NORTHERN HEALTH REGION

ANNUAL REPORT

2013-2014

September 30, 2014

The Honourable Erin Selby
Minister of Health
Room 302, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Minister:

On behalf of the Board of Directors, I have the honour to present the Annual Report for the Northern Regional Health Authority, for the fiscal year ended March 31, 2014.

This Annual Report was prepared under the Board's direction, in accordance with the *Regional Health Authorities Act* and directions provided by the Minister of Health and has been approved by the Board of Directors.

All material, economic and fiscal implications known as of March 31, 2014 have been considered in preparing the Annual Report.

Respectfully submitted on Behalf of the Northern Regional Health Authority,

Doug Lauvstad
Board Chair

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Board of Directors Chair's Message

Owning Governance and Directing Change is the Board's Domain

The Board of Directors of the Northern Health Region accomplished a milestone in its governance process this past year as it completed a comprehensive Governance Manual which will serve as a guidebook for the region's Board of Directors for years to come.

Governance is the very cornerstone of the board's role within a regional health authority. Our region now has its own specific guide book or owner's manual to help keep us on track by articulating the processes we will use to carry out our responsibilities as an appointed board.

I want to thank our Governance Committee for their leadership in shepherding this project through to completion. It was no small feat. The legwork required to painstakingly construct and assemble the manual will pay huge dividends as we continue our work. It will also go a long way toward orienting future board members on our inner workings.

Just as the region has grown and evolved into its own entity over the past year, so too has the board matured and grown. We have refined our committee structure and ensured that each board member sits on at least one committee of the board. Each committee in turn has its own work plan to help guide their work. In addition, the board developed a planning cycle as a tool to ensure our work was spread through the year as a way to support our success.

As a board, we have sought assistance when we needed it, including the use of a board coach through the Asper School of Business at the University of Manitoba. Steve Vieweg has shared his executive coaching expertise to help guide and support our board to become a motivated, cohesive team who understands their responsibilities and take them very seriously.

By first establishing, then monitoring the organization's four Strategic Directions and accompanying Strategic Priorities, the board is directing change in support of the Vision and Mission of the Northern Health Region. This annual report documents the progress the Chief Executive Officer and her staff have made this past year in carrying out the Board's direction. On behalf of the entire board we commend the entire staff for their hard work in support of the achievement of the Vision and Mission of the Northern Health Region. As with the staff throughout the region, the patient is at the heart of everything we do as a board of directors. We are proud of our accomplishments, and excited about the future as we strive to achieve, support and maintain *healthy people in a healthy north*.

Respectfully,

Doug Lauvstad, Chair

Chief Executive Officer's Message

Northern Health Solidifying as its own Region

This past year, our region began to really take on a new feel. Today's Northern Health Region feels less like the joining of two previous smaller regions, and more like one new larger region coming of age. More and more, we are getting comfortable in our own skin as a region. So what does that mean?

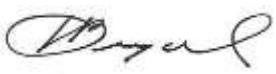
It means we are making progress in standardizing processes and procedures region wide. That means greater consistency for the patients we serve regardless of where they live in the region. Even though, as a region, we are only two years old, I believe we can honestly say we are maturing as a region. There is a greater cohesion among our staff as we get to know each other better and begin seeing the effect of leaders taking a regional view for both planning and execution of programming. So, as the kids used to say on every road trip in the car – are we there yet?

We are not there yet, but we have come a long way together on our journey forward to building a region striving to achieve *healthy people in a healthy north*. We continue to move forward with the help of our partners. We continue to invest time and energy in building relationships with our communities and their leaders, we are proud of our First Nations' partnerships and we are happy to be working in partnership with our staff. We know and understand that this is a region wide goal which will involve stakeholders from throughout the region if we are to succeed. How are we involving stakeholders?

One of the ways is through the reviews we have undertaken recently. We ordered a couple of external reviews, one in mental health services in Thompson and one for the emergency departments in Flin Flon and The Pas. Both reviews involved hearing from patients, community members, staff and other partners. We anticipate both of these will assist us in making rapid improvements within both of these areas. Change continues to be a constant companion in health care. Will that continue for the future?

We anticipate change will always be with us. In fact, a philosophy of continuous improvement means change will be here to stay; our role as a Region is not to be surprised by it but rather welcome it as an opportunity to seek new ways of providing the best we have to those we serve. To our stakeholders who say *show me*, *don't tell me;* I say stay tuned. This past year, I have seen sustained momentum within all levels of the region's leadership, from the vice-presidents and executive directors, through to the directors and the managers. We've made some positive additions to our team and the results are demonstrating we are bearing fruit. So what does that mean really?

There is a new energy within the region that is evident when you talk and interact with staff at all levels. There is a hopefulness that brings a smile to my face when I walk and talk with them. Please know that I know we are still far from our destination, but I can see how our patients and their families are benefitting as we work daily to deliver on the promise of our Mission to provide quality, accessible and compassionate health services for all. Ekosi, Ekosani, Masicho!



Helga Bryant, Chief Executive Officer

Northern Health Region

Our Region

The Northern Regional Health Authority (Northern Health Region) was created in May 2012 through the amalgamation of the former NOR-MAN and the Burntwood Regional Health Authorities. The Northern Health Region is geographically the largest of the five RHAs in the province of Manitoba. In fact, in area, the Region is larger than the entire country of Germany or Norway.

Population centres within the Region include:

- 2 cities (Thompson and Flin Flon)
- 6 towns (The Pas, Gillam, Grand Rapids, Leaf Rapids, Lynn Lake, Snow Lake)
- 1 RM (Kelsey)
- 1 LGD (Mystery Lake)
- Multiple hamlets and cottage settlements making up "unorganized territories"
- 26 First Nations communities, and
- 16 Northern Affairs Communities

Overview of the Northern Health Region

The Northern Health Region has a population of 74,175 people spread over 396,000 km², resulting in a population density of 0.18 persons per km² compared to 2.19 persons per km² for the entire province of Manitoba. The Region accounts for just under six per cent of the provincial population. Between 2002 and 2012, the Region experienced a growth rate of 6.3 per cent compared to the growth rate of 10 per cent in the province overall.

According to the 2006 Census, (the most recent data available with Aboriginal Identity), over two- thirds (67.4%) of residents self-identify as Aboriginal. According to Manitoba Health 2012 population estimates, about 40 per cent of residents live in First Nations communities and the remaining 60 per cent live off-reserve. Just under one-third of residents (31.9%) report speaking at least one Aboriginal language compared to only 6 per cent of Manitobans. In fact, Northern Health Region residents account for 81 per cent of Manitoba residents who report speaking an Aboriginal language.

The Northern Health Region is a young region with a median age of 26 (compared to Manitoba at 37). Almost one in three residents (30%) of the region are under the age of 15 compared to 19 per cent of Manitoba residents. On the opposite end of the spectrum, 6.1 per cent of Northern Region residents are age 65 and older compared to 14.1 per cent of Manitobans.

Although the older age group makes up a smaller proportion of the population than Manitoba overall, the number of residents age 65 and older grew by 30 per cent between 2002 and 2012 compared to a growth rate in this age group of 13.6 per cent in Manitoba.

According to former Community Health Assessments, residents of the Northern Health Region have consistently been among the unhealthiest in the province. Many factors affect our health including where we live, the state of our environment, income, education level, and choices we make in healthy or unhealthy behaviours as well as access to acute care and community based health services. During our consultations, community members spoke about how many of these factors affected their health.

Some factors in particular included access to affordable and healthy foods, mental health issues and family violence, concern about youth and the unhealthy choices many make, support for young parents and families, challenges in accessing services from small and remote communities, privacy in accessing key health services (such as support for addictions and mental health) in small communities and challenges in obtaining meaningful employment in very small communities.

Our Demographics

Data on key demographic issues support the comments and concerns of community members:

- **Isolation and Remoteness** - The Region's rural and remoteness and the number of widely scattered communities and jurisdictional issues impacts resident's access to services. Some communities are accessible only by air or winter roads, and many homes may not have a telephone or running water. A small population dispersed over a very large area makes provision of health services challenging. Factors such as weather can impact accessibility to health services when health teams are required to fly into communities and flights are delayed or cancelled due to weather conditions. In addition, affordability is an issue when residents must leave the community at their own expense to access health services not available in the community.

- **Jurisdictional Issues –** As stated, at least 40 per cent of Northern Health Region residents live on reserve. However, residents frequently travel on and off reserve and access health services in both locations. Having more than one provider of health services (FNIH for on- reserve services and the Region for off-reserve services) can cause confusion for our residents in terms of accessing care. It can also create issues with gaps in follow up with patients and on-going continuity of care. It is imperative that the Region continue to strive towards seamless services with all stakeholders involved.

- **Education** – 50 per cent of residents age 15 and older have not completed high school (compared to 29.4% of Manitobans).

- **Unemployment** - 59 per cent of residents age 15 and older are participating in the labour force (either working or looking for work) compared to 67.3 per cent of Manitobans.

- **Income inequality** - Is a concern for the smaller remote communities and lone parent families.

- **Government Transfers** - There is a high dependence on government transfer payments with higher rates observed in the outlying communities.

- **Families** – In the Northern Region, there is a higher rate of teen parents, particularly in First Nations communities, and younger parents face many challenges and require supports to help them achieve long term success in parenting. Families also tend to be larger with an average of 1.7 children per family compared to 1.2 per family in Manitoba overall. In the Region, almost one-third (31.1%) of families are lone parent families compared to less than one in five (17.1%) in Manitoba. Lone parent families live on incomes which are approximately one-third of what is seen in two parent families.

- **Housing** - Issues of affordability, quality and shortage of housing are concerns, particularly in outlying communities.

- **Healthy Foods** - Access to affordable nutritious food is a concern in particular in the outlying communities.

- **Transportation and communication infrastructure** - Not as extensive as in other parts of the province and can limit the access to specialty health services.

Our Health Issues and Challenges

Health and health care issues that are identified as key priority areas for the Northern Health Region include:

- **Chronic Disease Treatment and Prevention** – The Northern Health Region is a young population compared to Manitoba. Typically chronic diseases are diseases found in older residents; this makes the higher rates of some chronic disease in the Region even more of a priority. Higher rates of diabetes, certain cancers as well as cardiovascular disease continue to be observed. With these outcomes we have concluded that significant improvement must be made in the area of lifestyle risk factors such as obesity, alcohol use, smoking, lack of exercise and a less healthy diet are noted for our Region.

- **Disparity in Health Status** – In many cases, there have been significant gains in our direct service communities such as improved immunization rates and reductions in rates of some STI's. However, when combined with data for residents living on-reserve, these improvements are masked. Aboriginal residents, and residents living on-reserve more specifically, are more likely to have higher rates of acute care stays as well as longer days spent in hospital. Lower rates of immunization and higher rates of diabetes, teen births, high birth weight babies, STI's and tuberculosis are noted for residents living on-reserve. This underscores the need for the Region to work to cross any jurisdictional barriers and work closely with FNIH and First Nations stakeholder groups toward the goal of improving the health status of all residents of our region.

- **Infant and Child Health** – We note Northern Region residents continue to be less likely to breast feed than other residents of Manitoba. This may be related to a higher rate of young moms who are less likely to breast feed than older moms. Rates of high birth weight babies are a trend that we continue to monitor due to risk factors such as higher rates of diabetes in the Region. It is also noted that rates of dental extractions in young children are higher in the Region compared to Manitoba and this is related to diet and trust in using tap water for drinking and for brushing teeth. Families First screening data also illustrates that new mothers in the Region are more likely to have three or more risk factors, such as young age of mother, lower education levels, smoking or alcohol use during pregnancy, and are eligible for home visiting programs. We will continue to focus on providing the best and most appropriate to support new parents and young families in the Region.

- **Mental Health and Addictions** – Focus group participants were most likely to remark on concerns regarding mental health and addictions compared to other issues. Survey data show that Northern Region residents do have higher rates of alcohol use. In addition hospitalization rates for certain mental health disorders, including addictions, tend to be higher than for the rest of the province. Focus must be on prevention but it is also imperative that strong community level supports, which residents feel comfortable accessing, be in place when residents return to the community after receiving treatment.

- **Injury and Suicide** – Higher rates of hospitalizations due to self-inflicted injuries among young women have been noted in the Region. There continue to be trends toward higher than average rates of injury mortality and hospitalization rates among regional residents. There have been some improvements in some areas of the Region, but the overall trends are towards higher rates of these outcomes than seen in the Region overall. The good news is that injury and suicide are both preventable and the Region continues to work with stakeholders towards developing the best programming and supports for Regional residents to avoid these outcomes.

- **Premature Mortality** – Premature Mortality Rates and Potential Years of Life Lost are among the best overall measures of the health status of a population. Unfortunately premature mortality rates continue to be higher in the north compared to Manitoba overall. Again, the positive news is that many deaths which occur early are preventable and the Region will continue to focus on improving mental health, suicide prevention, injury prevention and reduction in chronic disease.

- **Youth Health** - Grades 6 to 12 students within the Region have identified issues relating to smoking, alcohol and drug consumption that is increasing at alarming rate with each grade. Concerns regarding mental health and wellness have also been identified. We continue to be dedicated to working with our schools to address personal health choices being made by our youth. Regional staff are often on-site at schools and are involved in delivering youth suicide prevention programs as well as providing support and information regarding family planning and other lifestyle risk factors.

- **Communicable disease prevention** – It has been noted that although there has been some improvement noted in direct service communities, overall there continue to be challenges in communicable disease prevention. The Region will continue to focus on improving immunization rates for all Regional residents as well as reducing key communicable diseases such as tuberculosis and STI's.

- **Human Resources shortages and staff turnover** – We have very dedicated staff in the Region, however, shortages and staff turnover continue to be a challenge in our larger centres, particularly in the smaller and more remote communities. There is a national shortage of health care workers and competitive hiring practices in other jurisdictions keep the staff turnover and vacancy rates high. Professional development and mentoring are constant requirements in this environment. It is imperative that the Region continue to work towards the development of a long term sustainable work force in the Region as turnover in work force and gaps in filling positions ultimately impact continuity of care for clients in the Region.

- **Population growth** – As the economy grows through planned hydro development and growth in the mining industry, the increased population will require access to services in the health care system. The organization must be prepared to respond. The higher birth rate will continue to impact necessary health services. The geographic isolation can cause additional burdens for families.

Our Strengths

Areas of Strength include:

- **Quality health services** - We provide quality health care and services. Client and staff feedback continue to be monitored for suggestions to improvement in quality. In addition, the Region is committed to the ongoing tracking and reporting of infectious disease and preventable adverse outcomes in our acute care facilities. Quarterly monitoring reports for Thompson Hospital rates of surgical site infections, MRSA, ARO's and outbreaks have been developed and will be expanded throughout the Region.

- **Responsiveness** - We are responsive to client's needs. Through Aboriginal Liaison Staff, Patient Safety, and committed Managers and Physicians, suggestions, concerns and complaints from patients are quickly explored with follow-up with families through the Patient Safety portfolio and/or individual Managers, Executive Directors, VP or CEO.

- **Programs and services** - Based on fiscal realities, we are providing an adequate number of programs and services to residents of the Northern Health Region.

- **Our staff** - Our staff is caring, committed, experienced and knowledgeable. In spite of recruitment and retention challenges, staff demonstrate commitment to the patients/clients/residents they care for. In times of staff shortages, staff support care by working additional hours all in an effort to sustain care and services.

- T**eamwork** - Is valued and modeled in the organization. As we have re-structured aspects of our programs and services under the umbrella of amalgamation, teams have adapted, accepted new colleagues and are excited about gaining synergy through the delivery of services in a more robust Regional model.

- **Innovative Partnerships** - Our team approach & innovative partnerships (i.e. Wellness Centre). Numerous organizational relationships are being developed; several of those are producing outcomes; community engagement, community support in welcoming newly recruited health care professional; joint planning.

- **Chronic Disease Prevention** - Work being done in Chronic Disease Prevention is excellent and must continue. Community level initiatives were praised by many focus group participants; these initiatives can be low cost but having lasting impact and involve community members at the grass roots level.

- **Primary Health Care Centres** - Our Primary Health Care Centres are very important resources and positive for the region. Expanded services and same day appointments will have ongoing impact in improving access to care

- **MBTelehealth** - Is highly regarded and the need to expand services was noted (both in Winnipeg and in Region). It is believed that MBTelehealth is vehicle that can continue to significantly increase access to services and reduce travel time, travel inconvenience as well as travel costs.

- **Representative workforce policy** - Noted as positive.

- **Good administrative systems** - Mechanisms in place to deal with issues/complaints.

- **Flexibility** - We are flexible and adaptable to the changing environment.

- **Disaster Planning** - We are good at managing crisis. A plane crash in Snow Lake in the fall of 2012 demonstrated the capacity of the Region to manage a disaster.

- **Our Reputation** - We are well respected provincially.

- **Leadership** - We have strong leadership doing innovative work. While there are times wherein we experience challenges in filling leadership positions, we have recruited some key individuals that are creating an energy in their respective work sites/programs. Only on rare occasions do we experience difficulty in filling leadership positions.

- **Governance** - We have a supportive board that is committed to the organization and its leadership. The board is receiving governance education, maximizing technology, and developing governance principles and policies.

Our Brand

NORTHERN
HEALTH REGION

Our logo and our Brand tell the story of how we are an integral part of the North, while at the same time one with the land, the sky, the people and nature. Our logo depicts harmony, respect and a deep desire to care for the health and wellbeing of the North, and more specifically, the people.

The MAP – The depiction of a map of Manitoba makes the vastness of the Northern Health Region's boundaries readily apparent to the viewer. The boundary of the Region is further enhanced and delineated by the outstretched wings of the Eagle.

The EAGLE – The Eagle is a universal symbol of strength, power, truth and freedom. For our First Nations communities, the Eagle is the most sacred bird for it carries prayers to the Creator. The Eagle soars above us all and sees and hears all. The Eagle sits in the East of the Medicine Wheel with the direction of leadership and courage. The Eagle's wings represent the balance between men and women. They show the interdependence of one upon the other and show both must work together, in cooperation to achieve desired results. In our logo, the eagle's wings cradle not only the Region, but the people of the North, symbolizing health care, or "taking care of." In some respects, the Eagle can be seen as guarding or protecting the North.

The PEOPLE – The people are represented by the three different sized figures representing the family (father, mother and child) but also the diversity of people within our Region and the harmony in which they can live together. Their outstretched arms symbolize welcoming and openness to embrace life and its challenges.

The SUN – The depiction of the rising sun marks the dawning of a new day and its challenges. It also offers hopefulness to our people and gives thanks for life and nature.

Board of Directors

The Minister of Health, in accordance with provisions of The Regional Health Authority Act, appoints directors to each Regional Health Authority (RHA) Board. The appointments represent a broad cross-section of interests, experience and expertise with a single common feature of strong commitment to enhancing the health system and improving health for Manitobans.

The directors are selected from nominations elicited from a wide range of individuals and organizations interested in and involved with health services. Geographic representation is considered when making appointments. Efforts are made to have the boards reflect the population they are appointed to serve.

Any resident of a health region may, for the board of the regional health authority for that region, nominate a person or persons, including himself or herself. Nomination forms for each year's appointments are available at our RHA office. Nomination forms may be submitted directly to our RHA office or to the Minister of Health and the deadline is December 15th of each year.

Northern Health Region 2013/14 Board of Directors. Left to right: front row – Edith Turner, Nora Ross, Doug Lauvstad; centre row – Francis Hall, Anne Thompson, Donna Champagne; top row – Glen Ross, Gerard Jennissen, Cal Huntley, Jasper Robinson. Missing from the photo: Hilda Dysart, Lloyd Flett and Marc Jackson.

The following individuals make up the Northern Health Region Board of Directors:

Douglas Lauvstad, chair – The Pas
Lloyd Flett, vice-chair – Norway House
Cal Huntley – Flin Flon
Marc Jackson – Snow Lake
Donna Champagne – Denare Beach, Sask
Gerard Jennissen – Cranberry Portage
Glen Ross – The Pas
Edith Turner – Cormorant
Anne Thompson – Lynn Lake
Jasper Robinson – Thompson
Hilda Dysart – South Indian Lake
Dale Seddon – Leaf Rapids (resigned 02/14)
Nora Ross – Thompson
Frances Hall – Wabowden

Board of Directors Committees include the Executive, Governance, Audit, Finance, and the Quality and Patient Safety Committees. Committee meetings were held at the discretion of the Chair of each committee. Meetings were usually held in conjunction with scheduled Board meetings to reduce travel and other costs. Following each meeting, the recommendations of the committee were presented to the Board for approval. Committee activities appeared in the Board Highlights posted on the Region's website.

Our Mission, Vision and Values

The Vision, Mission and Values of our organization were created and approved by our Board of Directors. More than simple words on a paper, these are the foundation our organization is built upon.

Our Vision is the future state we want to create for the people we are here to serve.

The Mission is the way we will achieve this on a day to day basis.

Our Values are those attributes we want our staff and communities to know are important to our organization so that they can guide our behaviors and daily decision making in a way which reflects well on the work we do in service to our Northern citizens.

Our Mission:

The Northern Health Region is dedicated to providing quality, accessible and compassionate health services

Our Vision:

Healthy People, Healthy North

Our Values:

Trust
We are honest and reliable in fulfilling our commitments.

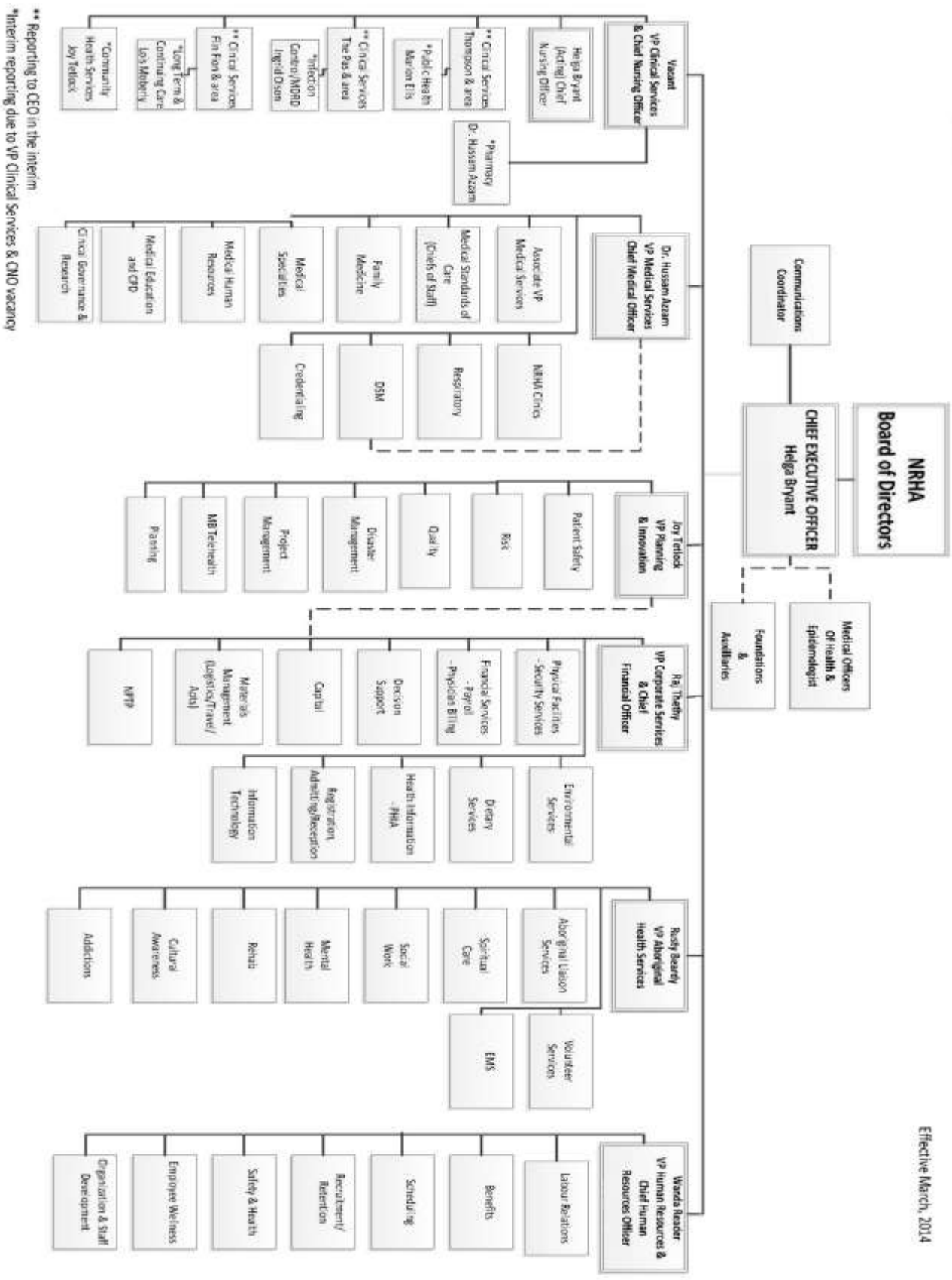
Respect
We treat people and organizations with dignity and consideration.

Integrity
Our beliefs, behaviours, words and actions are honestly, ethically and morally aligned.

Compassion
Our interactions are rooted in empathy and sensitivity.

Collaboration
We work with others to enhance service delivery and maximize resources.

Our Organizational Structure



Executive Leadership Council

- **Helga Bryant RN, BScN, MScA**, Chief Executive Officer and Chief Nursing Officer
- **Dr. Hussam Azzam MD, FRCSC, MRCOG, FACOG, PGDAES, CCPE**, Vice-President, Medical Services and Chief Medical Officer
- **Rusty Beardy BSW**, Vice-President, Aboriginal Health Services and Chief Allied Health Officer
- **Wanda Reader**, Vice-President, Human Resources and Chief Human Resources Officer
- **Joy Tetlock**, Vice-President, Planning and Innovation
- **Rajinder Thethy BBA (App), CGA, MBA,** Vice-President, Corporate Services and Chief Financial Officer
- **Marion Ellis RN, BScN, MN,** Executive Director of Clinical Services, Thompson and Area
- **Lois Moberly RN**, Executive Director of Clinical Services, Flin Flon and Area
- **Ingrid Olson RN, BA, MN**, Executive Director of Clinical Services, The Pas and Area

Northern Health Region Executive Leadership Council. Left to right: front row – Helga Bryant;
centre row – Lois Moberly, Wanda Reader, Ingrid Olson, Marion Ellis;
top row – Rusty Beardy, Hussam Azzam, Raj Thethy.
Missing from photo: Joy Tetlock

Strategic Directions, Priorities & Performance Measures

In order to achieve the Vision of the Northern Health Region, the Board of Directors set out four strategic directions along with their supporting strategic priorities to guide the organization over the next three years. These directions and priorities build on our commitment to the Vision and Mission of the organization. To have Healthy People in a Healthy North, we must make improving population health and accessible health services our key focus. Being an employer of choice ensures we are recruiting and retaining qualified, professional staff who provide the best quality healthcare to our residents. Being a sustainable, innovative organization ensures that we have the resources in place to support access to quality health services. We are committed to encouraging improved ways of providing health services to ensure our patients are receiving the best possible care we can deliver. The Directions and Priorities are outlined below. For more details, and to see the specific performance measures for each priority, download the Strategic Plan from our website.

Strategic Direction One: Improve Population Health
Supporting Strategic Priorities:

- Focus on prevention and promotion activities to improve the health status of people in our region.
- Engage citizens as partners to support healthy living, self-management and advocacy
- Reduce chronic and communicable disease rates across the Region.
- Engage with Aboriginal and First Nations' Leaders, Health Canada's First Nations and Inuit Health Branch, and Manitoba Health in order to reduce health disparities across the Region.

Strategic Direction Two: Deliver Quality Accessible Health Services
Supporting Strategic Priorities:

- Develop a seamless continuum of responsive patient focused care to provide the right services, at the right place, at the right time.
- Continue to actively promote a culture of safety within the organization through implementation and monitoring of best practices in our day to day operations.
- Ensure measurement of Patient Satisfaction is part of the culture of Northern Health Region both formally and informally.

Strategic Direction Three: Be a Sustainable and Innovative Organization
Supporting Strategic Priorities:

- Build a sustainable organization that balances resources with the needs of clients we serve.
- Align resources (people, processes, and technology) to foster creativity and innovation.
- Operate in an open and transparent manner.

Strategic Direction Four: Be an Employer of Choice
Supporting Strategic Priorities:

- Focus on recruitment and retention of the best people that reflect the diversity of our Region.
- Building a healthy, safe, respectful and supportive work environment.
- Providing opportunities for education and development to strengthen leadership in all.

Operations Report Highlights

Strategic Direction One: Improve Population Health

The highlights from 2013/14 include the following:

- **Primary Care Pathway (Wave 1 PCN):** The Primary Care Pathway in Thompson, Wabowden, Leaf Rapids, Lac Brochet and Thicket Portage as part of the "1st Wave" of Primary Care Networks (PCN) development in the province. The Region now has the opportunity to be part of the "2nd Wave" of PCNs. We expect to establish one further PCN; in The Pas and area and Flin Flon and area. The recruitment of new physicians and the commitment of a physician clinic place The Pas and area in an optimal position to pursue funding for a PCN. Opaskwayak Health Authority has also signed on as partner for Wave 2. PCN's are a collaborative between the Region, Primary Health Care Services, Primary Care Physicians and other Primary Care Providers such as nurse practitioners and midwives.

- **Wellness Initiative in Partnership with City of Thompson:** The Region partnered with the City of Thompson on a wellness centre in the Thompson Regional Community Centre. There is a like model in The Pas that is very successful; the program sees the provision of space for health care providers to support exercise, activity and education in a publicly accessibly space like the TRCC. The contribution of the RHA would be equipment and staff expertise in exchange for public space and access in perpetuity in the Thompson Regional Community Centre.

- **Chemawawin Cree Nation, Northern Health Region and Manitoba Health:** We are in the process of exploring a Health Services Agreement that would enhance the '64 Agreement under which CCN falls. The first steps in this process is the completion of a Community Needs Assessment which will then guide the development of a Health Plan which is required by First Nations Inuit Health Branch (FNIHB) to gain enhanced federal funding and in a manner that offers CCN maximum autonomy and flexibility in allocating the funding. CCN, Manitoba Health and the Region will be entering into a Memorandum of Understanding which will articulate our commitment to plan towards reaching a Health Services Agreement.

- **Provincial Nursing Station Transfer:** The Journey Forward report of 2011 recommended that the three Provincial Nursing Stations (Chemawawin, Mosakahiken, and Misipawistik) be transferred to the Regional Health Authority. This transfer was held for a year in favour of the amalgamation processes. We are now actively pursuing the transfer the stations. Organizationally, the Nursing Stations will report to the Executive Director Clinical Services The Pas and area. This decision was grounded in the Journey Forward review wherein recommendations spoke about the need for better communication and relationship between St. Anthony's Hospital and the Nursing Stations. Community dialogue and planning are a major part of the phased approach we are working with our partners to move forward.

- **Marcel Colomb Cree Nation:** Chief Andrew Colomb has contacted the Region and First Nations Inuit Health to enter into a discussion regarding health services. To further this discussion, a day long planning day was held in June in Leaf Rapids. First Nations, the

Region and the Band shared information regarding health service resources with a view to identifying the needs, the gaps and subsequently seek ways to collaborate. The new community of Black Sturgeon is small, some 15 homes only so continue to gain health services in Leaf Rapids at this point. This is an opportunity for innovative collaboration between the province, the federal system and the band. We are excited about the possibilities.

- **Stroke Care:** A proposal was submitted to the Canadian Stroke Network to create a satellite stroke prevention clinic (SPC), in Thompson Manitoba. This service offers stroke-neurology expertise to the north through a telestroke network from the Health Sciences Centre (HSC) in Winnipeg to Thompson General Hospital (TGH) in Thompson Manitoba. Costly medivacs and urgent transfers to Winnipeg are prevented or substantially reduced and health outcomes are improving for this high risk stroke population. This "pilot project" is the start for building a provincial telestroke network that provides best practice stroke care services across the continuum to northern and rural Manitobans. The success of this satellite SPC would support the development of a provincial "hub and spoke" stroke model.

- **One Step Ahead:** This past year marked the 2 year anniversary and end of the One Step Ahead program that focused on lifestyle changes for diabetics and pre-diabetes in The Pas and area. This is but one example of numerous programs offered in the communities of the Northern Health Region that promote wellness, illness prevention, early detection and ongoing management of chronic diseases.

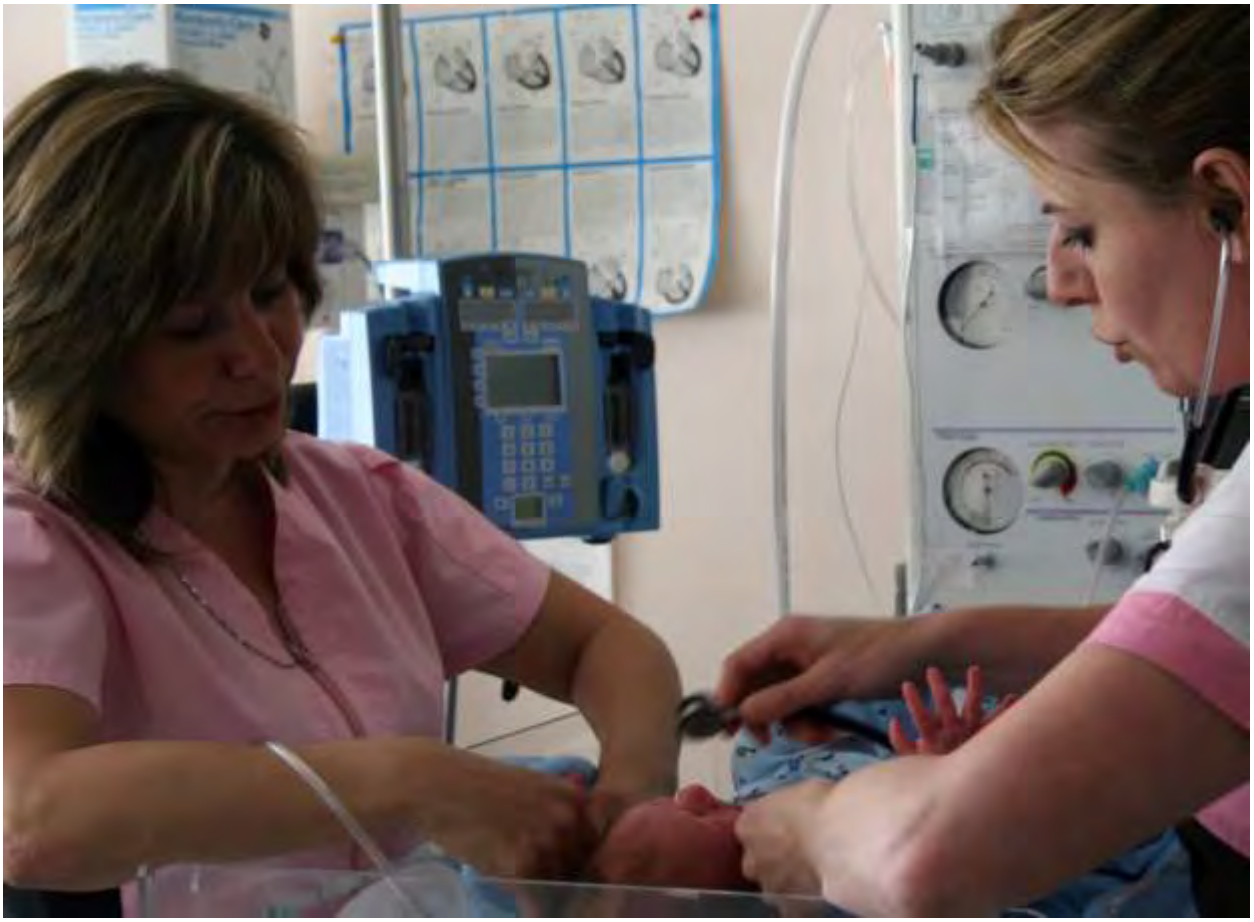
- **Project Northern Doorway:** In an ongoing effort to ensure improved health outcomes for the homeless population in Thompson, the Northern Health Region has continued to partner with regional stakeholders to address the issue and support the Project Northern Doorway strategy. A 16 bed "damp" housing facility for the homeless whose health is often compromised due to the lifestyle is a central part of this initiative.

- **Electronic Medical Record (EMR):** EMR is up and running in the Opaskwayak Health Authority as well as the fee for service clinics and Whitewater Clinic in The Pas. This is very positive and positions us well as we prepare for a Primary Care Network in The Pas and area. This extension of the EMR was not without significant costs supported project funding through Canada Infoway funding the EMR Project.

- **Innovative Electronic Medical Record Partnership:** We were excited to announce that a proposal put forward by AMC and NRHA has been funded from Health Canada. This project will see the completion of an assessment of some 16 First Nations Communities regarding their readiness to implement an EMR. This is the first time in Canada, we believe such a partnership has existed and we are thrilled to be at this point in moving forward the agenda of an electronic health care record.

- **Community Health Assessment (CHA):** In preparation for the 2014 CHA process, we reviewed the list of Core indicators required by MB Health and finalized a list of indicators we chose to include that are specific to the Northern Health Region.

- **Partnership with Manitoba Heart and Stroke**: A 2 year project directed at screening Women at Risk for Heart & Stroke is now underway. The first "Women's Health Stop" screening clinic were done in partnership with OCN Health Authority. Further plans to reach the 2,000 women targeted by Heart & Stroke in the North are underway. We are also in discussions with KTC to see if there are partnership opportunities in their communities.



Strategic Direction Two: Deliver Quality Accessible Health Services

The highlights from 2013/14 include the following:

- **Quality Council:** The Northern Health Region Quality Council held its' inaugural meeting in April 2013. This is the bringing together of the former Councils that existed in the former Regions. This group is passionate about the delivery of quality health care. Of significant importance at this time is the preparation for the Accreditation Canada survey that will occur in June of 2014. The Council spent time intentionally assigning Team Leads. Underlying the planning is that these Teams are not only created for the purpose of Accreditation but rather they are enduring teams that attend to ensuring the quality and safety of the clinical care we provide across the Region and across all Programs.

- **Cancer Patient Journey Initiative:** Through ongoing discussion between CancerCare Manitoba and Manitoba Health, we are pleased that funding support will support the roll out of the

"hub/network" in both Thompson and The Pas. The resources to support the networks of activities or hubs include the following:

a. Nurse Navigator: one full-time registered nurse will be hired for each hub. The role of these skilled nurses will be to work directly with patients and providers to smooth and shorten the journey from diagnosis to treatment. As referrals are made for further diagnostics or specialist appointments, the nurse navigator will monitor the time frames and advocate, intervene to ensure there are no delays.
b. Social Worker: one full-time social worker will be hired for each hub. The role of the social worker will be to support the patient, their family from an emotional, psycho-social perspective and aid with any resource needs the patients may have. A diagnosis of cancer is a distressing time; when there are travel challenges, language and cultural barriers potentially, the stress increases exponentially. The social worker will work as a team with the nurse navigator, other providers and the patient/family to ease the worries and details of the "cancer journey".

- **Acute Care In-Patient Review:** Ms. Beth Brunsdon-Clark, a nurse leader and chief nursing officer at a Winnipeg hospital conducted the acute in-patient review in Flin Flon and The Pas in July. Thompson review was conducted in September. The report has been received and contains numerous recommendations that will aid in developing a sustainable nursing workforce, innovative staffing models and nursing practice models.

- **ER Review Flin Flon and The Pas:** A review of the Emergency Departments was planned for Flin Flon and The Pas prior to amalgamation and has experienced a number of delays. The review is scoped to assess and make recommendations on teamwork, professional collaboration and general work environment in both above noted Emergency Departments. Reviewers, a physician and a nurse, both of whom have had experience working in the North have been contracted to conduct this external review. The dates for the Review are November 5th to 8th. The Reviewers are Dr. Ted Kesselman and Ms. Lori Ulrich RN.

- **Renal Care:** There are in the range of 17 patients receiving dialysis in Winnipeg who could potentially be receiving their care out of Thompson given their place of residence in Northern Manitoba. However, the funding for dialysis in Thompson is currently at 24 with only 21 of the spots being utilized. We will be actively maximizing capacity to 24. Our Regional Renal lead, met with Manitoba Renal Program (MRP) regarding the expansion of Thompson dialysis unit from 24 to 32; this will require new funding and will, even when funded take time to ramp up as additional staff will need to be hired and trained in hemodialysis. MRP is looking at maximization of all programs across Manitoba. We also met with Island Lakes regarding the renal program located there which currently falls under the management of Manitoba Health and Northern Medical Unit. Manitoba Health specifically discussed the onboarding of the program to NHR.

- **Ageing in Place and Long Term Care:** This is the 4th priority of Manitoba Health and ongoing reports will be provided as planning and programming ensues. Betsy Wrana and Shawna Cupples are working with federal counterparts in FN Personal Care Homes on mock standards review. There are an increasing number of requests from community asking us,

the Northern Health Region to support projects such as Supportive Housing; these are provided with full enthusiasm.

- **EMS Review Implementation:** Through our EMS leads, we will be meeting with Dr. Tony Herd to discuss the implementation of plans stemming from the provincial EMS review for one provincial medical directors office. The Region will be one of the first to move toward implementation in the province. Implementation of this will be a phased approach. We are supportive of this as it brings the benefits of standards of practice, transfer of functions, education and ultimately quality patient care.

- **EMS Staff Honours:** Two of our EMS staff have been awarded the Governor Generals EMS exemplary services medals. Darren Baker and Lori Bilitski are two of 11 being awarded in the province.

- **Installation of Cell-A-Vision:** This has been completed at the Thompson General Hospital (TGH) site. This equipment will allow staff to electronically scan images of blood smears and send images to a Hematopathologist in Winnipeg for consultation. This equipment also has an exciting competency component to aid in annual competencies of current staff as well as initial training of new staff. This will improve patient care by providing remote linkage to Winnipeg and improved turnaround times. This is the only rural site in Manitoba that has this equipment and we are very excited. Currently, testing and validation is underway with this equipment. This process of testing and validation will take a period of time and we aim to have this equipment available for patient testing in the New Year (2014).

- **Physician Assistant** (PA) Emergency Department started in November 2013. One Clinical Assistant (ClA) surgical assist started in October 2013 and a second one in the capacity of Hospitalist assistant has also started. All three positions are in the Thompson General Hospital.

- **Ultrasound scanning for carotids in Flin Flon**: The trial period of 3 weekends has concluded. Indicators of success were encouraging and we made the decision to continue using locums in conjunction with providing much needed vacation relief. We will be working in trying to build local capacity so as to cease requiring the locums.

- **Improving First Nations and Inuit Cancer Care in Manitoba:** The Northern Health Region is currently involved at the planning stages with CancerCare Manitoba's project "Improving First Nations and Inuit Cancer Care in Manitoba". We are among several planning partners informing a proposal development to the Canadian Partnership Against Cancer. The intent of the proposal seeks to develop patient identifiers specific to the Aboriginal population in a tracking system as patients enter the cancer care system in the province. This will be developed over the next 3 years including an evaluation component.

- **First Nations Inuit Health/Thompson Emergency Department:** In order to provide additional Emergency Department consultation services to First Nation communities, First Nations & Inuit Health Branch (FNIHB) has agreed to provide additional funding for 24/7 Ward Clerk support to the Thompson General Hospital Emergency Department. The Ward Clerk will be responsible for ensuring the fax consults are received and forwarded to the physician in a timely manner and ensuring the follow up consultation information is returned to the community nursing stations in a timely manner.

The Ward Clerk will also be responsible for assisting with Telehealth connections between the TGH Emergency Department and community nursing stations.

- **Debit Card Machines:** We introduced Debit card machines in the Health Information Systems departments, Admitting desks, the Clinics, Cafeterias and Finance departments in Flin Flon, The Pas and Thompson. The debit card machines will improve access to the services provides by the Corporate Services portfolio by providing alternative methods of receiving payment for services rendered.

- **Laparoscopic Equipment:** The Pas Health Complex Foundation has approved approximately $80,000.00 for specialized laparoscopic equipment that will allow Dr. Jackson to perform gynecological and other surgeries. We are grateful to the Foundation for meeting this need.

- **Cancer Care:** Thompson CancerCare Program (CCP) will be transitioning from a same day treatment model to a multi-day treatment model. Starting in March 2014 the CCP designated physician will conduct a full-day clinic out of the CCP unit at Thompson General Hospital (TGH); the physician will see patients who are scheduled for chemotherapy treatments that week. This re-design will allow more time for the local CCP physician to review patients' lab work and consult with oncologists to determine treatment changes, based on lab results. This process change also provides more advance planning time for pharmacy.

- **A Doctor for all 2015:** Regional Primary Care Connector (PCC) program is working well. Panel sizes continue to increase in The Pas. Six physicians graduated from the Manitoba Licensure Program for International Medical Graduates in February 2014; two physicians will be joining the Flin Flon Clinic and four physicians will be joining the Thompson Clinic. Eight physicians sponsored by the Region started the Manitoba Licensure Program for International Medical Graduates in February 2014. If successful, the group will complete the program in February 2015 and begin practicing in the Region shortly after.

- **Flin Flon ER Redevelopment:** We have completed the Functional Program for Manitoba Health. This document has been compiled with input from operations group as well as the adjacency diagram and space allocation table from staff focus groups and the Public Open House for feedback.

- C**apacity in Access through development of staff knowledge and expertise:** Two RNs from Thompson General Hospital (TGH) Maternity Unit have attained their Instructor Designation in Advanced Life Support in Obstetrics (ALSO) and have joined the 3 Obstetrician/Gynecologist instructors for a total of 5 instructors in the region. Plans for providing this course at our Regional birthing sites is to begin in May. A physiotherapist in Thompson is seeking certification in Acupuncture which will increase the number of treatment methods for Rehab Services patients. EMS Planning continues for the Primary Care Paramedic program with Red River Community College.

- **Midwifery Update:** All 5 Midwife positions are filled in the Region with 1 in Norway House, 2 in Thompson, and 2 in The Pas. Among them is the first and at this time only person in Manitoba to graduate from a Manitoba Midwifery education program. We believe she is

also the first in the World to graduate from an Aboriginal Midwifery Baccalaureate Program. The MB Health Midwifery Statistical reporting process will move to electronic reporting effective April 1, 2014. A key focus for Manitoba Health has been to enhance monitoring and surveillance of outcomes related to midwifery services in Manitoba. The re-development of the Midwifery Discharge summary form is expected to significantly improve data quality and strengthen the reports MB Health provides to the regions for midwifery programs and services planning.

- **Health System Partnerships or Unified Health System:** There is increasing discussion to further a "Unified Health System" that would realize the coming together of Federal, Provincial and Regional Health systems to support care to Aboriginal communities. In essence, the goal is to remove the jurisdictional barriers that have been such a reality to provision of health care services particularly in our Region. This is exciting and we will be increasingly drawn into discussions. We also have opportunity to work on a local level with a number of communities that are wishing to engage with us on planning around "health service agreements". Further verbal report will be provided at Board meeting.

- **Spiritual Care:** Spiritual Care training of volunteers continues in both Flin Flon and The Pas and going well. Volunteers see real value in the trainings. Both Flin Flon and The Pas are seeing an increase of requests for smudging. Multi Faith Spaces have long been identified as a need. Plans are underway to rededicate space in Flin Flon and The Pas for patients and staff. These spaces will accommodate smudging. Thompson is also included in this plan. Requests for space have been coming from patients and staff.

Strategic Direction Three: Be a Sustainable and Innovative Organization

The highlights from 2013/14 include the following:

- **Information Systems:** We are fully implemented with EMR throughout the Region. On the west side, we are moving from Jonoke to Accuro which then will have one consistent EMR throughout the Region. This project is being well supported by e-health and Infoway Funding.

- **Risk Management Framework:** Risks in healthcare are inherent at all levels of the organization and apply across the health care continuum. RHA staff are developing a risk management framework. The NRHA Corporate Risk Profile will identify all sources of risk facing the Region based upon three high level risk areas, twelve risk categories and sixty risk sub-categories. This framework is an integrated risk framework and as such will identify risk, assess risk, and control risk. This document, as it is further developed, will come before the Board for their advice and input.

- **Accreditation:** The Northern Health Region will undergo national accreditation in June 2014. A team of 10 surveyors has been assigned for this accreditation.

- **Response to Forest Fires:** An out of control forest fire in the community of Ilford in June 2013 resulted in the total evacuation of that community. Evacuees were relocated to Thompson, some

100 community members. The role of the Region is to support health care needs as evacuees arrive; our team did an exceptional job of being present as evacuees were being registered in order to gain an early sense of the potential health needs.

- **Journey Forward Monitoring Report:** Bi-annual reporting continued on the Journey Forward initiative. The 44 recommendations of the former NOR-MAN Regional Health Authority External Review continue to be monitored. 14 recommendations will continue to be monitored and reported on; each of the 14 recommendations are underway. The completed recommendations have been incorporated into the operational processes/practices of the Northern Health Region.

- **Announcement Director of Mental Health:** Dr. Shelley Rhyno began in her role as Director of Mental Health August 2013. We are thrilled that Dr. Rhyno has decided to return to the Northern Health Region and assume this important leadership position. By profession, Shelley is a clinical psychologist; as such she will bring incredible expertise and knowledge to the Program.

- **Panorama Project Launch:** Panorama is an integrated, electronic public health record developed to improve and support management of communicable disease cases, outbreaks, immunizations, and inventory. The system replaces our current immunization system, the Manitoba Immunization Monitoring System (MIMS) and other databases currently used to manage communicable diseases. The project is a partnership between Manitoba Health, Assembly of Manitoba Chiefs, First Nations and Inuit Health Branch/Health Canada, it is a provincial priority and its success requires time and support from key individuals in our public health system. Full implementation expectation is by 2015/2016.

- **e-Health Conference: Destination Integration:** The Manitoba e-Health Conference was held October 30th, 2013. Joy Tetlock, Raj Thethy and Rhonda Ross, Executive Director of OHA, presented "Building Relationships to Improve the Patient Journey" which describes the partnership between Northern Health Region and Opaskwayak Health Authority as the EMR was implemented in the Beatrice Wilson Health Centre.

- **LEAN:** Two Green belts and 1 Black Belt candidates were trained in 2013/14 through MB Health's Pursing Excellence initiative. This brings the regional total to 8 Green Belts and one Black Belt. Projects embarked on in 2013/14 are Workplace Injuries in Support Services, Human Resources hiring process and reviewing the Acquired Brain Injury program in Thompson.

- **Committee Review across the Region:** Senior leaders reviewed all the Committees in the Region with a view to ensuring that the committees are Regional, that they add value to the organization, and that they are accountable to someone. Examples of already Regional Committees are Quality Council; Clinical Improvement Teams; Senior Leadership Team; Regional Leadership Forum; Medical Advisory; and most recently the reintroduction of the Diagnostic Utilization Committee and Transfusion Practice Committee.

- **Northern Patient Transportation Program:** The Manager, Olive Hillier has started analysing the processes of both sides of the Region. Best practices from both sides will be the basis of our new procedures for processing travel warrants.

- **Health Information Management and Registration:** Plans are underway to standardize the procedures in all three major facilities. As with the NPTP analysis, the best practices will prevail throughout the region.

- **Technological Advances to support maximization of health care professional:** The Integrated Dictation Project (Radiology) was introduced at sites within our Region. This will enhance the turnaround time of radiology diagnostics as it utilizes voice recognition and automatic electronic transcription of report.

- **Telehealth in Thompson ER** has been implemented to connect with nursing stations and smaller communities in the Region.

- **Human immunodeficiency virus (HIV) point of care testing research project** This Northern Health Region research project with Vice President Medical Services as the principle researcher is ongoing.

- **VoIP (Voice over IP)** is a phone program run over the internet. It will reduce MTS charges significantly and integrates with our internet system. The VOIP system has been implemented in Snow Lake, The Pas and Flin Flon facilities.

- **Client Experience Survey:** This survey is a requirement of accreditation. The Working Group has had their survey approved by Accreditation Canada and circulated it for the month of November in Acute Care sites. Results were very promising with high satisfaction noted in most areas.

- **Innovative Surgery:** Our surgeons in the Thompson General Hospital Operating Room, performed the first laparoscopic bowel resection in October 2013. The patient was very satisfied and even made a monetary donation of $500 to the hospital in recognition of the care he received.

- **Manitoba Patient Access Network Innovations conference**: Jo-Anne Lutz and Graham Shatford had their submission accepted for poster presentation on EMR implementation. Dr. Azzam and Marion Ellis presented on Clinical Governance. Helga Bryant participated in the conference as a participant in an "armchair" discussion regarding Board and Leadership role in Patient Safety. All in all, the Northern Health Region was proudly represented. Several Executive, Leadership staff and Board attended this conference that drew an audience of more than 300.

- **Radiology Dictation:** Diagnostic Services Manitoba will be taking over the Radiology dictation and centralizing it in Winnipeg. This will free up one of our transcriptionists to take on other HIM duties. This represents a strategy to utilize technological advances to support maximization of health care professionals.

- **Acquired Brain Injury:** A review of the existing programs and services offered at the Acquired Brain injury unit has been initiated. This 5 bed facility offers rehab services for brain injured clients however; 80%-90% of the time is not fully occupied. The review will hopefully identify and recommend a more comprehensive menu of rehab services.

- **Mental Health Program:** The mental health program continues to see positive reaction and support from regional staff as we continue to roll out the new direction for Mental Health in the Northern Health Region. There is still much work to be done but we believe that we have a solid foundation to

create real change in the program that will have much more positive impacts for the people in our region.

- **Response to Traumatic Events:** We will be looking to develop a regional plan to delineate how the Mental Health program responds to requests for support after traumatic events. This is a critical need in the region and we are looking at process if more efficient and sustainable for our region and staff. Over the Christmas/New Year season, there were a number of known suicides in the Region. This has brought to the forefront our need to be nimble in the face of such local sadness at the time of such events; but more importantly to pre-empt these situations through mental health promotion.

- **Local Health Involvement Groups:** A draft implementation plan was submitted to Health and has been approved. We await a formal announcement from Manitoba Health; in the meantime provincially consistent processes relative to application process, selection, logistics in addition to the on-line component.

- **The Information Systems (IS) Department**: Is working on two major projects to ensure that the entire region is on the same information technology infrastructure. The projects are the conversion of brha.mb.ca e-mail to nrha.ca, and the network upgrade in Thompson and area. Manitoba eHealth had previously assigned a project manager to oversee the conversion and upgrade, but due to cost cutting measures they opted to charge us for the service. Graham Shatford, our EMR Project Manager will take on the management of these two projects. Development of a project plan is well underway.

- **COACH National Conference:** Assembly Manitoba Chiefs asked Rhonda Ross (ED Opaskwayak Health Authority) and Joy Tetlock to present alongside AMC, FNIHB and MB eHealth on our EMR partnership and what it means for the rest of the province.

- **Agency Nurse Utilization:** The Region continues to be encumbered with the high utilization of agency nurses, but there has been significant success in The Pas to the point where there has only been 1 agency shift since August 2013. This is significant and is attributed to strong nursing leadership through Ingrid Olson, culture change and a solid relationship with UCN Nursing Program.

- **Toys for Pediatric Patients:** An infection control/patient safety practice advises against passing toys from one pediatric in-patient to another. On Friday, February 7, 2014 the Vale Mine Rescue team provided $1,000 worth of toys to the Medical/Surgical/Pediatric unit at TGH for in- patient pediatric patients. This money was raised by the Mine Rescue team, who have indicated that this will be an annual practice/donation. The Thompson Citizen was on site for the presentation of the toys to the unit.

- **Store and Forward:** The Flin Flon Clinic has started discussions of implementing “Store and Forward”. It is a dermatology based consult through MBTelehealth by utilizing a camera to take pictures and send to a dermatologist. Dr. Keddy-Grant is prepared to work with us on this initiative in addition to Dr. Hurst who was the first dermatologist to work with this innovative program. The turnaround time is 24-48 hours.

- **Building Upgrades:** A number of capital projects were announced in The Pas. These included the lab upgrade in The Pas; building system upgrade St. Paul’s; elevator upgrades in St. Anthony’s as well as Northern Lights Manor in Flin Flon.

- **Safety and Security Funding:** A number of Safety and Security funding approvals have been received which include; automated doors in Gillam and Lynn Lake, new security door in Psych Unit at TGH, renovations to flooring in Rosaire House and the Acquired Brain Injury unit. This ongoing commitment from Manitoba Health is encouraging as it ensures our buildings are kept safe and secure for patients and staff.

- **Northern Consultation Clinic - Thompson:** As of February 2014, there were 3,104 patient visits scheduled with visiting specialists (Orthopedics, Ophthalmology, Pain Management, Orthotics, Pediatric Cardiology, Endocrinology and Nephrology). This equates to a cost savings to the Northern Patient Transportation Program of approximately $1.25 million (cost of escorts were not factored into the $1.25 million).

Strategic Direction Four: Be an Employer of Choice

The highlights from 2013/14 include the following:

- **Physician Resources:** Active physician recruitment continues. In March/April/May, a total of four physicians arrived in The Pas and five physicians arrived in Thompson.

- **Leadership Development:** Over the months of April and May all Directors and Managers participated in the 3 day educational offering provided by Dr. Bob Kent. This system greatly supports the management role of our leadership staff as they are champions in creating a safe, respectful work environment in

which all staff work to full potential and expectations. We are pleased to be able to make this development available.

- **Northern News:** April 2013 marked the release of the inaugural publication of the Northern News, a newsletter for and by staff in the Region.

- **Workplace Audit Report:** As previously reported, the Workplace Audit Survey has been conducted on the west side of the Region (prior to amalgamation) and has also been extended to the east side of the Region. A draft report was been received from Dr. Leigh Quesnel (consultant); the Steering Committee has reviewed that report and it was finalized by Dr. Quesnel; the recommendations will then be actioned through the leadership of the Steering Committee which is composed of staff, primarily front-line from across the Northern Health Region. Wanda Reader will provide a verbal update at the Board meeting.

- **Performance Management System:** An evidence-based performance management system has been selected, introduced through educational sessions with management staff and is now in process of being implemented. The system is an integrated one that includes job descriptions, requirements for positions, goals and objectives articulation, coaching and update tools and a performance appraisal mechanism. The system is intuitive, comprehensive, yet simple to manage and conduct. Compliance with regular performance reviews has been a challenge with staff going years between reviews by their managers. This system is being used by the CEO and Executive Management and on through the organization.

- **QHR System:** The integration of our human resource systems is progressing with migration to a single system (QHR) at the end of 2013. Similar to the financial system amalgamation, this represents an incredible amount of effort. A verbal report can be provided at the Board meeting if the Board wishes further information.

- **Cultural Competence Program:** Rusty Beardy partnered with cultural experts at the Opaskwayak Cree Nation to create a program of cultural competencies that will be offered to all staff both new as they orientate as well as those who are already employed. The program will be collaboratively developed and delivered with partners at OCN as well as other First Nations communities potentially.

- **Nursing Graduates:** Through the leadership of the Executive Directors in The Pas and Thompson, we have employed every UCN nursing graduate that was seeking work with the Northern Health Region. This was 20 some nurses and has already positively impacted on our vacancy rate, overtime and sick time. Hiring this number of new nurses has emphasized our lack of capacity in clinical educators as we try to support the successful integration of these new professionals.

- **Safety and Security Project #2928 & #2929:** These two projects cover The Pas Health Complex (approved for $ 249,000.00) and the Flin Flon General Hospital (approved for $246,500.00.) The projects are a result of numerous security incidents which demonstrated that we require better control of our facilities through additional card access points (doors). This would allow only designated personnel access and gives the facility the option of tracking the use and setting schedules for access. It also creates a safer work site for our staff and a safer facility for our clients.

- **Recruitment:** The Vice-President Clinical Services and Chief Nursing Officer embarked on an Eastern Canada recruitment drive together with other RHA and Manitoba Health representatives. The drive was funded through Health and the Nurses Recruitment and Retention Fund. In terms of outcomes, over 150 resumes were received. These have been circulated to respective portfolios and contact will be made with the interested individuals.

  Ms. Ingrid Olson participated in a like recruitment strategy to Western Canada in early November. In September 2013, the Regional Medical recruiter attended the University of Manitoba's Family Medicine Residents Retreat in Gimli, Manitoba. 47 residents (much higher than usual) expressed interest in working in the Region in some capacity, mainly as General Practitioner locums.

- **Regional Allied Health:** Recruitment of a Regional Allied Health Manager is ongoing. This position will further raise the profile of our allied health services, in particular the rehab services, as an integral piece of the care continuum and addressing accessibility throughout the Region.

- **Physician Awards:** Dr. Arjowan Mustafa and Dr. Lina Azzam have been nominated for the 2013 Faculty of Medicine Medical students Association Award for their teaching. In October 2013 Dr. Lina Azzam received the University of Manitoba, Obstetrics and Gynaecology Department award for clinical teaching. Letters of congratulations have been written.

- **Violence Prevention Program:** Steering Committee has been established, chaired by Pat Gibson. In November Gayle Hryshko, the Provincial Violence Prevention Coordinator was in The Pas to strategize NRHA implementation.

- **Manitoba Licensure Program for International Medical Graduates**: Dr. Azzam participated in the selection process for 2014 in Winnipeg in November. A presentation providing an overview of the facilities and services offered in the Northern Health Region was provided to the candidates. A total of eight candidates were selected for sponsorship in the Region. All eight candidates have signed a letter of sponsorship and four year return of service (ROS) agreement with the Region

- **Partnership with Selkirk:** A successful training partnership was arranged for an ultrasound employee. The ultrasound technologist has started at the site of Thompson in November 2013.

- **Provincial HR Policies:** This has been tasked by the CEO group to create as many "provincial" HR policies as possible to ensure consistency and correct contract interpretation. This also supports the Employer position when challenged by a particular union on a policy. The policies targeted will be policies that work in tandem with a collective agreement. These include:
  a. MNU Vacation Scheduling Guidelines – completed and approved by PHRLC
  b. Respectful Workplace – completed and approved by PHRLC
  c. Attendance – completed and approved by PHRLC
  d. Pre-Employment Security Checks – in progress
  e. MNU Scheduling Guidelines – in progress

- **Job Descriptions – Core Competencies**: The Provincial Human Resources Leadership Council (PHRLC) is looking at "core competencies" for positions under the collective agreements. PHRLC will establish the core competencies and then RHAs can review their job descriptions. The goal is consistency with collective agreements and to avoid challenges by the union for different salary scales.

Administrative Costs 2013/2014

Administrative and Corporate Costs as at March 31, 2014 were $10,776,248.47 (unaudited)

The Canadian Institute of Health Information (CIHI) defines a standard set of guidelines for the classification and coding of financial and statistical information for use by all Canadian health service organizations. The Authority adheres to these coding guidelines.

Administrative costs include corporate operations (including hospitals, non-proprietary personal care homes and community health agencies), as well as patient care-related functions such as infection control and patient relations and recruitment of health professionals. A further breakdown of administrative costs, as required by Manitoba Health, Healthy Living & Seniors is included below to provide a more-detailed summary of administrative costs.

The figures presented are based on data available at time of publication. Restatements may be made in the subsequent year to reflect final data and changes in the CIHI definition, if any. The administrative cost percentage of total spending indicator (administrative costs as a percentage of total operating costs) adheres to CIHI definitions.

Administrative Cost Definitions:

Corporate operations: general administration (executive offices, board of directors, provider advisory committees, district health advisory councils or community health councils, medical directors, administrators of acute, long-term and community care, public relations, planning and development, community health assessment, risk identification and management, claims management internal audit), finance (general accounting, accounts receivable, accounts payable, and budget control) and communications (telecommunications and mail service). For greater detail and clarity, see Schedule 12 of the **Regional Health Authorities (Ministerial) Regulation 169/98.**

Patient care-related functions: infection control, patient relations, quality assurance, accreditation, bed utilization management, privacy office and visitor information.

Human resource and recruitment related functions: recruitment and retention, labour relations, personnel records, employee benefits, health & assistance programs, occupational health & safety, and payroll.

	2013/14	**2012/13**(Restated)
Administrative cost (% of total):	5.22%	4.54%
Corporate operations (% of total):	4.33%	3.57%
Patient-care related functions (% of total):	0.36%	0.2%
Human Resources & Recruitment functions (% of total)	0.52%	0.77%

2013/14 Totals: Corporate = $8,953,799.94; Patient Care Related = $740,490.05; HR & Recruitment = $1,081,958.48; **Total Administration = $10,776,248.47** Data Source: Manitoba Health Management Information System

The Public Interest Disclosure (Whistleblower Protection) Act

The Public Interest Disclosure (Whistleblower Protection) Act came into effect in 2007. This law gives employees a clear process for disclosing concerns about significant and serious matters (wrongdoing) in the Manitoba public service, and strengthens protection from reprisal. The Act builds on protections already in place under other statutes, as well as collective bargaining rights, policies, practices and processes in the Manitoba public service.

Wrongdoing under the Act may be: contravention of federal or provincial legislation; an act or omission that endangers public safety, public health or the environment; gross mismanagement; or, knowingly directing or counseling a person to commit a wrongdoing. The Act is not intended to deal with routine operational or administrative matters.

A disclosure made by an employee in good faith, in accordance with the Act, and with a reasonable belief that wrongdoing has been or is about to be committed is considered to be a disclosure, whether or not the subject matter constitutes wrongdoing. All disclosures receive careful and thorough review to determine if action is required, and must be reported in a department's annual report in accordance with Section 18 of the Act.

The following is a summary of disclosures received by Northern Regional Health Authority for fiscal year 2013 – 2014:

Information Required Annually (per Section 18 of The Act*)*	**Fiscal Year 2013 – 2014**
The number of disclosures received, and the number acted on and not acted on. *Subsection 18 (2a)*	0
The number of investigations commenced as a result of a disclosure. *Subsection 18 (2b)*	0
In the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations or corrective actions taken in relation to the wrongdoing, or the reasons why no corrective action was taken. *Subsection 18 (2c)*	0

The Regional Health Authorities Act

Accountability Provisions

The Regional Health Authorities Act include provisions related to improved accountability and transparency and to improved fiscal responsibility and community involvement. In keeping with those provisions, the Region has taken the following actions:

- Employment contracts are consistent with Sections 22 and 51 in that they meet the terms and conditions established by the Minister;
- The Strategic Plan was prepared, implemented, will be updated as required and is posted on the Region's website as per Section 23(2c);

- The Region's most recent Accreditation Canada Reports are published on the website as per Section 23.1 and 54; and
- The Region is in compliance with Sections 51.4 and 51.5 regarding employing former designated senior officers.
- Expenses of the CEO and designated officers are published on the Region's website in accordance with Section 38.1(1).

Public Sector Compensation Disclosure Act

In compliance with *The Public Sector Compensation Disclosure Act of Manitoba,* interested parties may inspect a copy of the Northern Health Region's public sector compensation disclosure which has been prepared for the purpose and certified by its auditor to be correct. The report contains the amount of compensation it pays or provides in the corresponding calendar year for each of its officers and employees whose compensation is $50,000.00 or more. This information is available for inspection during regular office hours at each Regional Office location. A hard copy can be obtained by contacting Twyla Storey by email tstorey@nrha.ca or by telephone at (204) 687-1300.

KENDALL & PANDYA

Partners .... David Kendall, FCA *
Manisha Pandya, CA *

* Operating as professional corporations

Chartered Accountants
300 - 31 Main St., PO Box 175, F1in Flon, MB R8A 1M7 (204) 687-8211, Fax (204) 687-2957
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Northern Regional Health Authority Inc.

We have audited the accompanying consolidated financial statements of NORTHERN REGIONAL HEALTH AUTHORITY INC., which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and 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 consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit 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 consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Northern Regional Health Authority Inc., as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

June 18, 2014 CHARTERED ACCOUNTANTS

NORTHERN REGIONAL HEALTH AUTHORITY INC.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENEDED MARCH 31, 2014

	ASSETS	**2014**	2013 Restated
CURRENT ASSETS			
Cash		**$ -**	$ 5,668,871
Accounts Receivable (Note 18)		**7,052,905**	7,057,094
Due from Manitoba Health (Note 2a)		**9,158,750**	9,433,771
Inventories		**1,125,384**	1,038,472
Prepaid Expenses		**975,362**	981,929
Vacation Entitlement Receivable - Manitoba Health		**5,429,191**	5,429,191
		$ 23,741,592	$ 29,609,328
DUE FROM MANITOBA HEALTH (Note 2b)		**$ 4,209,802**	$ 4,209,802
CAPITAL ASSETS (Note 8)		**70,822,854**	64,967,362
		$ 98,774,248	$ 98,786,492
	LIABILITIES		
Bank indebtedness (Note 4)		**$ 245,554**	$ -
Accounts payable		**12,236,325**	9,863,071
Deferred revenue (Note 5)		**2,225,394**	2,706,564
Line of Credit (Note 6)		**4,021,408**	450,000
Accrued vacation entitlements		**9,388,575**	9,030,891
Capital Lease Obligation (Note 10)		**-**	47,126
Current portion of long-term debt		**390,317**	219,501
		$ 28,507,573	$ 22,317,153
LONG-TERM DEBT (Note 9 & 16)		**$ 2,854,316**	$ 2,446,786
SICK LEAVE LIABILITY (Note 14)		**1,811,637**	2,000,792
DUE TO DSM-PRE-RETIREMENT OBLIGATION (Note 11)		**632,008**	718,161
ACCRUED PRE-RETIREMENT OBLIGATION (Note 11)		**7,580,000**	8,462,432
DEFERRED CONTRIBUTIONS			
Expenses of future periods (Note 3a)		**$ 292,164**	$ 292,164
Capital assets (Note 3b)		**52,322,958**	55,707,302
NET ASSETS			
Invested in capital assets (Note 7)		**$ 11,233,854**	$ 6,096,646
Restricted		**10,182**	10,182
Unrestricted		**(6,470,444)**	734,874
		$ 98,774,248	$ 98,786,492

COMMITMENTS (Note 17)
CONTINGENCIES (Note 19)

APPROVED BY BOARD:

NORTHERN REGIONAL HEALTH AUTHORITY INC.

CONSOLIDATED STATEMENT OF SUMMARY OF OPERATIONS
YEAR ENEDED MARCH 31, 2014

	2014	2013 Restated
REVENUE		
Amortization of deferred contributions	**$ 5,507,144**	$ 6,261,988
Ancillary revenue	**1,827,853**	2,129,851
Manitoba Health (Note 12)	**189,775,686**	184,493,368
Non-insured income	**5,384,893**	4,235,815
Northern patient transportation program recoveries	**3,244,053**	2,625,795
Other Income	**4,496,870**	3,333,029
	$ 210,236,499	$ 203,079,846
EXPENSES		
Acute care	**$ 82,853,481**	$ 82,203,536
Amortization of capital assets	**5,507,144**	6,274,053
Ancillary operations	**1,827,853**	2,129,851
Community based health	**19,371,253**	14,363,046
Community based home care	**7,651,580**	7,954,827
Community based mental health	**5,055,662**	4,752,464
Land ambulance	**4,907,025**	4,454,208
Aging in Place / Long-term care	**13,659,804**	14,076,869
Medical remunerations	**35,127,792**	33,441,775
Northern Patient Transportation	**19,583,137**	16,954,464
Unallocated Regional Health Authority costs	**16,759,878**	16,427,228
	$ 212,304,609	$ 203,032,321
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	**$ (2,068,110)**	$ 47,525

NORTHERN REGIONAL HEALTH AUTHORITY INC.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
YEAR ENEDED MARCH 31, 2014

	Investment in Capital Assets (Note 7)	Externally Restricted (Note 15)	Unrestricted RHA	Total
Balance, April 1, 2012	$9,595,243	$9,697	$(4,688,618)	$4,916,322
Reallocation of interest earned on donation and externally restricted funds	-	$485	$(485)	-
Excess (deficiency) of revenue over expenditures for the year	$(1,836,076)	-	$1,883,602	$47,526
Net changes in investment in capital assets	(1,662,521)	-	$1,662,521	-
Deficit funding - Manitoba Health	-	-	$1,877,854	$1,877,854
Balance, March 31, 2013	$6,096,646	$10,182	$734,874	$6,841,702
Excess (deficiency) of revenue over expenditures for the year	-	-	$(2,068,110)	$(2,068,110)
Net changes in investment in capital assets	$5,137,208	-	$(5, 137,208)	
Balance, March 31, 2014	**$11,233,854**	**$10,182**	**$(6,470,444)**	**$4,773,592**

NORTHERN REGIONAL HEALTH AUTHORITY INC.

CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENEDED MARCH 31, 2014

		2014		2013
CASH FLOW FROM OPERATING ACTIVITIES				
Excess (Deficiency) of revenue over expenses	**$**	**(2,068,110)**	$	47,525
Manitoba Health - Deficit Elimination		**-**		1,877,854
Items not affecting cash				
Amortization of Capital Assets		**5,507,144**		6,274,053
Amortization of Deferred Contributions		**(5,507,144)**		(6,261,987)
	$	**(2,068,110)**	$	1,937,445
CHANGES IN NON-CASH WORKING CAPITAL BALANCES				
Account Receivable	**$**	**4,189**	$	(681,847)
Due from Manitoba Health		**275,021**		(4,601,663)
Inventories		**(86,912)**		124,315
Prepaid expenses		**6,567**		(407,966)
Accounts payable		**2,373,254**		319,196
Vacation entitlement payable		**357,684**		(463,809)
Deferred revenue		**(481,170)**		(1,040,158)
	$	**2,448,633**	$	(6,751,932)
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITES				
Purchase of Capital Assets	**$**	**(11,362,637)**	$	(2,037,805)
Payments of capital lease obligation		**(47,126)**		(207,241)
Increase in long-term debt		**578,346**		592,696
Receipt of contributions relating to capital assets		**2,122,801**		4,530,092
Receipt of contributions relating to expenses of future periods		**-**		(605,315)
Pre-retirement obligation		**(968,585)**		519,933
Sick leave liability		**(189,155)**		45,006
Advances on (payment of) line of credit		**3,571,408**		(1,407,760)
	$	**6,294,948)**	$	1,429,606
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**$**	**(5,914,425)**	$	(3,384,881)
CASH (BANK INDEBTEDNESS), Beginning of year		**5,668,871**		9,053,752
CASH (BANK INDEBTEDNESS), Ending of year	**$**	**(245,554)**	$	5,668,871

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING / MANAGEMENT RESPONSIBILITY
These financial statements of Northern Regional Health Authority Inc. "Authority" are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations established by the Public Sector Accounting Board.

b) NATURE AND PURPOSE OF THE ORGANIZATION
Effective May 28, 2012, a Regulation was registered in respect to the Regional Health Authorities Act, affecting the amalgamation of Burntwood Regional Health Authority Inc. with the Norman Regional Health Authority Inc. to form a new authority named the Northern Regional Health Authority Inc. The amalgamation of the Regional Health Authorities was part of the provincial budget announcement made on April 17, 2012 to reduce the number of Regional Health Authorities in Manitoba.

All operations, properties, liabilities and obligations and agreements with contract facilities of the predecessor organizations were transferred to the Authority on this date.

The Northern Regional Health Authority is a registered charity under The Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of The Income Tax Act are met.

c) BASIS OF REPORTING
These financial statements include the accounts of the following operations of the Authority:

- Cormorant Health Care Centre
- Cranberry Portage Wellness Centre
- Gillam Hospital
- Ilford Community Health Centre
- Leaf Rapids Health Centre
- Lynn Lake Hospital
- Northern Consultation Centre
- Pikwitonei Community Health Centre
- Thicket Portage Community Health Centre
- Thompson General Hospital
- Wabowden Community Health Centre
- Northern Spirit Manor
- Flin Flon General Hospital
- Flin Flon Personal Care Corporation
- Northern Lights Manor
- The Pas Health Complex
- The Snow Lake Medical Nursing Unit
- Thompson Clinic
- Northern Consultation Clinic
- Sherridon Health Centre

d) CONTRIBUTED SERVICES

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

e) INVENTORY

Medical, drugs and other supplies are valued at the lower of cost and net realizable value. Cost is determined on an average invoice basis.

f) EMPLOYEE FUTURE BENEFITS

Pension and other employee future benefits costs are determined using the projected benefit method prorated on years of service and based on best estimate assumptions.

g) COMPENSATED ABSENCES

Compensation expense is accrued to all employees as entitlement to these payments is earned in accordance with the Authority's benefit plans for vacation retirement allowances and sick liability.

h) REVENUE RECOGNITION

The Authority follows the deferral method of accounting for contributions which include donations and government grants.

Under the Health Insurance Act and Regulations thereto, the Authority is funded primarily by the Province of Manitoba in accordance with budget arrangements established by Manitoba Health. Operating grants are recorded as revenue in the period to which they relate. Grants approved, but not received, at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Externally restricted donations are recognized as directed increases in deferred contributions. Restricted investment income is recognized as revenue in the year in which related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

i) CAPITAL ASSETS

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at date of contribution. Repairs and maintenance costs are charged to expense. Improvements and betterments which extend the estimated useful life of an asset are capitalized. When a capital asset has diminished its usefulness in providing the service, its carrying amount is written down to its residual value.

The Authority has adopted the policy of amortizing its capital assets on a straight-line basis using the following annual rates:

Land improvements	2.5%
Buildings	2.5%
Equipment	10.0%
Computer equipment	20.0%

No amortization is provided for construction in progress until the project is complete or until the principal retirement of related debt commences.

j) EXTERNAL RESTRICTIONS

Net assets are restricted for endowment purposes, and are subject to externally imposed restrictions that the assets be maintained permanently in the St. Paul Residents Trust Fund. Investment income from this fund is restricted for residents' expenses.

k) CAPITAL MANAGEMENT

The Authority's objective when managing capital is to maintain sufficient capital to cover its costs of operations. The Authority's capital consists of net assets.

The Authority's capital management policy is to meet capital needs with working capital advances from Manitoba Health and Healthy Living.

The Authority met its externally imposed capital requirements.

There were no changes in the Authority's approach to capital management during the period.

l) REVENUE FROM MANITOBA HEALTH

In Globe funding is funding approved by Manitoba Health for Regional Health Authority programs unless otherwise specified as Out of Globe funding. This includes volume changes and price increases for the five service categories of Acute Care, Long Term Care, Community and Mental Health, Home Care and Emergency Response and Transport. All additional costs in these five service categories must be absorbed from within the global funding provided.

Any operating surplus greater than 2% of budget related to In Globe funding arrangements is recorded on the statement of financial position as a payable to Manitoba Health determines what portion of the approved surplus may be retained by the Authority, or repaid to Manitoba Health.

Conversely, any operating deficit related to Out of Globe funding arrangements is recorded on the statement of financial position as a receivable from Manitoba Health until such time as Manitoba Health reviews the financial statements. At that time, Manitoba Health determines their final funding approvals which indicate the portion of the deficit that will be paid to the Authority. Any unapproved costs not paid by Manitoba Health are absorbed by the Authority.

m) FINANCIAL INSTRUMENTS

Financial assets and liabilities are initially recorded at fair value. Measurement in subsequent periods depends on the financial instrument's classification. Financial instruments are classified into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

The Health Authority has designated its financial instruments as follows:
Cash is classified as a financial asset held for trading and is measured at fair value with gains and losses recognized in the statement of operations and net assets for the current period.

Accounts receivable, and the amounts due from the Province of Manitoba are classified as loans and receivables. These loans and receivables are recorded at their amortized cost using the effective interest rate method with gains and losses recognized in the statement of operations and net assets in the period the gain or loss occurs.

Accounts payable, and accrued vacation benefit entitlements are classified as other financial liabilities. These financial liabilities are recorded at their amortized cost using the effective interest rate method with gains and losses recognized in the statement of operations and net assets in the period the gain or loss occurs.

Unless otherwise noted, it is management's opinion that The Health Authority is not exposed to significant interest, currency or credit risk arising from these financial instruments.

The Health Authority has continued to apply section 3861, Financial Instruments – Disclosures and Presentation in place of Sections 3862 and 3863.

n) USE OF ESTIMATES/MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

o) ALLOCATED EXPENDITURES

A number of general support expenses are not allocated to the five main health sectors of Acute Care, Long-term Care, Home Care, Community and Mental Health and Emergency Services. The following costs are included in Regional Undistributed expenditures: payroll, information technology, finance, human resources, executive administration, board, public relations, accreditation, spiritual care, scheduling and purchasing, risk management, community health assessment, and infection control expenditures.

2. ACCOUNTS RECEIVABLE/DUE FROM MANITOBA HEALTH

	2014	2013
a) Due from Manitoba Health		
2011-2012 Extended Health Benefit	**$ 184,926**	$ 184,926
2011-2012 Medical Remuneration	**-**	2,917,824
2012-2013 Medical Remuneration	**2,826,738**	2,826,738
2013-2014 Medical Remuneration	**3,672,807**	-
2012-2013 MAHCP Retention Bonuses	**4,937**	1,718,449
2012-2013 Garden Hill Structural Floor Project	**80,677**	80,677
2012-2013 Northern Youth Crisis Funding	**-**	718,260
2013-2014 Northern Youth Crisis Funding	**663,706**	-
2012-2013 MNU Maternity Top-Up	**75,447**	188,159
2012-2013 Facility Support Maternity Top-Up	**80,237**	80,237
2012-2013 Colonoscopy Funding	**-**	87,500
2013-2014 Colonoscopy Funding	**105,000**	-
2012-2013 Health Spending Account	**39,156**	115,057
2012-2012 EMS Wage Standardization	**6,850**	6,850
2012-2013 Medical Education Coordinator	**110,000**	55,000
2012-2013 MNU Retention Bonus Shortfall	**34,672**	34,672
2012-2013 HEPP Contribution Increase	**419,422**	419,422
2013-2014 Professional Technical Market Supplement	**112,597**	-
2013-2014 Immunization Funding	**125,743**	-
Grow Your Own Nurse Practitioners	**432,064**	-
Physician Assistant Funding	**183,771**	-
	$ 9,158,750	**$9,433,771**

b) ACCOUNTS RECEIVABLE/DUE FROM MANITOBA HEALTH

	2014	2013
Due from Manitoba Health		
Pre-retirement obligation entitlements	**$ 4,209,802**	$4,209,802

c) ACCOUNTS RECEIVABLE/DUE FROM MANITOBA HEALTH

Due from Manitoba Health

The amount recorded as a receivable from the Province for pre-retirement costs was initially determined based on the value of the corresponding actuarial liability for pre-retirement costs as at March 31, 2004. Subsequent to March 31, 2004, the Province has included in its ongoing annual funding to Norman Regional Health Authority Inc., an amount equivalent to the change in the pre-retirement liability, which includes annual interest accretion related to the receivable. The receivable will be paid by the Province when it is determined that the funding is required to discharge the related pre-retirement liabilities.

3. DEFERRED CONTRIBUTIONS

a) Expenses of future periods

i) Funds in Reserve for Major Repairs and Improvements

Deferred contributions related to funds in reserve for major repairs and improvements represent unspent externally restricted funds from the Province for major repairs and improvements to buildings.

	2014	2013
Balance, beginning of year	**$ 292,164**	$ 290,064
Add amount received during year	**-**	2,100
Balance, end of year	**$ 292,164**	$ 292,164

ii) Donations

Deferred contributions related to donations represent externally restricted unspent amounts of donations for various purposes.

iii) Grants

Deferred contributions related to grants represent externally restricted unspent amounts of grants for various programs.

b) Related to capital assets

Deferred capital contributions represent the unamortized amounts of grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2014	2013
Balance, beginning of year	**$ 55,707,301**	$56,910,859
Additional contributions received	**2,122,801**	5,070,495
Less amount amortized to revenue	**(5,507,144)**	(6,274,053)
Balance, end of year	**$ 52,322,958**	$55,707,301

4. BANK INDEBTEDNESS

The Regional Health Authority Inc. has an authorized operating line of credit of $8.9 million bearing interest at the bank's prime minus 1/2%. Security provided on this line of credit includes an overdraft borrowing agreement and a Letter of Comfort from Manitoba Health.

5. DEFERRED REVENUE

Deferred revenue consists of Manitoba Health funding received in the fiscal year for various programs. This allocation of funding is recognized as revenue when program expenses are incurred. The change in the deferred revenue balance for the year is as follows:

	2014	2013
Balance, beginning of year	**$ 2,706,564**	$ 4,354,677
Amount recognized as revenue in the current year	**(3,221,496)**	(2,814,806)
Funding received	**2,740,326**	1,166,693
Balance, end of year	**$ 2,225,394**	$ 2,706,564

6. LINE OF CREDIT

	2014	2013
Demand capital line of credit payable to the Royal Bank of Canada bearing interest at prime minus 0.65%	**$4,021,408**	$ 450,000

7. NET ASSETS INVESTED IN CAPITAL ASSETS

a) Net assets invested in capital assets are calculated as follows:

	2014	2013
Capital assets	**$ 70,822,854**	$ 64,967,362
Amount financed by:		
Deferred contributions	**(52,322,959)**	(55,707,301)
Long-term debt	**(3,244,633)**	(2,713,415)
Lines of Credit	**(4,021,408)**	(450,000)
	$ 11,233,854	$ 6,096,646

b) Change in net assets invested in capital assets is calculated as follows:

	2014	2013
Excess (Deficiency) of revenue over expenses for the year		
Amortization of deferred contributions related to capital assets	**$5,507,144**	$ 6,261,987
Amortization of capital assets	**(5,507,144)**	(6,274,053)
	$ -	$ (12,066)
Net changes in investment in capital assets		
Purchase of capital assets	**$11,362,637**	$ 2,037,897
Long Term Debt	**(578,346)**	-
Payment of capital lease obligation	**47,126**	207,241
Advances on line of credit	**(3,571,408)**	1,407,760
Manitoba Health – Capital asset funding	**(2,122,801)**	(5,303,353)
	5,137,208	(1,650,455)
	$ 5,137,208	$(1,662,521)

8. CAPITAL ASSETS

	2014		
	Cost	**Accumulated Amortization**	**Net Book Value**
Land & Land improvements	**$ 761,177**	**$ 366,748**	**$ 394,429**
Buildings	**110,144,281**	**55,108,314**	**55,035,967**
Computer equipment	**3,564,088**	**2,685,260**	**878,828**
Equipment	**28,192,627**	**20,532,931**	**7,659,696**
Construction in Progress	**6,853,934**	**-**	**6,853,934**
	$149,516,107	**$78,693,253**	**$ 70,822,854**

	2013		
	Cost	Accumulated Amortization	Net Book Value
Land & Land improvements	$ 761,177	$ 327,598	$ 433,579
Buildings	105,462,640	50,944,710	54,517,930
Computer equipment	2,651,247	2,298,415	352,832
Equipment	26,606,428	19,615,385	6,991,043
Construction in Progress	2,671,978	-	2,671,978
	$138,153,470	$73,186,108	$64,967,362

9. LONG-TERM DEBT

The Authority, on behalf of the Province of Manitoba, is making payments of principal and interest related to Province of Manitoba long-term debt. The principal balance is reflected as deferred contributions related to capital assets. Funding is received from the Province for the principal and interest payments. Principal payments are estimated over the next five years as follows:

March 31, 2015	$ 390,317
2016	397,072
2017	350,405
2018	360,861
2019	371,994
	$1,870,649

10. CAPITAL LEASE OBLIGATIONS

	2014	2013
Lease payable - Royal Bank of Canada, monthly payments of $4,846 including interest at 5.74%. Due January 2014	$ -	$ 47,126
Amount due within one year included in current liabilities	-	(47,126)
	$ -	$ -

The obligations under capital leases is secured by certain plant and office equipment.

11. ACCRUED PRE-RETIREMENT OBLIGATION

	2014	2013
Members of the Health Employees Pension Plan and Civil Service Superannuation Plan	$8,212,008	$8,930,463
Members of the Civil Service Superannuation Plan	-	250,133
	$8,212,008	$9,180,596

The Authority's contractual commitment, based on an actuarial valuation, for the pre-retirement entitlement for members of the Healthcare Employees Pension Plan and the Civil Service Superannuation Plan is to pay out four days of salary per year of service upon retirement if the employee complies with one of the following conditions:

i) have ten years service and have reached the age of 55 or
ii) qualify for the "eighty" rule which is calculated by adding the number of years service to the age of the employee
iii) retire at or after age 65
iv) terminate employment at any time due to permanent disability

The Authority undertook an actuarial valuation of the accrued retirement entitlements as at March 31, 2014. The significant actuarial assumptions adopted in measuring the Authority's accrued retirement entitlements include mortality and withdrawal rates, a discount rate of 3.35% (2013-2.125%) and a rate of salary increase of 3.0% (2013 - 3.0%) plus age related merit/promotion scale with no provision for disability.

Funding for the retirement obligation is recoverable from Manitoba Health on an out of globe basis in an amount equal to the amount receivable at March 31, 2004 of $4,214,671.

The Regional Health Authority's contractual commitment, based on an actuarial valuation, for the pre-retirement for members of the Civil Service Superannuation Plan is to pay out, at retirement to employees who have reached the age of 55 and have nine or more years of service, the following severance pay:

i) one week of severance pay for each year of service up to 15 years of service
ii) two weeks of additional severance pay for each increment of five years of service past the 15 years of service up to 35 years of service.

12. REVENUE FROM MANITOBA HEALTH	2014	2013
Revenue as per Manitoba Health's Funding Document	**$192,889,453**	$184,324,395
Deduct:		
Payments on prior year receivables	**(5,718,805)**	(777,259)
Capital Equipment funding	**(1,887,216)**	(1,095,782)
Nelson House PCH funding - flow through	**(693,001)**	(665,904)
Account Receivable Allowance	**(511,241)**	(293,310)
Ancillary Program	**-**	(19,900)
Ambulance	**(143,375)**	(236,935)
Interest funding (actual)	**(46,298)**	(48,782)
Other	**(96,516)**	(46,287)
	$(9,096,452)	$(3,184,159)
Add: Accruals approved by Manitoba Health		
Medical Remuneration	**$ 3,672,824**	$ 2,826,738
Maternity Leave Top-Up MNU	**-**	267,924
HEB Health Spending Account	**-**	129,821
HEPP Funding	**-**	419,422
Medical Education Reimbursement	**55,000**	55,000
MNU Northern Retention Allowance shortfall	**663,706**	34,672
Mobile Youth Crisis Program	**-**	718,260
Reciprocal Revenue	**-**	550,000
Colonoscopy Funding	**105,350**	87,500
Professional Tech Maternity Leave	**-**	141,322
Drug Volume Pressures Funding	**-**	618,600
Facility support maternity leave	**-**	52,880
EMS Wage Standardization	**112,597**	6,850
MAHCP retention bonus	**630**	1,718,449
DSM admin assistant position	**-**	52,700
Family MD forum	**-**	2,823
Physician funding for Dialysis	**-**	70,399
Deferred RHA Office Funding	**631,000**	-
Physician Assisting Funding	**183,771**	-
Grow Your Own Nurse Practitioner Funding	**432,064**	-
Immunization Funding	**125,743**	-
	5,982,685	7,753,360
Total Funding Approved by Manitoba Health	**$189,775,686**	$188,893,596
Deduct:		
Prior Year's Deficit Elimination	**-**	1,877,854
Amounts recorded as deferred contributions:		
Debt Servicing - Principal & Interest	**-**	2,515,914
PCH Reserve	**-**	6,460
	-	4,400,228
Revenue from Manitoba Health	**$ 189,775,686**	$184,493,368

13. PENSION PLAN

Substantially all of the employees of the Authority are members of the Healthcare Employees Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees. Plan members will receive benefits based on the length of service and on the average annualized earnings calculated on the best five of the eleven consecutive years prior to retirement, termination or death that provide the highest earnings. The costs of the benefit plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Institute of Chartered Accountant's Handbook section 3461.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan by placing plan assets in trust and through the Plan investment policy. Pension expense is based on Plan management's best estimate, in consultation with its actuaries, of the amount, together with the 5% of basic annual earnings up the Canada Pension Plan ceiling contributed by employees, required to provide a high level of assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for employer contributions to the Plan to remain a constant percentage of employee' contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent actuarial valuation of the plan as at December 31, 2012, indicates a deficiency actuarial value of net assets over actuarial present value of accrued pension benefits of $375,897,000 as well as a solvency deficiency of $2,179,701,000. Effective January 1, 2011, the contribution rates increased by 1.0% for each of the employer and employee. Actual contributions to the plan made during the year by the Authority on behalf of its employees amounted to $5,296,112 (2013 - $4,837,942) and are included in the statement of operations.

Some of the employees of the Authority are eligible for membership in the provincially operated Civil Service Superannuation Plan. The pension liability for Authority employees is included in the Province of Manitoba's liability for Civil Service Superannuation Fund. Accordingly, no provision is required in the financial statements relating to the effects of participating in the plan by the Authority and its employees.

14. SICK LEAVE LIABILITY CALCULATIONS

Prior to April 1, 2011 the Authority was not required to record an accrued benefit obligation related to sick leave benefits as the benefits do not vest. PSA standards, including PS4022-1270 require that a liability and an expense be recognized as a post-employment benefit and compensated absences that vest or accumulate in the period in which employees rendered services to the Authority in return for benefits. An adjustment was made recognize a liability and an expense related to accumulated sick leave entitlement. The resulting adjustment to the liability for employees at April 1, 2011 was $1,955,786. The accumulated liability is estimated to be $1,811,637 (2013 - $2,000,792).

15. RELATED ENTITIES

The Pas Health Complex Foundation, Inc. (The Foundation) is a non-profit voluntary association whose purpose is the betterment of health care at The Health Complex facilities. While there is no formal relationship between the Authority and this registered Charitable Foundation, the aims and objectives coincide. The Authority regularly provides the Foundation with a listing of project/equipment requirements for the Foundation to consider in their annual funding process. During the year the Authority received donated equipment valued at $42,625 (2013-$80,205).

16. ENERGY RETROFIT/MANUFACTURER'S LIFE INSURANCE COMPANY LOAN

In the 2007-2008 fiscal year, the Health Authority entered into an agreement with the Government of Canada, Department of Natural Resource to receive Energy Retro-Fit Assistance. Under the terms of the agreement, MCW Custom Energy Solutions Ltd. (MCW) manages and contracts the work to be performed with the amounts, net of the grants funded by Manufacturers Life Insurance Company (Manufacturers). The Health Authority pays a monthly amount equivalent to the energy savings to Manufacturers with MCW providing an annual payment to the Health Authority for any deficiency of estimated energy savings to actual energy savings.

This project has an expected payout September, 2021 implicit with interest at the rate of 6.3%.

17. COMMITMENTS

The Authority has entered into operating leases for rental units to assist with accommodation needs of the organization. Lease commitments for the next five years are as follows:

March 31, 2015	$ 528,680
2016	368,088
2017	333,488
2018	327,888
2019	286,138

Aggregate future minimum operating lease payments total $1,844,282.

18. FINANCIAL RISK MANAGEMENT

The Authority is exposed to different types of risk in the normal course of operations, including credit risk and market risk. The Authority's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Authority's activities.

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Authority to credit risk consist principally of accounts receivable.

The Authority's maximum exposure to credit risk without taking account of any collateral or other credit enhancements is as follows:

	1 – 30 Days	31 – 60 Days	61- 90 Days	91 + Days	Total
Current Accounts Rec.	$517,075	$191,521	$ 84,757	$2,688,937	$3,482,290
FNIH Balance	650,658	264,140	297,086	8,741,981	9,953,865
Misc. Receivables	-	-	-	63,272	63,272
GST Receivable	280,159				280,159
	$1,447,892	$455,661	$381,843	$11,494,190	$13,779,586
Less allowance for doubtful accounts:					
Current Account Rec.	$ -	$ -	$ -	$(1,405,662)	$(1,405,662)
Misc. Receivables	-	-	-	(63,272)	(63,272)
FNIH. Receivables	-	-	-	(5,257,747)	(5,257,747)
	$1,447,892	$455,661	$381,843	$4,767,509	$7,052,905

Accounts receivable: The Authority is not exposed to significant credit risk as the receivable is spread among a large client base and geographic region and payment in full is typically collected when it is due. The Authority establishes an allowance for doubtful accounts based on management's estimate and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

	1 – 30 Days	31 – 60 Days	61- 90 Days	91 + Days	Total
In Globe 2013/14	$1,677,881	$ -	$ -	$ 981,324	$2,659,205
Out of Globe 2013/14	3,672,807	-	-	2,826,738	6,499,545
	$5,350,688	$ -	$ -	$3,808,062	$9,158,750

Due from Manitoba Health, vacation entitlement receivable and retirement obligations receivable: The Authority is not exposed to significant credit risk as these receivable are from the Province of Manitoba.

Market Risk

Market risk is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign exchange risk, and other price risk.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Authority is not exposed to significant interest rate risk. Its cash and short-term deposits are held in short-term or variable rate products and its exposure arising from its fixed rate long-term debt is not significant.

The Authority is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency and the number of transactions in foreign currency are minimal and the Authority is not exposed to other price risk.

Fair Value

The carrying values of cash and term deposits, accounts receivable, amounts due from Manitoba Health, vacation entitlements receivable and retirement obligations receivable, accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

19. CONTINGENCIES

I. The nature of the health care industry's activities is such that there is usually litigation pending or in prospect at any time. With respect to claims at March 31, 2014, management believes the Authority has valid defenses and appropriate insurance coverage in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the Authority's financial position.

II. On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to provincial Insurance Acts, which permits persons reciprocal contracts of the indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces of Ontario, Manitoba, Saskatchewan, and Newfoundland. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums of any experience by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to March 31, 2014.

III. Due to the dismissal of three senior executives in a previous period in the Burntwood RHA, litigation proceedings were on going at the time of the audit report. The likelihood of financial implications if any, are not determinable at the time of this report.

20. INTER PROGRAM CHARGES

Included in the statement of operations are inter-program charges which result in a reduction in Regional Health Authority cost of $36,000 and an increase in ancillary costs of $36,000.

21. ECONOMIC DEPENDENCE

The Health Authority is economically dependent on Manitoba Health as substantially all the revenue of the organization is funding by Manitoba Health.

22. AMALGAMATION

As a result of the Province of Manitoba announcement, the Board unanimously endorsed the amalgamation proposal which amalgamated Norman Regional Health Authority Inc. and Burntwood Regional Health Authority Inc. to form a new Regional Health Authority with an effective date of the amalgamation of May 18, 2012.

The amalgamation subsequently took effect pursuant to Regulations on May 30, 2012.

23. COMPARATIVE FIGURES / RESTATEMENT OF BALANCES

Certain 2013 financial statement balances have been reclassified in order to be comparable to current year presentation. As a result of this, the groupings of accounts on the summary of operations have been modified. As well, the following accounts on the statement of financial position have been restated:

	As previously presented	2013	Change
Deferred Revenue	$ 1,388,875	$ 2,706,564	$ 1,317,689
Deferred Contributions	$ 57,317,155	$55,999,466	$(1,317,689)
Invested in Capital Assets	$ 7,932,722	$ 6,096,646	$(1,836,076)
Unrestricted Net Assets	$(1,101,202)	$ 734,874	$ 1,836,076

There is no overall impact to the net surplus (deficit) of the organization.

NORTHERN
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