**	**Actual 2015**	Actual 2014
Net debt, beginning of year	**$ (79,452)**	$ **(79,452)**	**$** (83,455)
Deficit for the year	**(2,643)**	**(2,389)**	(109)
Changes in tangible capital assets			
Acquisition of tangible capital assets	**(5,875)**	**(5,875)**	(5,449)
Amortization of tangible capital assets	**7,595**	**7,595**	7,956
Decrease in net book value of tangible capital assets	**1,720**	**1,720**	2,507
Changes in other non-financial assets			
Acquisition of prepaid expense (net of usage)	**-**	**619**	510
Acquisition of inventories of supplies (net of usage)	**-**	**168**	1,095
Decrease in other non-financial assets	**-**	**787**	1,605
(Increase) decrease in net debt	**(923)**	**118**	4,003
Net debt, end of year	**$ (80,375)**	$ **(79,334)**	**$** (79,452)

See accompanying notes to the non-consolidated financial statements

Western Regional Health Authority

Non-Consolidated statement of cash flows

Year ended March 31 (in thousands of dollars)		**2015**		2014
Operating				
Annual deficit	**$**	**(2,389)**	$	(109)
Add (deduct) non-cash items:				
Amortization of capital assets		**7,595**		7,956
Accrued vacation expense – increase (decrease)		**417**		(578)
Accrued severance expense – increase (decrease)		**617**		(656)
Accrued sick expense – (decrease)		**(107)**		(839)
Changes in:				
Receivables		**5,341**		(1,239)
Due from associated funds		**(199)**		203
Inventory		**168**		1,095
Prepaid expenses		**619**		510
Deferred contributions - operating		**6,428**		342
Payables and accruals		**179**		3,723
Net cash provided by operating transactions		**18,669**		10,408
Capital				
Acquisitions of tangible capital assets		**(5,875)**		(5,449)
Net cash applied to capital transactions		**(5,875)**		(5,449)
Financing				
Debt assumed		**(1,743)**		(6,767)
Repayment of long term debt		**(194)**		(191)
Capital contributions		**357**		1,905
Net cash applied to financing transactions		**(1,580)**		(5,053)
Investing				
Restricted cash and investments		**(7)**		(9)
Net cash applied to investing transactions		**(7)**		(9)
Net cash applied		**11,207**		(103)
Cash and cash equivalents - beginning of year		**-**		103
Cash and cash equivalents - end of year	$	**11,207**	**$**	-

See accompanying notes to the non-consolidated financial statements

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

1. Nature of operations

The Western Regional Health Authority ("Western Health") is constituted under the Regional Health Authority's Act (formerly known as the Hospital's Act) Constitution Order and is responsible for the management and control of the operations of acute and long term care facilities as well as community health services in the western region of the Province of Newfoundland and Labrador.

Western Health is an incorporated not-for-profit with no share capital, and as such, is exempt from income tax.

2. Summary of significant accounting policies

The non-consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS) and reflect the following significant accounting policies:

Basis of presentation
These non-consolidated financial statements reflect the assets, liabilities, revenue and expenditures of the operating fund. These non-consolidated financial statements have not been consolidated with those other organizations controlled by Western Health because they have been prepared for the Authority's Board of Trustees and the Department of Health and Community Services. Since these non-consolidated financial statements have not been prepared for general purposes, they should not be used by anyone other than the specified users. Consolidated financial statements have been issued.

Use of estimates
The preparation of non-consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the non-consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include accrued severance, accrued sick leave, useful life of tangible capital assets, impairment of assets and allowance for doubtful accounts.

Estimates are based on the best information available at the time of preparation of the non-consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

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

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

Accrued severance and sick leave
Upon termination, retirement or death, the organization provides their employees, with at least nine years of services with severance benefits equal to one week of pay per year of service up to a maximum of 20 weeks. An actuarially determined accrued liability for severance has been recorded in the statements. This liability has been determined using management's best estimate of employee retention, salary escalation, long term inflation and discount rates.

The organization provides their employees with sick leave benefits that accumulate but do not vest. The benefits provided to employees vary based upon classification within the various negotiated agreements. An actuarially determined accrued liability has been recorded on the statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, long term inflation rates and discount rates.

Accrued vacation pay
An accrued liability for vacation pay is recorded in the accounts at year end for all employees who have a right to receive these benefits.

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 generally extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual deficit (surplus), provides the change in net financial debt for the year.

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

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

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

Tangible capital assets
Western Health has control over certain assets for which title resides with the Government of Newfoundland and Labrador. These assets have not been recorded in the financial statements of Western Health. Capital assets acquired after January 1, 1996 are recorded at cost. Assets are not amortized until placed in use. Assets in use are amortized over their useful life on a declining balance basis at the following rates:

Land improvements	2 ½%
Buildings	6 ¼%
Parking lot	6 ¼%
Equipment	15%
Motor vehicles	20%
Leasehold improvements	20%

Capital and operating leases
A lease that transfers substantially all of the risks and rewards incidental to the ownership of property is accounted for as a capital lease. Assets acquired under capital lease result in a capital asset and an obligation being recorded equal to the lesser of the present value of the minimum lease payments and the property's fair value at the time of inception. All other leases are accounted for as operating leases and the related payments are expensed as incurred.

Impairment of long-lived assets
Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable, as measured by comparing their net book value to the estimated undiscounted cash flows generated by their use. Impaired assets are recorded at fair value, determined principally using discounted future cash flows expected from their use and eventual disposition.

Revenue recognition
Provincial plan revenues for operating and capital purposes are recognized in the period in which all eligibility criteria or stipulations have been met. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer from the Province of Newfoundland and Labrador is authorized.

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

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

Western Health reviews outstanding receivables at least annually and provides an allowance for receivables where collection has become questionable.

Western Regional Health Authority
Notes to the non-consolidated financial statements
March 31, 2015
(in thousands of dollars)

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

Pension costs
Employees of Western Health are covered by the Public Service Pension Plan and the Government Money Pension Plan administered by the Province of Newfoundland and Labrador. Contributions to the plans are required from both the employees and Western Health. The annual contributions for pensions are recognized in the accounts on an accrual basis.

Funds and reserves
Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

Financial instruments

Western Health considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. Western Health accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- trust funds on deposit
- restricted cash and investments
- bank indebtedness
- payables and accruals
- long term debt
- trust funds payable

A financial asset or liability is recognized when Western Health becomes party to contractual provisions of the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

Measurement
The Authority initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with Western Health is in the capacity of management in which case they are accounted for in accordance with financial instruments.

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

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

Measurement (cont'd)
Financial assets measured at cost include cash and cash equivalents, receivables, trust funds on deposit, and restricted cash and investments.

Financial liabilities measured at cost include bank indebtedness, payables and accruals, long term debt and trust funds payable.

Impairment

Western Health removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment which there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in annual surplus.

3. Receivables	**2015**	2014
Province of Newfoundland and Labrador		
Capital contributions	**$ 400**	$ -
Provincial plan	**9,860**	13,216
MCP	**2,832**	3,840
Patient services	**818**	1,166
Employees' pay and travel advances	**314**	327
Harmonized sales tax rebate	**337**	516
Department of veteran affairs	**477**	564
Child Youth and Family Services	**2,191**	2,775
Other	**3,067**	3,233
	$ 20,296	$ 25,637

4. Due from associated funds	**2015**	2014
Cottages	**$ 2,071**	$ 1,190
Foundations	**50**	732
	$ 2,121	$ 1,922

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

5. Trust funds

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

6. NLHBA program liabilities

Beginning April 1, 2013 the Newfoundland and Labrador Health Boards Association ceased operations. Western Health was tasked with custody of the association's assets in order to decrease the liabilities remaining. Funds from this restricted cash balance can only be distributed based upon direction from Government.

In the current year any NLHBA disbursed funds have been recorded as part of operations which resulted in a move of restricted cash to cash and cash equivalents and NLHBA program liabilities to deferred contributions – operating on the statement of financial position.

7. Bank indebtedness

Western Health has access to a line of credit with the Bank of Montreal in the amount of $17,500 (2014 - $17,500) in the form of revolving demand loans and/or bank overdrafts. The authorization to borrow has been approved by the Minister of Health and Community Services. The balance outstanding on this line of credit at March 31, 2015 is $Nil (2014 - $Nil). Interest is being charged at prime less 1.15% on any overdraft (March 31, 2014 - 1.15%).

Western Regional Health Authority
Notes to the non-consolidated financial statements
March 31, 2015
(in thousands of dollars)

8. Employee future benefits

Future employee benefits related to accrued severance and accrued sick obligations have been calculated based on an actuarial valuation completed effective March 31, 2012 and extrapolated to March 31, 2015. The assumptions are based on future events. The economic assumptions used in the valuation are Western Health's best estimates of expected rates as follows:

	2015	2014
Wages and salary escalation	**3.75%**	2.75%
Discount rate	**2.90%**	3.90%

Based on actuarial valuation of the liability, at March 31, 2015 the results for sick leave are:

	2015	2014
Accrued sick pay obligation, beginning	**$ 16,967**	$ 17,806
Current period benefit cost	**1,749**	1,794
Benefit payments	**(2,312)**	(2,222)
Interest on the accrued benefit obligations	**651**	633
Actuarial losses (gains)	**1,447**	(1,044)
Accrued sick pay obligations, at end	**$ 18,502**	$ 16,967

Based on actuarial valuation of the liability, at March 31, 2015 the results for severance are:

	2015	2014
Accrued benefit obligation, beginning	**$ 29,804**	$ 30,460
Current period benefit cost	**2,015**	2,105
Benefit payments	**(1,642)**	(1,767)
Interest on the accrued benefit obligation	**1,170**	1,102
Actuarial losses (gains)	**2,659**	(2,096)
Accrued severance obligation, at end	**$ 34,006**	$ 29,804

A reconciliation of the accrued benefit liability and the accrued benefit obligation is as follows:

	2015	2014
Sick benefits:		
Accrued benefit liability	**$ 16,860**	$ 16,967
Unamortized actuarial losses	**1,642**	-
Accrued benefit obligation	**$ 18,502**	$ 16,967
Severance benefits:		
Accrued benefit liability	**$ 30,421**	$ 29,804
Unamortized actuarial losses	**3,585**	-
Accrued benefit obligation	**$ 34,006**	$ 29,804

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

9. Long term debt	2015	2014
1.8% mortgage on the Bay St. George Seniors Home, maturing in 2021, repayable in blended monthly payments of $12,113	**$ 848**	$ 977
8% mortgage on the Bay St. George Seniors Home, maturing in 2026, repayable in blended monthly payments of $9,523	**868**	912
4.56% mortgage on the Woody Point Clinic, maturing in 2020, repayable in blended monthly payments of $2,304	**125**	146
	$ 1,841	$ 2,035

As security for the mortgages, Western Health has provided a first mortgage over land and buildings at the Bay St. George Senior Citizens Home and Woody Point Clinic having a net book value of $1,841 (2014 - $ 2,035).

See Note 10 for five year principal repayment schedule.

10. Obligations under long term debt

Western Health has acquired building additions and equipment under the terms of long term debt. Payments under these obligations for the next five years are as follows:

Fiscal year ended	
2016	$ 198
2017	208
2018	219
2019	231
2020	244
	$ 1,100

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

11. Tangible capital assets

	Land	Land Improvements	Buildings	Parking Lot	Equipment	Motor Vehicles	Leasehold Improvements	Total
March 31, 2015								
Cost								
Opening balance	$ 675	$ 435	$ 56,517	$ 1,142	$ 130,446	$ 1,570	$ 232	$ 191,017
Additions	-	-	715	-	5,033	127	-	5,875
Disposals	-	-	-	-	-	-	-	-
Closing balance	675	435	57,232	1,142	135,479	1,697	232	196,892
Accumulated amortization								
Opening balance	-	257	29,921	725	91,000	1,087	220	123,210
Additions	-	4	1,546	26	5,908	109	2	7,595
Disposals	-	-	-	-	-	-	-	-
Closing balance	-	261	31,467	751	96,908	1,196	222	130,805
Net book value	**$ 675**	**$ 174**	**$ 25,765**	**$ 391**	**$ 38,571**	**$ 501**	**$ 10**	**$ 66,087**

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

11. Tangible capital assets (cont'd)

	Land	Land Improvements	Buildings	Parking Lot	Equipment	Motor Vehicles	Leasehold Improvements	Total
March 31, 2014								
Cost								
Opening balance	$ 675	$ 435	$ 56,087	$ 1,142	$ 125,448	$ 1,549	$ 232	$ 185,568
Additions	-	-	430	-	4,998	21	-	5,449
Disposals	-	-	-	-	-	-	-	-
Closing balance	675	435	56,517	1,142	130,446	1,570	232	191,017
Accumulated amortization								
Opening balance	-	253	28,321	697	84,796	969	218	115,254
Additions	-	4	1,600	28	6,204	118	2	7,956
Disposals	-	-	-	-	-	-	-	-
Closing balance	-	257	29,921	725	91,000	1,087	220	123,210
Net book value	**$ 675**	**$ 178**	**$ 26,596**	**$ 417**	**$ 39,446**	**$ 483**	**$ 12**	**$ 67,807**

Book value of capitalized items that have not been amortized is $6,152 (2014 - $5,590)

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

12. Inventory	2015	2014
Dietary	**$ 103**	$ 103
Pharmacy	**1,773**	1,711
Supplies	**3,017**	3,247
	$ 4,893	$ 5,061

13. Contingencies and commitments

Claims

As of March 31, 2015, there were a number of claims against Western Health in varying amounts for which no provision has been made. It is not possible to determine the amounts, if any, that may ultimately be assessed against Western Health with respect to these claims, but management believes any claim, if successful, will be covered by liability insurance.

Operating leases

Western Health has a number of agreements whereby it leases vehicles, office equipment and buildings. These leases are accounted for as operating leases. Future minimum lease payments for the next five years are as follows:

Fiscal year ended	
2016	$ 3,904
2017	2,940
2018	1,814
2019	591
2020	421
	$ 9,670

During the fiscal year ended March 31, 2015, Western Health entered into a 12 year energy performance contract with Honeywell. The installation of the measures is set to begin during the fiscal year ending March 31, 2016.

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

14. Budget

Western Health 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 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 Western Health. The updated budget amounts are reflected in the budget amounts as presented in the non-consolidated statement of operations [the "Budget"].

The Original Budget and Budget do not include amounts relating to certain non-cash and other items including capital asset amortization, the recognition of provincial capital grants and other capital contributions, adjustments required to the accrued benefit obligations associated with severance and sick leave, and adjustments to accrued vacation pay.

The following presents a reconciliation of budgeted revenue and expenditures for the year ended March 31, 2015:

Original budgeted provincial plan revenue	$	281,907
Add: Net provincial plan budget adjustments		18,396
Ending budgeted provincial plan revenue		300,303
Original budgeted other revenue		43,742
Add: Net budget increases - other		4,288
Ending budgeted revenue	$	348,333
Original budgeted salary expenditure	$	201,502
Add: Net salary budget adjustments		16,670
Ending budgeted salary expenditure		218,172
Original budgeted supply expenditure		124,147
Add: Net supply budget adjustments		6,014
Ending budgeted expenditures	$	348,333

Western Regional Health Authority

Notes to the non-consolidated financial statements

March 31, 2015
(in thousands of dollars)

15. Financial instruments

The main risks Western Health is exposed to through its financial instruments are credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority's main credit risks relate to its accounts receivable. The entity provides credit to its clients in the normal course of its operations. There was no significant change in exposure from the prior year.

Western Health has a collection policy and monitoring process intended to mitigate potential credit losses. Management believes that the credit risk with respect to accounts receivable is not material.

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting the obligations associated with its financial liabilities. The Authority is exposed to this risk mainly in respect of its long term debt, contributions to the pension plan and accounts payable. There was no significant change in exposure from the prior year.

The Authority mitigates this risk by having access to a line of credit in the amount of $17,500. In addition, consideration will be given to obtaining additional funds through third party funding in the Province, assuming these can be obtained.

Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Authority is not significantly impacted by foreign exchange risk or interest rate risk.

16. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

Western Regional Health Authority

Non-Consolidated expenditures – operating/shareable

Schedule I

Year ended March 31 (in thousands of dollars)	**2015**	2014
Administration		
General administration	**$ 9,128**	$ 7,470
Finance	**2,886**	2,853
Personnel services	**3,965**	4,142
System support	**4,913**	4,467
Other administrative	**5,705**	5,924
	26,597	24,856
Support services		
Housekeeping	**10,683**	10,688
Laundry and linen	**2,445**	2,489
Plant services	**18,653**	19,815
Patient food services	**12,177**	12,067
Other support services	**14,544**	14,085
	58,502	59,144
Nursing inpatient services		
Nursing inpatient services – acute	**57,290**	55,079
Medical services	**22,707**	23,010
Nursing inpatient services – long term care	**29,633**	26,462
	109,630	104,551
Ambulatory care services	**27,866**	26,831
Diagnostic and therapeutic services		
Clinical laboratory	**11,082**	10,728
Diagnostic imaging	**8,568**	8,834
Other diagnostic and therapeutic	**12,780**	12,763
	32,430	32,325

Western Regional Health Authority

Non-Consolidated expenditures – operating/shareable

Schedule I (cont'd)

Year ended March 31 (in thousands of dollars)	**2015**	2014
Community and social services		
Mental health and addictions	**7,974**	7,542
Community support programs	**66,013**	61,899
Family support programs	**2,989**	3,055
Health promotion and protection program	**6,188**	6,476
	83,164	78,972
Education	**5,715**	5,890
Undistributed	**5,149**	2,015
Shareable amortization	**194**	191
Total expenditures	**$ 349,247**	$ 334,775

Western Regional Health Authority

Non-Consolidated revenue and expenditures for government reporting

Schedule II

Year ended March 31 (in thousands of dollars)	**2015**	2014
Revenue		
Provincial plan – operating grant	**$ 300,303**	$ 287,879
Capital grant – provincial	**5,123**	5,021
Capital grant – other	**816**	562
MCP physician revenue	**19,179**	19,084
National Child Benefit	**780**	831
Early Childhood Development	**359**	394
Inpatient	**1,334**	1,583
Outpatient	**1,581**	1,678
Resident revenue – long term care	**7,978**	8,199
Mortgage interest subsidy	**22**	23
Food service	**1,725**	1,775
Other recoveries	**10,488**	10,203
Other	**5,498**	3,126
Total revenue	**355,186**	340,358
Expenditures		
Worked and benefit salaries and contributions	**184,479**	178,062
Benefit contributions	**33,693**	31,336
	218,172	209,398
Supplies – plant operations and maintenance	**6,681**	7,245
Supplies – drugs	**8,972**	8,830
Supplies – medical and surgical	**11,726**	12,152
Supplies – other	**12,836**	13,381
	40,215	41,608
Direct client costs – mental health and addictions	**394**	358
Direct client costs – community support	**48,883**	46,198
Direct client costs – family support	**1,292**	1,313
	50,569	47,869
Other shareable expenses	**40,005**	35,612

Western Regional Health Authority
Non-Consolidated revenue and expenditures for government reporting
Schedule II (cont'd)

Year ended March 31 (in thousands of dollars)	**2015**	2014
Expenditures (cont'd)		
Long term debt – interest	**92**	97
Long term debt – principal	**194**	191
	286	288
Total expenditures	**349,247**	334,775
Less: Capital grant – provincial	**5,123**	5,021
Less: Capital grant – other	**816**	562
Surplus for government reporting	**-**	-
Long term debt - principal	**194**	191
Surplus inclusive of other operations	**194**	191
Shareable amortization	**194**	191
Surplus before non-shareable items	**-**	-
Non-shareable items		
Amortization expense	**7,401**	7,765
Accrued vacation expense - increase (decrease)	**417**	(578)
Accrued severance expense – increase (decrease)	**617**	(656)
Accrued sick expense – (decrease)	**(107)**	(839)
Capital grant – Provincial	**(5,123)**	(5,021)
Capital grant - Other	**(816)**	(562)
	2,389	109
Deficit as per Statement of Operations	**$ (2,389)**	$ (109)

Western Regional Health Authority

Non-Consolidated funding and expenditures for government reporting

Capital transactions

Schedule III

Year ended March 31 (in thousands of dollars)		**2015**		2014
Sources of funds				
Provincial capital equipment grant for current year	**$**	**5,021**	$	3,957
Provincial facility capital grant in current year		**1,920**		2,757
Add: Proceeds on sale of Interfaith Home		**-**		1,278
Add: Deferred capital grant from prior year		**13,694**		11,789
Add: Transfer from operating fund		**118**		-
Less: Capital facility grant reallocated for operating fund purchases		**(1,579)**		(1,066)
Less: Deferred capital grant from current year		**(14,051)**		(13,694)
		5,123		5,021
Other contributions				
Foundations, auxiliaries and other		**816**		562
Total funding		**5,939**		5,583
Capital expenditures				
Asset, building and land		**715**		430
Asset, equipment		**5,160**		5,019
Total expenditures		**5,875**		5,449
Surplus on capital purchases	**$**	**64**	$	134

Western Regional Health Authority

Accumulated operating deficit for government reporting

Schedule IVA

Year ended March 31
(in thousands of dollars)

	2015	2014
Accumulated operating deficit		
Current assets		
Cash and cash equivalents	**$ 11,207**	$ -
Accounts receivable	**20,296**	25,637
Due from associated funds	**2,121**	1,922
Inventory	**4,893**	5,061
Prepaid expenses	**6,233**	6,852
Other	**(21)**	(16)
Total assets	**44,729**	39,456
Current liabilities		
Bank indebtedness	**-**	1,743
Accounts payable and accrued liabilities	**31,348**	31,169
Deferred contributions – operating	**9,518**	3,090
Deferred contributions - capital	**14,051**	13,694
Total current liabilities	**54,917**	49,696
Accumulated operating deficit	**$ (10,188)**	$ (10,240)
Reconciliation of operating deficit		
Accumulated operating deficit – beginning of year	**$ (10,240)**	$ (10,363)
Add: Net operating income (loss) per schedule II	**-**	-
Add: Net surplus on capital purchases per schedule III	**64**	134
Less: Restricted interest income	**(12)**	(11)
Accumulated operating deficit –end of year	**(10,188)**	(10,240)
Less: Net surplus on capital purchases – prior years	**1,132**	998
Less: Net surplus on capital purchases -2014	**-**	134
Less: Net surplus on capital purchases -2015	**64**	-
Accumulated operating deficit – per Department of Health and Community Services	**$ (11,384)**	$ (11,372)

Western Regional Health Authority

Reconciliation of non-consolidated accumulated operating deficit for government reporting

Schedule IVB

Year ended March 31 (in thousands of dollars)	**2015**	2014
Accumulated operating deficit – end of year per Schedule IVA	**$ (10,188)**	$ (10,240)
Adjustments:		
Other assets	**21**	16
Restricted cash and investments	**157**	150
Vacation pay accrual	**(9,076)**	(8,659)
Severance pay accrual	**(30,421)**	(29,804)
Sick pay accrual	**(16,860)**	(16,967)
Long term debt	**(1,841)**	(2,035)
Tangible capital assets	**66,087**	67,807
	8,067	10,508
Accumulated (deficit) surplus per Statement of Financial Position	**$ (2,121)**	$ 268

Western Health

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