NORTHERN
HEALTH REGION

ANNUAL REPORT
2018-2019

Letter of Transmittal

August 31, 2019

The Honourable Cameron Friesen
Minister of Health
Room 302, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Minister:

On behalf of the Board of Directors, we have the honour to present the Annual Report for the Northern Regional Health Authority, for the fiscal year ended March 31, 2019.

This Annual Report was prepared under the Board's direction, in accordance with *The Regional Health Authorities Act* and directions provided by the Minister. All material including economic and fiscal implications known as of March 31, 2019 have been considered in preparing the annual report. The Board has approved this report.

Respectfully submitted on Behalf of the Northern Regional Health Authority,

Cal Huntley
Board Chair

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Board of Directors Chair's Message

On behalf of the Board of Directors, it is with great pleasure that I present the Northern Health Region's 2018-19 Annual Report.

This past year has seen the start of many changes in the health care system in Manitoba. As reported last year, the creation of the new provincial health organization, Shared Health has provided us with opportunities to be a voice for the North; the creation of clinical teams with Northern representation provided us with the ability to identity our challenges and our advantages.

We as a Board are confident that this health system transformation will ensure consistent, quality health care is available to all Manitobans within a system that is safe, reliable and sustainable in the long term. However, these changes take time but this will be an incredible opportunity to refocus our system and better meet the needs of our residents.

We understand that change is difficult and can be stressful for our residents and our staff as transformation moves forward. The changes that are currently underway are very important and necessary to be able to continue to provide excellent patient care and we will continue to do so throughout the transformation process.

From myself and the Board of the Directors, I would like to send out a sincere thank you to the Executive and Senior leadership, our staff, our patients, our residents and our community leaders for the time and effort you have invested in helping us deliver another year of care in the Northern Health Region.

Respectfully,

Cal Huntley, Board Chair

Chief Executive Officer's Message

Health System Transformation

Over the past year, the Northern Health Region and the Province of Manitoba have experienced changes in our health care system with the establishment of Shared Health and ongoing Health System Transformation. We are excited to be part of this once in a lifetime transformation in our health care system in Manitoba.

We were excited to welcome members of the Shared Health team to our Region this past year and toured them around our various sites. This aided in a better understanding for them of our service delivery challenges here in the North. Provincial planning for clinical and preventive services is so needed and the North has been fully engaged in participating in this forward thinking work. While we recognize change is hard, we welcome it; we hear on a daily basis the experiences of our citizens in the Northern Health Region as they seek health care services. The planning related to Primary Care in particular is of high interest to us; providing support and services upstream and collaborating with other agencies in access to the social determinants of health is what we hear is needed from our First Nations partners and citizens as well as our regional communities.

It is our firm belief that a re-shaping of the system will be of great benefit to patients and their families as services are better offered, organized and coordinated which, from a patient experience perspective, means those services will be available when they are needed, as close to home as possible and provided by a committed team of health care professionals and support staff. Health equity is sought for Manitobans in the North; health system transformation is a vehicle that can move us further to a state of health equity.

The Northern Health Region actively supports this Transformation Project and specifically the Clinical Teams. There are 11 clinical teams and the Northern Health Region had 2-3 representatives on each team. This ensured that the uniqueness and challenges of providing services in the North were appropriately identified. Additionally, the clinical representatives from the Region ensured that the unique care needs of our population were recognized.

As you will read in the Operation Highlights further on in this report, you will see how the work of our staff, keeping in mind a lens of system transformation and in consultation with Shared Health where appropriate has impacted how services are delivered in the North and further impacted in meeting our Vision, Mission, Values and Strategic Directions.

As we move forward as a Region, I want to take this opportunity to thank the staff of the Northern Health Region for their tireless efforts in keeping the health of our residents a priority. They are the ones who deliver the services and programs to meet our residents' health needs. Ekosi, Ekosani, Meegwetch, Masicho!

Respectfully,

Helga Bryant, Chief Executive Officer

Northern Health Region

Our Region

With a total of 378,588 square kilometres and a population of 72,220, the Northern Health Region has the unique challenge of planning and providing health care services and programs to a small population over 60% of Manitoba's total land mass.

The Northern Health Region consists of:

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

Overview of the Northern Health Region

The Northern Health Region continues to be a younger population compared to the rest of Manitoba with the average age of our population being 31 years old. That said, the Northern Health Region is becoming older over time. The highest population increases came in the 65-69 (51.3% increase from 2004-2014), 60-64 (45.3%) and 70-74 (40.2%) age categories.

More than two-thirds of people living in the Northern Health Region self-identify as Aboriginal (70.0%) compared to the provincial average of 15.5%. About half (50.7%) of regional residents live on reserves. 10.8% of our residents moved within the province in the last 5 years compared to 7.2% of Manitobans. According to this data, the Northern Health Region has a relatively transient population. According to a population projection report published by the Manitoba Bureau of Statistics, the Northern Health Region will grow up to 104,300 residents by 2042, an increase of 40.6%.

Almost a quarter (24.4%) of Northern residents speaks a non-official language at home. The most predominant language is Cree (59.1%) and Oji-Cree (32.2%). Approximately 37% of the Northern population reports a mother tongue other than English or French. These proportions are much higher than in the rest of Manitoba (21.5%)

Demographic Issues

Data on key demographic issues supports 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 residents' access to services. Some communities are accessible only by air or winter roads, and many homes may not have a telephone or running water. 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. Affordability is also an issue when residents must leave the community at their own expense to access health services that are not available in the community.

- **Jurisdictional Issues** - At least 40% of the Regions' 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 (First Nation Inuit Health (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** - 49.6% of Northern residents have no degree, certificate or diploma.

- **Unemployment** - Unemployment remains high in the Region; 15.2% for men and 12.7% for women.

- **Income inequality** - Census data shows substantially lower income is experienced by lone parent families as compared to couple families.

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

- **Families** - There is a higher rate of lone parent families; 30% compared to 17.1% in the province overall.

- **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** are not as extensive as in other parts of the province and can limit the access to specialty health services.

Key Health Issues and Challenges

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

- The 5th annual Northern Health Summit was held in Flin Flon in October 2018 and focused on "**Mamowe Kiskiwasewin Minoyawin"** which translates in English to shared responsibility for health. The key note speaker for this year's event was Senator Mary Jane McCallum who is a First Nations woman of Cree heritage and an advocate for social justice. Dr. McCallum has led workshops and presentations based on her own experiences as a residential school survivor in an effort to raise awareness and understanding around the residential school system. The attendees were then spoken to on the importance of history and participated in breakout sessions by a variety of presenters. A presentation by members of Shared Health spoke on the Province of Manitoba's Health System Transformation.

- **Communicable disease prevention** - The Region continues to struggle with very high rates for communicable diseases, particularly for syphilis, chlamydia, gonorrhea and tuberculosis. The Region continues to work on providing greater awareness and information campaigns along with improved monitoring and surveillance. The significant increases in incidence and prevention of STBBI have resulted in the public health portfolio enhancing testing and contact follow-up. Harm Reduction strategies in the Northern Health Region are well developed and highly utilized by public. Demands for harm reduction supplies are also escalating exponentially.

- **Chronic Disease Treatment and Prevention** - While some progress was noted on the incidence levels of some chronic diseases, the number of those living with diabetes, arthritis and high blood pressure remains very high. Increased efforts to promote healthier living strategies to reduce the incidence of chronic disease remains a regional priority.

- **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 sexually transmitted infections. 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, sexually transmitted infections 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 First Nations and Inuit Health Branch and First Nations stakeholder groups toward the goal of improving the health status of all residents of our Region.

- **Maternal, Infant and Child Health** - The Region continues to see high birth rates and poorer outcomes related to low birth weights and preterm births as well as access to prenatal care given geography and remoteness of communities. Given the concerns expressed about the level of maternal health support, more attention needs to be paid in this area to ensure improved outcomes for mothers and their infants.

- **Mental Health and Addictions** - While the incidence levels of some mental health conditions are lower in the north, there does appear to be widespread concern about the availability of mental health and addictions support for residents. While the proportion of the Regions' resident's that are diagnosed with substance abuse declined to 9.2% between 2007/08-2011/12, it was still almost double the Manitoba rate of 5.0%. The introduction of Rapid Access to Addictions Medicine (RAAM) Clinics occurred in Thompson in the fall of 2018. This service is required throughout the Region.

- **Injury, Premature Death and Life Expectancy** - Premature mortality and injury rates continue to be very high in the Region. It underlines the point that to make measurable progress in improving life expectancy and reducing the number of premature deaths, injury prevention strategies need to be effective and communities need access to safe and healthy activities particularly for youth. Engaging youth in organized and productive activities was an important theme for community consultation participants. Although injury is a very important contributor to premature death, it is also important to note that cancer is the leading cause of death in the Region.

- **Youth Health** - Based on the findings of the youth health survey in the Region, particular attention will need to be focused on the older grades to build greater awareness of risky behaviours around drinking, smoking, drugs and sexual activity. The Region holds leadership summits for youth to support the development of leadership in youth which impacts on healthy living and lifestyles for the youth in our Region.

- **Accessibility and Effectiveness** - Access to primary care providers, which is necessary in providing ongoing primary and chronic care management outside of a hospital setting, continues to be an area of concern for the Region. The Region continues to struggle with high levels of unattached residents who have no regular primary care provider. Recruitment efforts are extensive, however physicians are reluctant to living and working in the north.

- **Health System Utilization** – The past year has involved work on supporting a provincial dashboard. These indicators coupled with local regional indicators provide a snapshot as to access and quality dimensions of care provided in the Region. Indicator results showed that the Region had improved its performance with lower hospital use and physician use due to injury and poisoning. Increasingly though, the Region has seen long term care resources under strain which is impacting accessibility to Personal Care Homes (PCH). More efforts will need to be directed to independent living strategies for seniors and home care to reduce the reliance of PCHs. This is particularly important as the senior population continues to increase.

- **Social Determinants of Health** – The disparity of the Northern Health Region in terms of the social determinants of health increases the need for partnerships outside the scope of the Northern Health Region's influence. In order to improve the health status of the Northern Health Region, partnerships with education, industry, housing and others will be key in effecting change.

- **The Provincial Clinical and Preventative Services Plan** was well supported by healthcare professionals in the north with active participation from dozens of healthcare providers. Shared Health was formed on April 1, 2018; one of their mandates was to create a provincial clinical plan. When completed, this clinical plan will form the basis for clinical care delivery across the province. The Northern Health Region fully supports this process and looks forward to the impact this will have for residents of Northern Manitoba.

Our Strengths

Areas of Strength include:

- **Quality Health Services** - The Region provides quality health care and services. Client and staff feedback continue to be monitored for suggestions to improvement in quality. Accredited status was received June 2018 through Accreditation Canada.

- **Responsiveness** - The Region is responsive to client's needs. Through Indigenous Liaison staff, Patient Experience, and committed Managers and Physicians, suggestions, concerns and complaints from patients are quickly explored with follow-up with patients and families through the Patient Experience portfolio and/or individual Managers, Executive Directors, VPs or CEO.

- **Programs and services** - Based on fiscal realities, the Region is currently providing an appropriate number of programs and services to residents. The provincial clinical plan as noted above will further inform the clinically and population health appropriate mix of programs, services and providers. This in future will allow us as a Region to better meet the health needs of our population.

- **Our Staff** - The Regions' staff are caring, committed, experienced and knowledgeable. Although recruitment and retention challenges exist, our staff demonstrates 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 service; over the past year an increase in use of agency staff has occurred. While this is not optimal, given our vacancies it is often the only means by which to continue care provision.

- **Teamwork** - Teamwork is valued and modeled in the Region. It is evident that teams are change ready, excited about the provincial clinical plan and will be highly engaged in the clinical changes that may be contemplated.

- **Innovative Partnerships** - The Region values our team approach and innovative partnerships. Numerous organizational relationships have been developed with outcomes beginning to be realized. Through community engagement, community support in welcoming newly recruited health care professionals, and joint planning we aim to have a great impact on the overall health status of the people and families that we serve.

- **Chronic Disease Prevention** - Work being done in Chronic Disease Prevention is excellent and will continue. Community level initiatives were praised by many focus group participants; these initiatives can have a lasting impact in relation to cost and involve community members at the grass roots level.

- **Primary Health Care Centres** - The Regions' 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.

- **Telehealth** - Telehealth is viewed as a means by which access to healthcare providers can be significantly increased. This was validated by the planning that occurred for the provincial clinical plan in that Telehealth was seen as a strategic vehicle for all clinical services and specialties.

- **Representative workforce** - The Region continued to be intentional in increasing the numbers of representative employees in order to better reflect the ethnic makeup of our population.

- **Good administrative systems** - The Region has mechanisms in place to deal with issues/complaints.

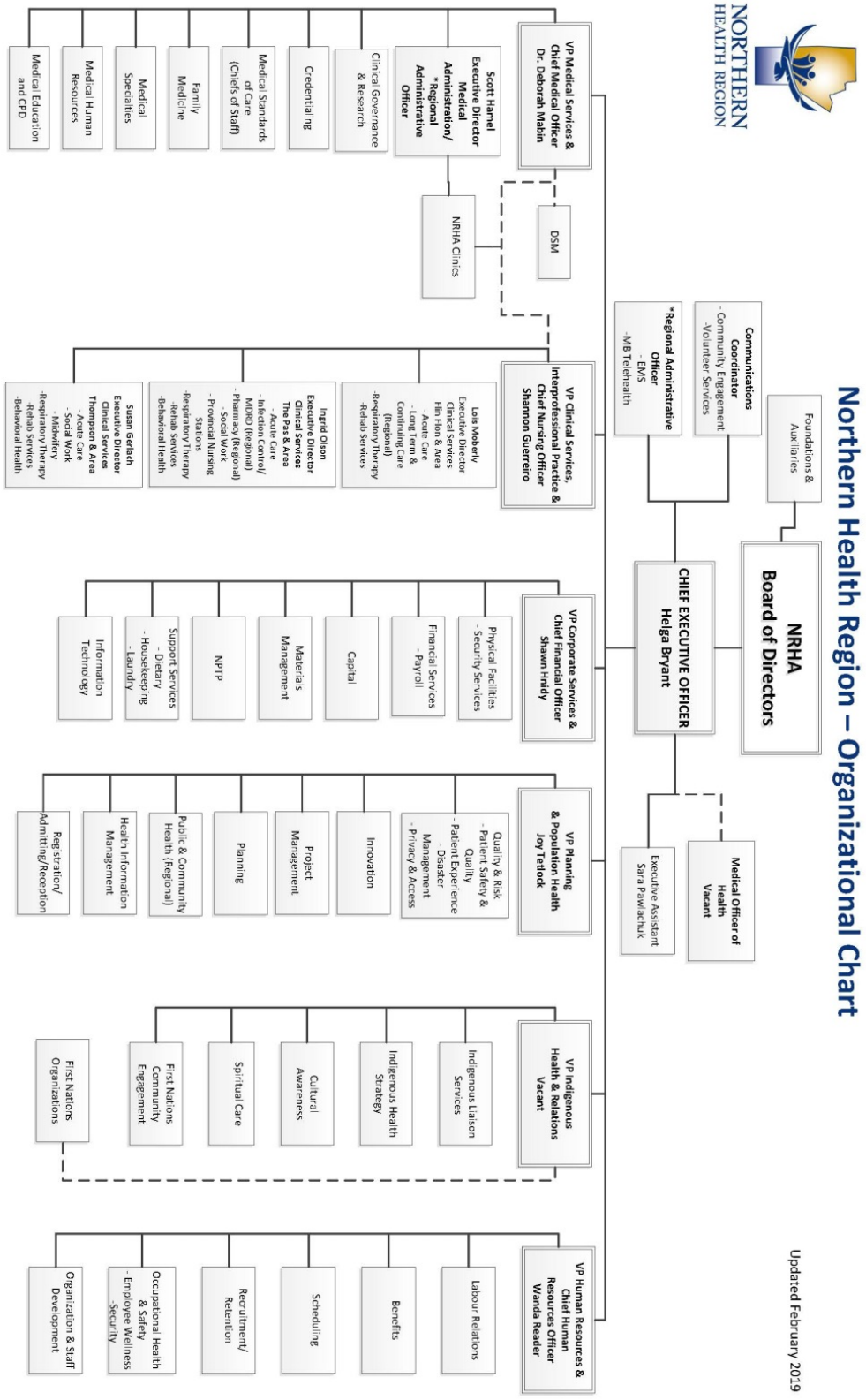
- **Flexibility** - The Region is flexible and adaptable to the changing environment.

- **Our Reputation** - The Region is well respected locally and provincially.

- **Leadership** - The Region has 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 energy in their respective work sites/programs.

- **Governance** - The Region has a supportive board that is committed to the organization and its leadership. The Board continues to receive governance education, maximize technology, and develop governance principles and policies.

Organizational Structure



Executive Leadership Council

- **Helga Bryant**, Chief Executive Officer and Chief Nursing Officer
- **Dr. Deborah Mabin**, Vice-President, Medical Services and Chief Medical Officer
- **Wanda Reader**, Vice-President, Human Resources and Chief Human Resources Officer
- **Joy Tetlock**, Vice-President, Planning and Population Health
- **Shawn Hnidy,** Vice-President, Corporate Services and Chief Financial Officer
- **Scott Hamel,** Regional Administrative Officer & Executive Director of Medical Administration
- **Shannon Guerreiro,** VP Clinical Services & Inter-Professional Practice Chief Nursing Officer
- **Susan Gerlach,** Executive Director of Clinical Services, Thompson and Area
- **Lois Moberly,** Executive Director of Clinical Services, Flin Flon and Area
- **Ingrid Olson,** Executive Director of Clinical Services, The Pas and Area
- **Vacant**, Chief Indigenous Officer

Northern Health Region Executive Leadership Council

Left to right: Dr. Deborah Mabin, Shannon Guerreiro, Scott Hamel, Helga Bryant, Ingrid Olson, Wanda Reader, Shawn Hnidy

Missing: Joy Tetlock, Susan Gerlach, Lois Moberly

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.

The 2018-19 Northern Health Region Board of Directors includes:

Cal Huntley, Chair – Flin Flon
John Marnock - The Pas
Elaine Kobelka – The Pas
Anne Thompson - Lynn Lake
Judith Kolada – Thompson
Carrie Atkinson, Vice-Chair – The Pas
Mary Head – Opaskwayak / The Pas
June Chu - Wabowden
Angela Enright – Snow Lake
Chris Matechuk - Thompson
Les Oystryk – Creighton, SK

Directors' Committees include the Executive, Governance, Audit, Finance, Indigenous Health & Human Resources and the Quality and Patient Safety Committees. Committee meetings were held at the discretion of the Chair of each committee. Meetings were generally 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.

Northern Health Region Board of Directors

Left to right: John Marnock, Elaine Kobelka, Angela Enright, Anne Thompson, Cal Huntley, Carrie Atkinson, June Chu, Judith Kolada, Chris Matechuk
Missing: Mary Head, Les Oystryk

Strategic Framework

The 5th annual Northern Health Summit was held in Flin Flon in October 2018 and focused on "**Mamowe Kiskiwasewin Minoyawin"** which translates in English to shared responsibility for health. The key note speaker for this year's event was Senator Mary Jane McCallum who is a First Nations woman of Cree heritage and an advocate for social justice. Dr. McCallum has led workshops and presentations based on her own experiences as a residential school survivor in an effort to raise awareness and understanding around the residential school system. The attendees were then spoken to on the importance of history and participated in breakout sessions by a variety of presenters. A presentation by members of Shared Health spoke on on the Province of Manitoba Health System Transformation.

Our Vision, Mission 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 foundations that 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 Vision:

Healthy People, Healthy North

Our Mission:

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

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.

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.

Strategic Direction One: Improve Population Health **Supporting Strategic Priorities:** ▸ Focus on prevention and promotion activities ▸ Improve health equity throughout the region	**Strategic Direction Two: Deliver Quality Accessible Health Services** **Supporting Strategic Priorities:** ▸ Improve access to health services ▸ Promote a culture of Patient Safety
Strategic Direction Three: Be a Sustainable and Innovative Organization **Supporting Strategic Priorities:** ▸ Increase services closer to home as appropriate ▸ Ensure fiscal responsibility	**Strategic Direction Four: Be an Employer of Choice** **Supporting Strategic Priorities:** ▸ Enhance recruitments ▸ Enhance employee engagement

Declaration of Patient Values

The Local Health Involvement Groups conducted a public consultation in regards to what the residents of the Northern Region most value in our health system. The survey results were compiled and as a result, patient values were created. These values were approved by our Board of Directors in January 2019 and are now displayed throughout our Region.

Trust and Confidentiality

Accessibility and Responsiveness

Quality and Safety

Continuity of Care and Information Sharing

Operations Report Highlights

As reported last year, the health care system in Manitoba began a journey of system transformation in the 17/18 fiscal year and changes have been wide sweeping, focusing on improved access, improved equity and improved service delivery across the province. Shared Health, Manitoba Health, Seniors and Activing Living and the Regional Health Authorities have been collaborating on the planning of Manitoba's first ever Clinical and Preventive Services Plan which is expected to be rolled out in mid-spring 2019.

The Northern Health Region has been well represented on the clinical teams which were organized around specialty areas such as primary health and community services, mental health and addictions, chronic and complex medicine and women and child health.

Strategic Direction One: Improve Population Health

The two strategic priorities that were focused on under this Strategic Direction are:

- Focus on prevention and promotion activities
- Improve health equity throughout the region

The highlights from 2018/19 fiscal year include the following:

- **Gillam:** A Worker Interaction Committee brought together Manitoba Hydro, the communities of Gillam and Fox Lake and the Northern Health Region. Of particular concern is the matter of addictions in the community and the manager of Gillam Hospital regularly attended these meetings. Presentations were made by Dr. Michael Isaac and Hillary Cooper from the NRHA. Attendees included Fox Lake band members, RCMP, Town of Gillam council members, Manitoba Hydro members and Helga Bryant, CEO. A SWOT analysis on this issue was completed. Plans are to continue to work as a group to share resources surrounding addictions and hopefully fill in some gaps. This was the first meeting around this subject and there are plans to continue with more collaborative meetings.

- **Mental Health and Addictions Review Report released early May:** Rusty Beardy was invited to sit on a panel following the release of Virgos provincial strategy "Improving Access and Coordination of Mental Health and Addiction Services: A Provincial Strategy for all Manitobans". There were a number of recommendations made and in particular a specific priority for Indigenous Manitobans. Our province has much work to do given the system wide approach promoted in the strategy. Many parts of the provincial government systems will likely be reviewing the report and its implications for Health and other departments. What is positive is that the strategy recognizes that this is not just Health's responsibility.

- **Devotion Project; Legacy Project:** Further to research project out of RRC and Children's Hospital Research Foundation, related to identifying barriers and facilitators to prenatal care, a proposal has been put forward to "legacy funding" in order to implement identified strategies. Principal Investigator Dr. Pat Gregory will keep us informed of progress. This project, if approved will provide just under $1Million research dollars over 4 years to improve access to and quality of prenatal care in northern Manitoba.

- **Rapid Access to Addictions Medicine (RAAM):** There were 5 RAAM "clinics" established in the province with the NRHA receiving one clinic based in Thompson. The only funding associated with this service is medical remuneration. A plan was developed and submitted in June, 2018. A partnership with AFM was successfully created and the clinic is functional and providing a much needed service.

- **Relationship with Saskatchewan communities:** Dr. Dave Williams, Chief of Staff, Flin Flon & area and Lois Moberly, Interim CNO, met with Andrew McLetchie, VP of Integrated Northern Health (past CEO of Mamewatan Churchill River Health Region prior to creation of Saskatchewan Health Authority) & Brett Enns, Executive Director of Primary Health Care (North East) of Saskatchewan Health Authority (SHA). Agenda topics of discussion were primary care messaging for Creighton, update on SHA, implications for Flin Flon and update on relationship between Peter Ballantyne Cree Nation and Flin Flon General Hospital. A meeting with also held with Creighton town council and a concerned citizen at the Creighton town hall. Citizens are leaving the community for health care, bus service has been affected and many seniors cannot travel so will be moving from the community. Creighton citizens are concerned with the lack of primary care services and wondered about a process to recruit for the community independently of the Northern Health Region and Flin Flon. SHA is not actively recruiting physicians for Creighton. Brett Enns spoke of some of the ways citizens in Creighton and area could assist with health concerns with initiating a safe needle exchange as drug use in Northern Saskatchewan has escalated. **Suggestion made that a nurse practitioner is a potential for the Creighton community; this is Saskatchewan Health Authority responsibility to organize. The Northern Health Region fully supports such an initiative.**

- **Complete roll out of Harm Reduction Services and Developed an Opiate Replacement Service:** The Northern Health Region continued to roll out Harm Reduction Services in the Region based on community needs. The Pas Public Health and Addictions Foundation of Manitoba partnered to roll out the Opiate Replacement Service. The Northern Health Region continued partnering with Addictions Foundation of Manitoba (AFM) and RAAM Clinics to increase capacity and training for employees regarding Harm Reduction strategies and approaches. Implementation of a Harm Reduction referral form enhanced and supported services between community and hospital services. Accuro has been implemented in RAAM Clinic (at Northern Health Region cost) to facilitate reporting, trending, and referral to Primary Care for continuity. Harm Reduction expanded to include a community health developer in Thompson and a Partnership with Addictions Foundation of Manitoba in The Pas to roll out Opiate replacement services.

- **Sexually Transmitted and Blood Borne Infections:** This has been deemed an outbreak in the province of Manitoba. The Northern Health Region has a higher incidence than other regions in the province. Plans were in early stages of development by end of 18/19 fiscal year and to be submitted for the 19/20 fiscal year.

- **Implemented the provincial nursing standards for prenatal and post partum care in the Northern Health Region:** The Provincial Plan involved the roll out of the new public health nursing standards in the fall of 2018.

- **Continue to monitor and increase regional capacity on the Public Health team to meet current community and provincial needs:** The Northern Health Region continued to have public health staff turnover. Staff

capacity was developed to provide Tuberculosis services in Flin Flon. This was a new strategy to meet the needs of delivering medication and following up on appointments and referrals. Orientation provided by the Thompson Tuberculosis Team & Public Health Nurse Flin Flon.

- **Indigenous Health Planning Engagement:** Shared Health, the Northern Health Region and First Nation Health Directors worked together to discuss Indigenous Health Planning engagement. There was a presentation on the principles and rationale for system transformation. Following that, there was group discussion which responded to questions regarding barriers in current system, solutions to those barriers and finally metrics to give evidence of meeting outcomes of an improved system for Northern Manitoba. Dr. Cathy Cook is leading a provincial strategy to engage Indigenous leaders, agencies regarding provincial health system transformation; the Northern Health Region will take a role in this strategy as requested.

- **The Healthy Together Now (HTN) Program** comprised of community projects targeting the four modifiable risk factors - tobacco reduction, exercise, healthy eating, mental well-being continued to provide services and build capacity in healthy community and individual choices. Community Wellness Programs and also the Northern Health Region received Heathy Together Now funding for 2018/19 which included a Certified Tobacco Educator in the Thompson and Area. Now there are two at either end of the region.

- **HTN Youth Leadership project** - Youth leadership summit, Youth projects and Leadership Boot Camp were held.

- **Smoking Cessation Program** - certified Tobacco educators targeted Northern Population. Injury Prevention - PARTY Program, Helmet safety, Sun safety, Mindful Movement Moment (Community falls prevention program).

- **Keewatin Tribal Council:** Senior executives regularly attended and presented at Keewatin Tribal Council meetings. Recent discussions with Keewatin Tribal Council leadership are ongoing with respect to new buildings in Thompson to be constructed by Keewatin Tribal Council where there is a possibility for the Northern Health Region to partner on programming and utilize space. Some potential positive outcomes would be increased recruitment and retention of Indigenous staff as well as more appropriate space for service delivery.

- **Marcel Colomb First Nation:** Dialogue occurred (and ongoing) with Marcel Colomb First Nation to discuss Jordan's Principle and service purchase agreements as they pertain to potential partnerships between the First Nations community and the Northern Health Region.

- **Provincial Nursing Stations:** the Northern Health Region continued to provide support for clinical leadership at the Provincial Nursing Stations as discussions continue regarding governance and service delivery models for the nursing stations. These discussions are held between Manitoba Health and the Nursing Station community leadership. Emergency Medical Service station approved for Easterville; also discussion regarding a new Nursing Station has been ongoing.

- **The Northern Health Summit** was held October 30th, 2018 with over 100 participants from across the region and province. Representation from Indigenous Partners was present on the planning committee. The next summit will be held in September 0f 2019 with the focus being on Traditional Healing with Dr. Marlyn Cook confirmed as the keynote speaker. Planning is being done in partnership with Opaskwayak Health Authority.

- **Indigenous Cultural Safety Program**: Partnered with Opaskwayak Health Authority, Keewatin Tribal Council and Split Lake to organize facilitators to teach the Indigenous Cultural Safety program given the vacancy in the VP Indigenous Health position for a portion of the 18/19 fiscal year.

- **Community Alcohol Management Plan** - Community Health Developers in Flin Flon supported and participated in the development of the Community Alcohol Management Plan Working Group focused on addressing alcohol related harms in Flin Flon, Creighton and Denare Beach. Staff supported a community survey that gathered information about community attitude, knowledge and behaviors that support a community action plan.

- **HIV Stigma and Discrimination in Manitoba Research Project:** Stop HIV Stigma in Manitoba Forum occurred Feb 27th, 2018 and its purpose was to explore the best ways to engage communities in conversations about HIV stigma and discrimination experiences in Manitoba as well as implications for people living with HIV. The discussion included identifying priorities for research and actions to address HIV-related stigma and discrimination in Manitoba.

- **Children's Advocate:** Pursuant to enhancement of the investigative powers of the Children's Advocate, the Northern Health Region received and will continue to receive names of children/youth that have been identified as being at immediate risk. Service Delivery Organizations review records for services provided with a goal to find improved coordination pathways. These processes are one of the outcomes of the review on Mental Health and Addictions Services (Virgo Report).

- **Saskatchewan Nursing Stations** - Dr. Brett Stacey, Dr. Matt Alkana, Nicole Grenier, James Fiddler, and Lois Moberly visited Pelican Narrows Nursing station and Deschambault Lake Nursing Station in March. Outcomes of the discussion were to improve communication and understanding of resources available as well as limitations in terms of transportation and the ability of the nursing stations to keep clients in the community with telephone support from Flin Flon physicians in the Emergency department. We will introduce a new process of documenting the information transfer with a means of having the document remain in the client chart for future reference.

- **Keewatin Tribal Council Health Forum** - Held March 18th-20th, 2019. Executive leadership regularly attend and provided regional updates. Other guests include Indigenous Services Canada, Shared Health, Winnipeg Regional Health Authority and Manitoba Health, Seniors and Active Living.

- **Pilot project with "Health IM"** was implemented in conjunction with RCMP at Thompson General Hospital Emergency Department. Approximately 10 notifications a month are received and realized a decrease in the number of patients being brought in for assessment; from 25 to 10-15 per month.

Strategic Direction Two: Deliver Quality Accessible Health Services

The two strategic priorities that were focused on under this Strategic Direction are:

- Improve access to health services
- Promote a culture of patient safety

The highlights from 2018/19 fiscal year include the following:

- **Flin Flon Obstetrics:** Gaps in obstetrical coverage continued in the fall of 2018. During periods of Flin Flon Obstetrics closures there was an impact on The Pas Obstetrics. In November of 2018, after expert obstetrical review and recommendations and lengthy discussions with physicians, staff, leadership, Board, Manitoba Health and Minister of Health, the difficult decision to temporarily suspend obstetrics in Flin Flon was taken in the interest of patient safety.

- **Snow Lake: Medical services provided in a locum model.** MB Health worked with the Northern Health Region closely to fill the gaps in Snow Lake and they have appreciated the challenge in filling primary are positions specifically with respect to recruiting new grads and bringing providers from Winnipeg.

- **Urology Services:** A value for money analysis was prepared to further analyze the feasibility of provision of itinerant urology services in Flin Flon. Itinerant urological services were established in Flin Flon; a locum urologist from Winnipeg conducts clinics and procedures on a rotational basis. This service provides access to over 140 patients per year in the Flin Flon and surrounding area.

- **Provincial Dialysis Services**: Upon request by the Manitoba Renal Program and based on the high demand in Winnipeg, two dialysis machines were transported from Flin Flon to Winnipeg, with the understanding that in the event they are needed in Flin Flon, two machines will be returned. This decision was in keeping with supporting regional and provincial services in the locations in which they are most needed.

- **FFGH ED Upgrade Project Update:** project continued throughout the 18/19 fiscal year with opening planned for March. The community contribution was successfully accomplished prior to opening.

- **Accreditation occurred the week of June 11th.** Teams worked diligently in assessing preparedness, preparing documents and implementing changes where gaps exist. Policy reviews occurred with subsequent education and communication of the revisions. Absorb (Regional on-line learning management system) modules were developed with staff mandated to complete them on specific required operating practices.

- **Unannounced PCH standards reviews completed** these occur throughout the Region in Northern Health Region PCHs as well as those with which there are service purchase agreements. These reviews result in assessments, action plans to complete in order to continually meet standards and improve care to residents.

- **Marcel Colomb Community Visit:** these occur throughout the Region in Northern Health Region PCHs as well as those with which there are service purchase agreements. These reviews result in assessments, action plans to complete in order to continually meet standards and improve care to residents.

- **Physician Engagement Plan**: all regions developed a plan to actively engage with physicians throughout the respective regions. This is a mechanism to partner with physicians in creating supportive work environments that will recruit and retain physicians and engage them with local clinical teams and provincial clinical planning.

- **Access to medical appointments:** time frame for 3rd next available appointment in clinics is the indicator for medical services access. The Northern Health Region continues to struggle with access to medical services. The challenge with access to medical services in clinics is directly related to volume of physicians and space to support their clinical practices. Manitoba Health Seniors and Active Living along with the Northern Health Region and other physician service providers have identified Primary Care physician needs in northern Manitoba and are working together to improve access. We are beginning to get an understanding of panels and attachment and how we measure these more accurately.

- **Manitoba Keewatinowi Okimakanak (MKO)** received funding for a Traditional Healing Program; there may be an opportunity to partner with or at least engage with MKO in terms of integrating with provincial health services.

- **Patient Safety Culture Survey** was administered to all staff in October as part of Patient Safety Week activities. This survey provides evidence of staff's perception of the safety of the environment.

- **Occurrence reports, trending and improvements:** Annual occurrence trend reports are available on the Intranet. These are used to inform program planning and aid in identifying quality improvement opportunities. The Board receives regular reports on risk, patient safety and occurrence reports issues and trends.

- **Information Communication Technology (ICT)** worked with provincial partners to develop and update provincial (ICT) security policies and guidelines.

- **Access to digital health information:** The Northern Health Region participated in an Identity Management committee with the goal of developing a consensus on a strategy for managing access to provincial digital health, regional, cloud, and external party applications. This committee enlisted the services of Microsoft to do an audit on current internal configurations and offer recommendations on improving environment which includes some disaster recovery options and strategies. The recommendations and strategies were reviewed and implemented. As part of the internal Role Based Access project, policies and procedures are being implemented to assist with access requirements and tying that directly to Quadrant Human Resources (QHR) to improve access for staff to computer systems as well as the removal of that access when staff change jobs or leave the organization which will drastically help with security and access.

- **"Black Tag" Chart completion:** Timely, accurate, comprehensive medical documentation is imperative in order to rate health trends of the patients cared for. This important policy was redrafted to align with other Regions and was subsequently approved by the Region's Medical Advisory Council.

- **Clinical Standards:** A clinical process was developed to standardize and prioritize the needs of clinical standards based on regional feedback. An example of such a policy is the nursing administration of cannabis based on "Medical Cannabis: guidelines for Manitoba Nurses 2018." These policies are regional in nature and aligned with best practice research and with a provincial lens applied.

- **Impact Statement Process:** In order to be prepared for recruitment of specialists and to assess if a particular specialist can be supported in the Region, an impact statement process was developed. This process includes not only clinical support, equipment required but also support functions such as medical records, office space, and other resources.

- **Dermatology:** Exploring the opportunity to bring in a dermatologist has continued throughout the year. Finding specialists that are willing to come to the region is an ongoing process.

- **Medical Assistance in Dying** (MAID): This service is provided through the teams in Winnipeg. A regional policy was developed which ensures the region is in compliance with the intent of the program. The Board received education of the MAID program from Dr. Wiebe, lead of the program provincially.

- **B-Care:** B-care is an electronic assessment and documentation system. Implementation began in 18/19 and continues into 19/20. This program was implemented in Hope North and Community Mental Health in Thompson and will be phased into Community Mental Health Flin Flon and The Pas, Acute Psych Units and Rosaire House as processes are worked through.

- **Snow Lake:** Snow Lake Health Center received approval for a safety and security project which entailed updating of the sprinkler system; this was phased to minimize impact to services. Throughout the upgrade ability to admit long term care clients would be impacted. Additionally one phase will impact diagnostic services and standard downtime process was followed in collaboration with Shared Health diagnostic services.

- **Obstetrics Flin Flon**: The challenges with service continuity in Obstetrics in Flin Flon are noted above. Data was and continues to be tracked to monitor impact of the suspension of service. Several meetings were held with community groups to communicate the challenges, the contingency and the fact that we are awaiting for the provincial clinical plan: Rotary Club; We Want Birth groups; Mayors/Councils (Flin Flon, Creighton, Denare Beach). Prenatal care continues in the Clinic; Dr. Jackson attends Flin Flon Clinic from The Pas 2 days/month to hold obstetrical appointments; postpartum care is provided in Flin Flon as clinically appropriate. The Board was kept informed and when presented with the risk to patient safety given the gaps and service delivery challenges recognized the need to make the decision for a temporary suspension. The Provincial Clinical and Preventive Services plan will provide direction on the future of obstetrics in Flin Flon. We await the report once it is approved by government.

- **Anesthesia:**
  Flin Flon: Continued to have gaps in anesthesia; there is a national shortage of anesthesiologists; the local anesthetist reduced his FTE to 0.5.
  The Pas: One of the family practitioners has been admitted into the "GP+1" program for general practice anesthesia. This is very positive; she was 1 of 2 admitted to this program for the upcoming year.

Thompson: The full-time anesthetist has resigned; Region worked on filling shifts with locums. Anesthesia gaps in Thompson were discussed with Dr. Christodoulou and Dr. Brock Wright of WRHA/Shared Health.

- **Surgery gaps in Thompson**: The Vice-President/Chief Medical Officer approached the Canadian Society of General Surgeons for help; previously successful during 2018.

- **Service Success**: Shortage of physio therapists in Thompson prompted a locum model; the locum providers are highly experienced and prepared to travel to remote sites. This service delivery model, in light of the inability to recruit has prevented numerous trips of patients to Winnipeg and reduced wait lists, provided comprehensive assessments, demonstrated patient centric care, appropriate scope of practice and lastly financial savings.
  A Regional review of Rehab Services was commissioned; it will be conducted and received in early 19/20. This review is intended to review practices, staff allocations, as well as leadership structure.

- **Regional Bed Utilization:** Work began on a Regional bed utilization plan to improve patient flow by moving patients and repatriating where and when appropriate. The goal is to improve utilization of available beds to improve wait times in the emergency departments and to assist other regions with bed shortages related to flu and other medical conditions.

- **Patient repatriation** - Patient transfers within and outside of the Region occurred from time to time to enhance patient flow and bed utilization. For example, 2 Alternate Level of Care patients were transferred from the Medicine/Surgical/Pediatric in Thompson to other sites…one of those sites was a Personal Care Home in Winnipeg as there was capacity there and it was one of the choices of the patient. Another situation involved a rehab patient from The Pas suitable for the Acquired Brain Injury in Thompson; while this transfer necessitated a medevac, given the patient needs and organizational needs for patient access was deemed an appropriate solution. The VP/CNO and VP/CMO continue to work with sites/programs to ensure the most appropriate use of precious acute in-patient beds and maximize access and flow.

Strategic Direction Three: Be a Sustainable and Innovative Organization

The two strategic priorities that were focused on under this Strategic Direction are:

- Increase services closer to home as appropriate
- Ensure fiscal responsibility

The highlights from 2018/19 include the following:

- **System Transformation:** The Region actively supported the Provincial Health Transformation Project and specifically the Clinical Teams. The Community Health Assessment Network (CHAN) provided background data to all Shared Health Clinic Service Teams; this data in turn will inform the Provincial Clinical and Preventive Services Plan. There were 11 clinical teams and the Northern Health Region had 2-3 representatives on each team. This ensured that the uniqueness and challenges of providing services in the

North were appropriately identified. Additionally, the clinical representatives from the Region ensured that the unique care needs of our population were recognized.

- **Emergency Medical Services (EMS) and Information Communication Technology** will be transferred to Shared Health effective April 1, 2019.

- **Shared Health Site Visits**: Executive and clinical leaders from Shared Health were invited to the Northern Health Region for site visits. This aided in increasing the understanding of the role of Shared Health and their understanding of the service delivery challenges in the North.

- **Greyhound announced discontinuation of service for Northern Manitoba:** This presented to be an issue for Northern Patient Transportation Program (NPTP) and freight with lab specimens being identified as a risk. This is a national issue for rural areas and also for Indigenous groups who are more reliant on this to access medical care in general. Alternate bus lines began providing service with services similar to the previous schedules.

- **NAPRA Pharmacy Standards and Cancer Care services:** These standards are national and all sites, programs and regions must comply with the new standards and regulations. This created challenges for the Region related to infrastructure, staffing and processes. The Regional Director Pharmacy has been in discussion with Cancer Care Manitoba to collaboratively plan. In order for the Region to meet the standards and remain "mixing sites" for chemotherapy drugs, additional human resources and capital infrastructure are required.

- **Client and Family Engagement** has identified gaps and opportunities for improved Patient engagement in frontline quality improvement. Recruitment of Patient Advisors occurred and is ongoing through the Patient Experience Coordinator. Handbooks are available to guide staff and advisors on Client Engagement.

- **Development of new Website:** The decision was taken to proceed with a new web-site in order that public can more easily access resources, information and program delivery information.

- **Northern Patient Transportation Program (NPTP):** Data has been cross referenced with telehealth statistics and opportunities to increase telehealth where appropriate using this data occurred. NPTP began developing a Services Menu to improve the likelihood that appropriate patient appointments are coordinated in the region. Physicians new to the Region are orientated to the program and the policy parameters. The Clinical Coordinator made a significant impact on liaising with the physicians regarding the program and patient needs on a case by case basis.

- **Patient Safety Road Show:** Members of the Patient Safety team developed and presented a display on indicators for the Patient Safety Road Show. Dashboard numbers were completed and presented to the Senior Leadership and the Board.

- **Information Management and Analysis:** Decision support developed a list of electronic data collection systems that are being used across the region to standardize collection and data quality processes. The Decision Support lead, Regional Manager of Health Information Management and the Regional Manager of

Registration met with department managers to determine what data is required and how to provide better access to that data. A clean up of electronic systems continued in order to provide quality, clean data.

- **Medical Remuneration**: Annualized funding was received in amount of $2.4M. The use of data, analytics and working relationship between the Region and Manitoba Health, Seniors and Active Living contributed to this significant success.

- **Public Sector Accounting Standards (PSAS)**: it was required that regional health authorities/service delivery organizations change accounting and reporting to be compliant with the public sector accounting standards. This has altered how financial statements are prepared and presented to Board and to government. It particularly impacts the capital assets reporting of the Northern Health Region.

- **Shared Health:** With the introduction of Shared Health, provincial processes were reviewed and are ongoing to assist with rural region needs and align the entire Province on a larger scale. A provincial request for a proposal was conducted to evaluate the existing Supply Chain Management (SCM) processes within all of Health provincially. The vendor representative visited Thompson and The Pas; northern issues/concerns were voiced during this visit, and the vendor gained a must appreciated understanding of the challenges to a SCM process within the Northern Health Region.

- **Inspire**: this involved care for patients with COPD; work continues with good staff and physician engagement. Kick-off meeting for Northern Health Region was held in March 2019. Following this meeting a "lean" day was held to identify current state gaps etc. Concerted effort to repatriate patients from Winnipeg to their home community in a timely manner were and are continuing. Worked on identifying barriers to repatriation and working to resolve them. Developed a process for bed utilization in order to standardize this process across the region and make full use of vacant beds.

- **Homecare staffing optimization** is in progress to allow for improved access to services and maximization of home care resources. A need for more robust Home Care services in Thompson was re-evaluated; Thompson had no Direct Services Nurses, 2 consults per day and a roster of 8-10 clients per day requiring home care nursing in their homes. A plan was developed to increase staffing in Home Care to provide more home care and alleviate pressure on Emergency Department and allowing for improved discharge planning.

- **Flin Flon Emergency Department:** Grand Opening held on March 18th. Staff and public open house held in the evening with dozens of people attending. Premier and Minister of Health and Minister of Indigenous and Northern Relations in attendance for opening.

- **Renal Hemodialysis**: There was an increase from 34 to 40 funded patients in the Thompson Unit which was announced by the Premier and Minister of Health Seniors and Active Living on March 18th in Thompson.

Strategic Direction Four: Be an Employer of Choice

The two strategic priorities that were focused on under this Strategic Direction are:

- Enhance recruitments
- Enhance employee engagement

Recruitment, retention, engaging and developing employees are the foundational principles of furthering our goal of employer of choice.

The highlights from 2018/19 include the following:

- **Staff Engagement:** Numerous strategies were employed over the 2018/2019 fiscal year to ensure staff were informed of provincial and regional changes. Strategies utilized were:
  - Memos
  - Emails to "NRHA All Staff" with information
  - "Coffee and Conversations" held by the Chief Executive Officer at sites and programs to which all staff are invited to enter into conversation about local, regional and provincial changes and strategies.
  - Senior Managers are kept well informed and are expected to communicate with their staff regarding issues, changes and expectations
  - A Telecommuting Policy is in place in the Region and is found to be effective for staff to whom this opportunity is applicable.

- **Recruitment and retention** continued to be a challenge for the Northern Health Region over the 18/19 fiscal year. Particularly challenging are physicians, health care aides, nursing, allied health and Indigenous liaison positions.

- **Relationship with University College of the North (UCN):** There has been ongoing interaction between the Northern Health Region and UCN to maximize outputs (graduates) from the health care related programs they offer (nursing, health care aides, admin/office assistant). The Chief Nursing Officer joined the tour the University of Manitoba Dean and Assistant Dean made of UCN in efforts to support education for Northern nursing students' clinical rotations.

- **Bargaining Unit Restructuring:** It is anticipated that bargaining unit votes will occur in the early 2019/2020 fiscal year. Potential issues were identified that may present in the Northern Health Region. It is anticipated that there will be very little impact operationally and expected that voting will occur between CUPE and UFCW to collapse into 1 Facility Support Union. The appointed Commissioner made the final determination of the structure.

- **Security:** Escalating violence occurred at all sites across the Region and the Province; there exists a difference between Winnipeg Regional Health Authority (Health Sciences Centre (HSC) in particular) security guards and those in this Region. The HSC guards can "restrain", are mostly ex-military or police and have additional training; security in this Region cannot and do not. Staff and physicians are raising this safety concern more and more

frequently. A provincial review of security is planned for 19/20 fiscal year; that is welcomed and the Region will fully participate and support the findings.

- **Human Resources Model for the Northern Health Region:** It was recognized that given the ongoing recruitment and retention issues, a Human Resources model specifically for the realities in the Northern Health Region be created. The Chief Nursing Office and the Chief Human Resources Officer were tasked to create this model. Traditional methods for recruitment and retention have not been effective; innovative strategies are required. Some areas, such as Thompson Emergency Department experienced vacancy rates as high as 60%. University College of the North does not graduate adequate nursing graduates to meet our needs. All new graduates who apply are hired. The Northern Health Region has also entered into partnership with Frontier School Division on a Health Care experience for students age 16 to 21. They receive a high school credit for this and get exposure to multiple career opportunities in the health care field.

- **University of Manitoba Rady Faculty of Health Studies**: Several of the academic Colleges visited the Northern Health Region (Thompson) to discuss increased opportunities for learner placements, partnerships and recruitment; a site visit was held November 2018. The group also visited The Pas at this time. There is an opportunity for a Distributed Medical Education site in Thompson first, then in The Pas beginning in fall of 2020. Clinic space will be a challenge; work with the University of Manitoba on a collaborative agenda for improving/increasing space continued.

    - **Northern Family Residency Program:** Dr. Coleman led the development of a Northern Family Residency Program with Thompson as the pilot site. We worked closely with Office of Rural and Northern Health to partner on this initiative. An Advisory Group with community stakeholders was established that provides community engagement relative to this initiative.

- **Indigenous Executive Role:** Engagement with First Nations stakeholders, elders, Board members, and staff took place on February 20th, 2019. This facilitated session informed the refining of the job description. The role was refined to be relational, engagement based versus administrative based.

COMMUNITY ENGAGEMENT

Community engagement is the vehicle by which the region connects with, learns from and shares information with the communities, agencies and groups within the Northern Health Region. Much effort is taken to connect with communities throughout the region and direct care staff to executive play an active role in engaging with communities. We meet with communities when invited as well as upon inviting ourselves when there are specific health care related issues to discuss with a particular community.

The Annual Northern Health Summit is the primary community engagement event where formal leaders, business leaders, thought leaders come together in one of the regional sites each year to engage on a particular topic. The October 2018 Summit was held in Flin Flon and focused on how we as a Region can address the Calls to Action in the Truth and Reconciliation Commission of Canada Report. These recommendations formed the basis for the discussion and patient stories were key sharing and learning opportunities of the day.

SHARE YOUR STORY

The Northern Health Region is committed to providing high patient quality care. We value feedback from patients about their healthcare. That is why it is important to share your compliment, concern or complaint as a way for the Region to understand the first-hand experience of you, the patient. This also allows us to learn and improve patient safety and quality of care.

GET INVOLVED!

The Northern Health Region values the contributions made by the community to the health care system. Volunteers play an important role in supporting the Region's values of meaningful collaboration through community participation to improve the health and wellbeing of individuals, families and communities. Your involvement strengthens and builds a healthier community!

How can you get involved?
We have several engagement opportunities based on your area of interest lived experience and availability. Some examples include:

- Local Health Involvement Groups
- Client Family Advisory Groups
- Participating on quality project teams
- Sharing your personal health story
- Document review groups

Patients and public can get more information on our website www.northernhealthregion.com

LOCAL HEALTH INVOLVEMENT GROUPS
HIGHLIGHTS & ACCOMPLISHMENTS 2018-19

The Pas/ Flin Flon Local Health Involvement Group (LHIG) held 6 meetings and the Thompson and Area Local Health Involvement Group held 6 meetings through the year. Average Member attendance for all meetings was 71%. Average Board member representative attendance for the 2018-19 meetings was 75%.

Topic of Discussion

The LHIG members participated jointly with the Board of Directors in the topic selection process. For the 2018-19 year, the topic of discussion selected was *"Medical Services Model of Delivery and How Communities Can Help".*

The LHIGs received a presentation on the changes and challenges in medical services including a highlight of changes in access, service delivery and trends in the health care system. The groups used this education to guide the development of a survey to enable them to gain valuable responses from community members. The responses will be used to provide a broad spectrum of recommendations to the Board on how the region can better engage with and communicate with the communities.

LHIG Accomplishments

- Meetings were scheduled according to majority availability.
- LHIG members participated in a joint meeting with the Board of Directors after the Annual Northern Health Region Summit.
- LHIG members were involved in developing the consultation process for this topic, which in turn created a more collaborative process.
- Consistent membership and increased meeting attendance has provided the opportunity to build educational capacity and increased member engagement at meetings.

Administrative Cost Reporting

Administrative Costs

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 Region adheres to these coding guidelines. Administrative costs as defined by CIHI, include:

Corporate functions including: Acute, Long Term Care and Community Administration; General Administration and Executive Costs; Board of Trustees; Planning and Development; Community Health Assessment; Risk Management; Internal Audit; Finance and Accounting; Communications; Telecommunications; and Mail Service

Patient Care-Related costs including: Patient Relations; Quality Assurance; Accreditation; Utilization Management; and Infection Control

Human Resources & Recruitment costs including: Personnel Records; Recruitment and Retention (general, physicians, nurses and staff); Labour Relations; Employee Compensation and Benefits Management; Employee Health and Assistance Programs; Occupational Health and Safety

Administrative Cost Percentage Indicator

The administrative cost percentage indicator (administrative costs as a percentage of total operating costs) also adheres to CIHI definitions.

Figures presented are based on data available at time of publication. Restatements, if required to reflect final data or changes in the CIHI definition, will be made in the subsequent year.

Across Manitoba, as broad Health System Transformation initiatives were implemented through 2018/19, **administrative costs declined as a percentage of total operating costs for the health system as a whole** (including regional health authorities and CancerCare Manitoba).

Provincial Health System Administrative Costs

2018/19

REGION	Corporate	Patient-Care Related	Human Resources & Recruitment	Total Administration
Interlake-Eastern Regional Health Authority	3.00%	0.50%	2.07%	**5.57%**
Northern Regional Health Authority	3.98%	0.66%	1.20%	**5.84%**
Prairie Mountain Health	2.31%	0.34%	1.17%	**3.82%**
Southern Health Santé-Sud	2.94%	0.25%	0.96%	**4.16%**
CancerCare Manitoba	2.10%	0.66%	0.70%	**3.45%**
Winnipeg Regional Health Authority	2.58%	0.58%	0.97%	**4.13%**
Shared Health	3.76%	0.60%	1.30%	**5.66%**
Diagnostic Services Manitoba	N/A	N/A	N/A	**N/A**
Provincial - Percent	**2.73%**	**0.51%**	**1.06%**	**4.31%**
Provincial - Totals	**$ 133,559,455**	**$ 25,149,251**	**$ 51,917,064**	**$ 210,625,769**

2017/18

REGION	Corporate	Patient-Care Related	Human Resources & Recruitment	Total Administration
Interlake-Eastern Regional Health Authority	3.11%	0.65%	1.92%	**5.68%**
Northern Regional Health Authority	4.10%	0.60%	1.24%	**5.94%**
Prairie Mountain Health	2.39%	0.37%	1.31%	**4.07%**
Southern Health Santé-Sud	3.00%	0.20%	1.10%	**4.30%**
CancerCare Manitoba	2.50%	0.70%	0.80%	**4.00%**
Winnipeg Regional Health Authority	2.74%	0.61%	1.03%	**4.38%**
Shared Health	N/A	N/A	N/A	**N/A**
Diagnostic Services Manitoba	2.03%	0.65%	0.73%	**3.41%**
Provincial - Percent	**2.76%**	**0.55%**	**1.11%**	**4.42%**
Provincial - Totals	**$ 132,791,818**	**$ 26,519,709**	**$ 53,375,256**	**$ 212,686,783**

Shared Health Activation

The activation of Shared Health as a provincial organization responsible for leading the planning and coordinating the integration of patient-centred clinical and preventive health services across Manitoba involved the establishment of a leadership team to support health system transformation initiatives. This included leadership responsible for the departments, sites and services that would transition to Shared Health in April 2019.

Leadership transitioned in advance of staff and operational budgets, resulting in an increase to the administrative cost ratio for 2018/19.

Beginning April 1, 2019 program budgets associated with the ongoing operation of departments, sites and services, including Health Sciences Centre Winnipeg, provincial diagnostic services, digital health and emergency medical services and patient transport, among others, transitioned to Shared Health. These movements will decrease and normalize the administrative cost ratio for Shared Health in 2019/20.

Health System Transformation

Decision-making within Manitoba's Health System Transformation is rooted in principles that require initiatives to both enhance the patient experience and align with the strategic direction of a future health system that is sustainable and effective, that reduces overlap and duplicate processes, improves accountability and responsibility and achieves efficiencies that are able to be reinvested in front-line patient care.

Under the Regional Health Authorities Act of Manitoba, health authorities must ensure their corporate administrative costs do not exceed a set amount as a percentage of total operation costs (2.99% in WRHA; 3.99% in Rural; 4.99% in Northern). Simplification of the overall health system, including holding the line or further reducing administrative costs as a percentage of total operation costs will continue to be a focus of transformation initiatives in 2019/20.

	2018/19	**2017/18**(Restated)
Administrative cost (% of total):	5.84%	5.94%
Corporate operations (% of total):	3.98%	4.10%
Patient-care related functions (% of total):	0.66%	0.60%
Human Resources & Recruitment functions (% of total)	1.20%	1.24%

2018/19 Totals: Corporate = $9,202,801; Patient Care Related = $1,519,332; HR & Recruitment = $2,777,678; **Total Administration = $13,499,810.**

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 2018 – 2019:

Information Required Annually (per Section 18 of The Act)	Fiscal Year 2018 – 2019
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, is 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 this purpose and certified by its auditor to be prepared, in all material respects, in accordance with the provisions of the Public Sector Compensation Disclosure Act of the Province of Manitoba. 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. The report is available on the Northern Health Region website at www.northernhealthregion.com. For more information, contact Scott Hamel by email shamel2@nrha.ca or by telephone at (204) 687-3012 or toll free (888) 340-6742.

Audited Financial Statements 2018 - 19

Adoption of Public Sector Accounting Standards

The Province of Manitoba directed organizations, including the Northern Regional Health Authority, to change its basis of accounting to Public Sector Accounting Standards (PSAS) effective April 1, 2018. Amounts related to the fiscal year ending March 31, 2018 have been restated as required to be compliant with policies under the new method of presentation.

The most significant changes as a result of the change to PSAS include:

- Deferred contributions – Capital can no longer be recognized for provincially funded Tangible Capital Assets (TCA).
- Funding received to pay down principal and interest on the debt associated with the funded TCA is recognized as revenue upon receipt.
- Current year budget is presented on the statement of operations along with current and comparative year actual amounts.

Northern Regional Health Authority
Financial Statements
March 31, 2019

Management's Responsibility

To the Board of Directors of Northern Regional Health Authority:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed entirely of Directors who are neither management nor employees of the Authority. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Committee is also responsible for recommending the appointment of the Authority's external auditors.

MNP LLP is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

June 19, 2019

Chief Executive Officer

Vice President, Corporate Services and Chief Financial Officer

Independent Auditor's Report

To the Board of Directors of Northern Regional Health Authority:

Opinion

We have audited the financial statements of Northern Regional Health Authority (the "Authority"), which comprise the statement of financial position as at March 31, 2019, March 31, 2018 and April 1, 2017, and the statements of operations and accumulated surplus, changes in net debt and cash flows for the years ended March 31, 2019 and 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2019, March 31, 2018 and April 1, 2017, and the results of its operations, changes in net debt and its cash flows for the years ended March 31, 2019 and 2018 in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Authority’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

MNP LLP

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Winnipeg, Manitoba

June 19, 2019

Chartered Professional Accountants

MNP LLP

Northern Regional Health Authority
Statement of Financial Position
As at

	March 31 2019	March 31 2018 (Restated)	April 1 2017 (Restated)
Financial assets			
Cash *(Note 3)*	**6,672,045**	6,017,730	-
Accounts receivable *(Note 4)*	**4,692,077**	4,627,155	4,787,696
Due from Manitoba Health *(Note 5)*	**91,363**	3,194,174	8,092,884
Vacation entitlement receivable - Manitoba Health *(Note 6)*	**5,429,191**	5,429,191	5,429,191
Pre-retirement receivable - Manitoba Health *(Note 6)*	**4,209,802**	4,209,802	4,209,802
Total financial assets	**21,094,478**	23,478,052	22,519,573
Liabilities			
Bank indebtedness	**-**	-	3,392,231
Accounts payable and accruals *(Note 7)*	**18,022,214**	21,271,901	17,427,922
Accrued vacation entitlements	**9,878,336**	9,958,107	10,279,119
Unearned revenue *(Note 8)*	**2,990,546**	2,809,672	2,063,499
Long-term debt *(Note 9)*	**86,278,991**	83,424,671	75,924,115
Sick leave benefit obligation *(Note 10)*	**1,835,042**	1,788,352	1,865,770
Due to Manitoba Health - pre-retirement obligation	**679,076**	679,076	-
Due to DSM - pre-retirement obligation	**-**	-	652,024
Accrued pre-retirement obligation *(Note 11)*	**9,919,524**	9,765,675	9,698,000
Total financial liabilities	**129,603,729**	129,697,454	121,302,680
Net debt	**(108,509,251)**	(106,219,402)	(98,783,107)
Non-financial assets			
Tangible capital assets *(Note 12)*	**115,871,909**	114,242,127	105,223,665
Inventory	**992,800**	947,883	1,156,092
Prepaid expenses	**439,012**	1,146,933	976,506
Total non-financial assets	**117,303,721**	116,336,943	107,356,263
Accumulated surplus	**8,794,470**	10,117,541	8,573,156

Approved on behalf of the Board

The accompanying notes are an integral part of these financial statements

Northern Regional Health Authority
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	2019 Budget	***2019 Capital***	***2019 Operating***	***2019***	*2018 (Restated)*
Revenue					
Province of Manitoba *(Note 13)*	**210,151,387**	**10,979,452**	**213,271,084**	**224,250,536**	219,898,883
Patient income	**683,888**		**720,351**	**720,351**	824,787
Personal care home	**3,478,006**		**3,178,264**	**3,178,264**	3,354,118
Land ambulance	**1,512,800**		**1,724,712**	**1,724,712**	1,546,534
Northern patient transportation program recoveries	**3,540,000**		**5,365,823**	**5,365,823**	5,330,476
Miscellaneous income/other revenue	**3,626,285**		**5,792,380**	**5,792,380**	4,657,665
Total revenue	**222,992,366**	**10,979,452**	**230,052,614**	**241,032,066**	235,612,463
Expenses					
Acute care	**86,022,792**		**84,813,702**	**84,813,702**	89,015,954
Medical remuneration	**37,033,963**		**41,766,078**	**41,766,078**	36,188,871
Public health	**22,092,853**		**21,454,319**	**21,454,319**	21,505,389
Home care	**7,796,495**		**7,486,344**	**7,486,344**	7,647,210
Mental health	**6,563,234**		**6,100,762**	**6,100,762**	5,932,686
Long term care (PCH)	**16,281,778**		**16,437,156**	**16,437,156**	16,867,868
Land ambulance	**8,316,649**		**10,535,558**	**10,535,558**	7,471,216
Northern patient transportation program	**16,361,621**		**23,685,321**	**23,685,321**	21,515,971
Ancillary programs	**3,190,897**		**2,663,107**	**2,663,107**	2,670,602
Unallocated administration	**16,173,486**		**15,307,227**	**15,307,227**	15,570,266
Capital expenses	**8,313,387**	**12,105,563**	**-**	**12,105,563**	9,682,045
Total expenses *(Note 14)*	**228,147,155**	**12,105,563**	**230,249,574**	**242,355,137**	234,068,078
Surplus (deficit)	**(5,154,789)**			**(1,323,071)**	1,544,385
Accumulated surplus, beginning of year	**10,117,541**			**10,117,541**	8,573,156
Accumulated surplus, end of year	**4,962,752**			**8,794,470**	10,117,541

The accompanying notes are an integral part of these financial statements

Northern Regional Health Authority
Statement of Changes in Net Debt
For the year ended March 31, 2019

	March 31 2019 Budget	***March 31 2019***	*March 31 2018 (Restated)*
Annual surplus (deficit)	**(5,154,789)**	**(1,323,071)**	1,544,385
Purchases of tangible capital assets	**-**	**(10,502,097)**	(16,036,286)
Amortization of tangible capital assets	**-**	**8,872,315**	7,017,824
Decrease (increase) in inventory		**(44,917)**	208,209
Decrease (increase) in prepaid expenses		**707,921**	(170,427)
	-	**(966,778)**	(8,980,680)
Increase in net debt	**(5,154,789)**	**(2,289,849)**	(7,436,295)
Net debt, beginning of year	**(106,219,402)**	**(106,219,402)**	(98,783,107)
Net debt, end of year	**(111,374,191)**	**(108,509,251)**	(106,219,402)

Northern Regional Health Authority
Statement of Cash Flows
For the year ended March 31, 2019

	March 31 2019	*March 31 2018 (Restated)*
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	**(1,323,071)**	1,544,385
Amortization of tangible capital assets	**8,872,315**	7,017,824
	7,549,244	8,562,209
Changes in working capital accounts		
Accounts receivable	**(64,922)**	160,541
Due from Manitoba Health	**3,102,811**	4,898,710
Inventory	**(44,917)**	208,209
Prepaid expenses	**707,921**	(170,427)
Accounts payable and accruals	**(3,249,687)**	3,843,979
Accrued vacation entitlements	**(79,771)**	(321,012)
Unearned revenue	**180,874**	746,173
	8,101,553	17,928,382
Financing activities		
Net change in long-term debt	**2,854,320**	7,500,556
Change in accrued pre-retirement obligation	**153,849**	67,675
Change in pre-retirement obligation - Due to Manitoba Health	**-**	27,052
Change in sick leave benefit obligation	**46,690**	(77,418)
Change in bank indebtedness	**-**	(3,392,231)
	3,054,859	4,125,634
Capital activities		
Purchases of tangible capital assets	**(10,502,097)**	(16,036,286)
Increase in cash resources	**654,315**	6,017,730
Cash resources, beginning of year	**6,017,730**	-
Cash resources, end of year	**6,672,045**	6,017,730

The accompanying notes are an integral part of these financial statements

1. Adoption of Canadian public sector accounting standards

These are the Authority's first financial statements prepared in accordance with Canadian public sector accounting standards without the 4200 series of standards applicable to Government Not-For-Profit Organizations. The accounting policies in Note 2 have been applied in preparing the financial statements for the year's ended March 31, 2019, the comparative information for the year's ended March 31, 2018, and the opening public sector accounting standards' statement of financial position as at April 1, 2017 (the Authority's date of transition to public sector accounting standards).

Reconciliations and explanatory notes on how the transition to public sector accounting standards has affected the statement of financial position and statement of operations and accumulated surplus previously reported under Canadian public sector accounting standards including the 4200 series of standards applicable to Government Not-For-Profit Organizations are provided below.

	Balance as reported	***Change on transition***	***Balance as restated***
Statement of Financial Position as at March 31, 2018	***March 31, 2018***		***March 31, 2018***
Due from Manitoba Health	2,705,912	488,262	3,194,174
Line of credit	28,683,677	(28,683,677)	-
Accounts payable and accruals	20,629,672	642,229	21,271,901
Current portion of long-term debt	392,794	(392,794)	-
Unearned revenue	1,878,017	931,655	2,809,672
Long-term debt	1,854,689	81,569,982	83,424,671
Deferred contributions related to expenses of future periods	223,944	(223,944)	-
Deferred contributions related to capital assets	72,713,075	(72,713,075)	-
Accumulated (deficit) surplus	(9,240,345)	19,357,886	10,117,541
Statement of Operations for the year ended March 31, 2018	***March 31, 2018***		***March 31, 2018***
Revenue	231,575,754	4,036,709	235,612,463
Expenses	231,645,757	2,422,321	234,068,078
Statement of Financial Position as at April 1, 2017	***April 1, 2017***		***April 1, 2017***
Due from Manitoba Health	9,021,057	(928,173)	8,092,884
Line of credit	24,656,099	(24,656,099)	-
Current portion of long-term debt	471,610	(471,610)	-
Long-term debt	3,254,541	72,669,574	75,924,115
Unearned revenue	1,326,279	737,220	2,063,499
Deferred contributions related to expenses of future periods	383,537	(383,537)	-
Deferred contributions related to capital assets	66,567,219	(66,567,219)	-
Accumulated (deficit) surplus	(9,170,342)	17,743,498	8,573,156

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards.

Nature and purpose of the Authority

Effective May 28, 2012, a Regulation was registered in respect to the Regional Health Authorities Act, affecting the amalgamation of Burntwood Regional Health Authority with the Norman Regional Health Authority to form a new authority named the Northern Regional Health Authority (the "Authority"). 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.

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
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
Northern Lights Manor
The Pas Health Complex
The Snow Lake Medical Nursing Unit
Thompson Clinic
Northern Consultation Clinic
Sherridon Health Centre
St. Paul's Personal Care Home
Acquired Brain Injury House
Hope North Recovery Centre for Youth

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Cash and cash equivalents

The Authority considers deposits in banks, certificates of deposit and other short-term investments with original maturities of 90 days or less at the date of acquisition as cash and cash equivalents.

2. Significant accounting policies *(Continued from previous page)*

Inventory

Inventory consists of medical supplies, drugs, linen and other supplies that are measured at average cost, except drugs which are valued at the actual cost using the first in, first out method. The cost of inventory includes purchase price, shipping, unrebated portion of goods and services tax, and provincial sales tax. Inventory is expensed when put into use.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution if fair value can be reasonably determined. Interest on the debt associated with construction in progress projects is capitalized as incurred.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	***Rate***
Land improvements	straight-line	2.5 %
Buildings	straight-line	2.5 %
Computers	straight-line	20 %
Equipment	straight-line	10 %

No amortization is provided for construction in progress.

Long-lived assets

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Authority determines that a long-lived asset no longer has any long-term service potential to the Authority, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Net debt

The Authority's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the Authority is determined by its financial assets less its liabilities. Net debt is comprised of two components, non-financial assets and accumulated surplus.

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets.

Revenue recognition

Manitoba Health operating revenue
Under the Health Services 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. These financial statements reflect agreed arrangements approved by Manitoba Health with respect to the year ended March 31, 2019.

2. Significant accounting policies *(Continued from previous page)*

Government transfers
Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

In Globe funding
In Globe funding is funding approved by Manitoba Health for Regional Health 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 within the global funding provided.

Any operating surplus greater than 2% of the budgeted amount related to In Globe funding arrangements is recorded on the statement of financial position as a payable to Manitoba Health until such time as Manitoba Health reviews the financial statements. At that time Manitoba Health determines what portion of the approved surplus may be retained by the Authority, or repaid to Manitoba Health. Under Manitoba Health policy the Authority is responsible for In Globe deficits, unless otherwise approved by Manitoba Health.

Out of Globe funding
Out of Globe funding is funding approved by Manitoba Health for specific programs.

Any operating surplus related to Out of Globe funding arrangements is recorded on the statement of financial position as a payable to Manitoba Health until such time as Manitoba Health reviews the financial statements. At that time Manitoba Health determines what portion of the approved surplus may be retained by the Authority, or repaid to Manitoba Health.

Non-insured revenue
Non-insured revenue is revenue received for products and services where the recipient does not have Manitoba Health coverage or where coverage is available from a third party. Revenue is recognized when the product is received and/or the service is rendered.

Other revenue
Other revenue comprises recoveries for a variety of uninsured goods and services sold to patients or external customers. Revenue is recognized when the goods are sold or the service is provided.

Northern patient transportation program recoveries
Northern patient transportation program recoveries includes recoveries of patient transportation costs. Revenue is recognized when the underlying service is provided.

Ancillary revenue
Ancillary revenue comprises amounts received for preferred accommodations, non Manitoba Health activities and parking fees. Revenue is recognized when the service is provided.

Contributed materials and services

Contributions of materials are recognized at fair market value only to the extent that they would normally be purchased and an official receipt for income tax purposes has been issued to the donors.

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.

2. Significant accounting policies *(Continued from previous page)*

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 debt.

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 year.

Employee future benefits

The Authority's employee future benefit programs consist of a multiemployer defined benefit plan, as well as pre-retirement obligations and sick leave benefits obligation.

Multiemployer defined benefit plan

The majority of the employees of the Authority are members of the Healthcare Employees Pension Plan - HEPP (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees. Plan members will receive benefits based on 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 Plan are not allocated to the individual health entities within the related group and as such, 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 Canadian public sector accounting standards Section 3250.

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 through the Plan investment policy. Pension expense is based on Plan management's best estimates, in consultation with its actuaries to provide assurance that benefits will be fully represented by fund assets at retirement, as provided by the Plan. The funding objective is for the employer contributions to HEPP to remain a constant percentage of employee's contributions. Variances between funding estimates and actual experience may be material and any differences are generally to be funded by the participating members.

The Healthcare Employees' Pension Plan is subject to the provisions of the Pension Benefits Act, Manitoba. This Act requires that the Plan's actuaries conduct two valuations – a going-concern valuation and a solvency valuation. In 2010, HEB Manitoba completed the solvency exemption application process, and has now been granted exemption for the solvency funding and transfer deficiency provision. As at December 31, 2013 the Plan's going concern ratio was 96.1%.

As at December 2008, the actuarial valuation shows a deficit of $388 million. In order to ensure the long-term sustainability of the Plan contribution rates increased 2.2% through a gradual implementation over 27 months from January 1, 2011 to April 1, 2013. Contributions to the Plan made during the year on behalf of its employees are included in the statement of operations.

The remaining employees of the Authority are eligible for membership in the provincially operated Civil Service Superannuation Fund. The pension liability for the Authority's employees is included in the Province of Manitoba's liability for the Civil Service Superannuation Fund. Accordingly, no provision is required in the financial statements relating to the effects of participation in the Plan by the Authority and its employees. The Authority is in receipt of an actuarial report on the Statement of Pension Obligations under the Civil Service Superannuation Act as at December 31, 2012.

During the year, the Authority contributed $7,010,526 (2018 - $7,036,604) to the Plan.

During the year ended March 31, 2019, the Authority was made aware by HEPP that there were unremitted pension contributions related to prior fiscal years. The amount of the liability is unknown as at March 31, 2019 as the Authority and HEPP have not accurately determined the amount due. It is expected that the amount, once finalized, will not be material to the financial statements.

2. Significant accounting policies *(Continued from previous page)*

Pre-retirement obligation

The accrued benefit obligation for pre-retirement benefits are actuarially determined using the projected benefit method pro rated on service and management's best estimates of expected future rates of return on assets, termination rates, employee demographics, salary rate increases plus age related merit-promotion scale with no provision for disability and employee mortality and withdrawal rates.

Based upon collective agreements and/or non-union policy, employees are entitled to a pre-retirement leave benefit if they are retiring in accordance with the provisions of the applicable group pension plan. The Authority's contractual commitment is to pay based upon one of the following (dependent on the agreement/policy applicable to the employee):

a) The Authority's contractual commitment, based on an actuarial valuation, for the pre-retirement entitlement for members of the Healthcare Employees Pension Plan ("HEPP") is to pay out four days of salary for each year of service upon retirement if the employee complies with one of the following conditions:

i. has ten years service and has reached the age of 55; or
ii. qualifies for the "eighty" rule which is calculated by adding the number of years service to the age of the employee; or
iii. retires at or after age 65; or
iv. terminates employment at any time due to permanent disability.

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

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

c) The Authority's contractual commitment, based on an actuarial valuation, for the pre-retirement entitlement for members of the MGEU Collective Agreement, is to pay out one week's pay for each year of accumulated service, or portion thereof, upon retirement if the employee has accumulated 10 or more years of accumulated service, up to a maximum of 15 week's pay.

Actuarial gains and losses can arise in a given year as a result of the difference between the actual return on plan assets in that year and the expected return on plan assets for that year, the difference between the actual accrued benefit obligations at the end of the year and the expected accrued benefit obligations at the end of the year and changes in actuarial assumptions. In accordance with Canadian public sector accounting standards, gains or losses that arise in a given year, along with past service costs that arise from pre-retirement benefit plan amendments, are to be amortized into income over the expected average remaining service life ("EARSL") of the related employee group.

Sick leave benefits obligation

At April 1, 2016, a valuation of the Authority's obligations for the accumulated sick leave bank was done for accounting purposes using the average usage of sick days used in excess of the annual sick days earned. Factors used in the calculation include average employee daily wage, number of sick days used in the year, number of sick days earned in the year, excess of used days over earned days in the year, dollar value of the excess and number of unused sick days.

Key assumptions used in the valuation were based on information available. The valuation used the same assumptions about future events as was used for the pre-retirement obligation valuation noted above.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Areas requiring the use of significant estimates include the useful lives of tangible capital assets, allowance for accounts deemed uncollectible, provisions for slow moving and obsolete inventory and amounts recognized for employee benefit obligations. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provisions recognized.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the statement of operations in the periods in which they become known.

Financial instruments

The Authority recognizes its financial instruments when the Authority becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Authority may irrevocably elect to subsequently measure any financial instrument at fair value. The Authority has not made such an election during the years.

All financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the statement of operations. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

Fair value measurements

The Authority classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the Authority to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy. There were no transfers between levels for the years ended March 31, 2019 and 2018.

3. Cash

The Authority has an authorized operating line of credit of $9,400,000 bearing interest at the bank's prime rate minus 1.00% per annum (2018 - prime minus 1.00%). Security provided on this line of credit includes an overdraft borrowing agreement and a Letter of Comfort from Manitoba Health. As at March 31, 2019 the bank's prime rate was 3.95% (2018 - 3.45%). Cash is comprised of the following:

	2019	*2018*
Cash and cash equivalents	**6,672,045**	6,017,730

4. Accounts receivable

	2019	*2018*
Northern Patient Transportation Program receivables	**22,292,593**	19,395,630
GST rebates receivable	**187,929**	364,820
Patient and other receivables	**1,734,116**	1,217,041
Allowance for doubtful accounts - Northern Patient Transportation Program receivables	**(18,357,569)**	(15,427,222)
Allowance for doubtful accounts - patient and other receivables	**(1,164,992)**	(923,114)
	4,692,077	4,627,155

5. Due from Manitoba Health

	2019	*2018 (Restated)*
2017-2018 EMS Fee Reduction	**-**	59,079
2017-2018 Immunization Funding	**-**	93,136
2015-2016 MNU Retention Bonus Shortfall	**-**	70,769
2017-2018 Saskatchewan Health FFGH Agreement	**-**	285,911
2016-2017 Hope North Funding Shortfall	**-**	827,417
2016-2017 Dialysis - Expansion Funding	**-**	661,400
2016-2017 NRB - MAHCP (Oct 2016-Mar 2017 Accrual)	**-**	708,200
Prior period adjustments	**-**	488,262
2018-2019 PCH staffing receivables	**91,363**	-
	91,363	3,194,174

6. Pre-retirement and vacation entitlements due from Manitoba Health

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

7. Accounts payable and accruals

	2019	*2018*
Accounts payable	**6,588,572**	9,520,166
Pension liability	**1,960,423**	1,907,626
Salaries and benefits	**9,473,218**	9,844,109
	18,022,213	21,271,901

8. Unearned revenue

Unearned 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 unearned revenue balance for the year is as follows:

	2019	*2018*
Balance, beginning of year	**2,809,672**	2,063,499
Funding received during the year	**4,125,581**	4,357,544
Amount recognized as revenue during the year	**(3,944,707)**	(3,611,371)
Balance, end of year	**2,990,546**	2,809,672

9. Long-term debt

	2019	*2018*
Long-term debt with Manitoba Treasury with maturity dates between October 31, 2020 and February 28, 2037, with repayments ranging from $1,034 to $124,048 per month including interest at rates ranging from 0.00% to 6.25% per annum	**45,986,310**	52,493,511
Line of credit facility with Manitoba Treasury to fund construction in progress. Due on demand and bearing interest at prime minus 1.00% per annum (2018 - prime minus 1.00%). As at March 31, 2019 the prime rate was 3.95% (2018 - 3.45%)	**38,964,992**	29,333,677
Manulife Life Insurance Company loan, with monthly payments equal to the energy savings including interest at 6.30% per annum, expected to be paid out by September 2021	**482,340**	665,154
Loan payable to Royal Bank of Canada with monthly payments of $10,016 including interest at 3.72% per annum, due May 2027, secured by certain buildings	**845,349**	932,329
	86,278,991	83,424,671

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2020	6,792,143
2021	6,454,016
2022	5,118,143
2023	3,058,113
2024	3,061,932

Interest on long-term debt amounted to $2,369,044 (2018 – $2,422,321) and is included in capital expenses on the statement of operations.

10. Sick leave benefit obligation

The Authority's sick leave benefit obligation is based on an actuarial report prepared as of March 31, 2019. The following table presents information about the sick leave benefit obligations, the change in value and the balance of the obligation as at March 31, 2019:

	2019	***2018***
Sick leave benefit obligation, beginning of year	**2,143,018**	2,300,799
Current period service cost	**197,612**	213,032
Interest cost	**67,815**	68,970
Benefits paid	**(264,885)**	(301,576)
Actuarial (gain)/loss and other	**(228,186)**	(138,207)
Sick leave benefit, end of year	**1,915,374**	2,143,018
Unamortized net actuarial loss	**(80,332)**	(354,666)
Sick leave benefit obligation, end of year	**1,835,042**	1,788,352

11. Accrued pre-retirement obligation

The Authority's pre-retirement obligation is based on an actuarial report prepared as of March 31, 2019. The valuation includes employees who qualify as at March 31, 2019, and an estimate for the remainder of the employees who have not yet met the years of service criteria. The following table presents information about accrued pre-retirement benefit obligations, the change in value and the balance of the obligation as at March 31, 2019:

	2019	*2018*
Pre-retirement benefit obligation, beginning of year	**9,251,481**	8,982,762
Current period service cost	**711,432**	772,288
Interest cost	**293,831**	285,371
Benefits paid	**(589,109)**	(854,129)
Actuarial (gain)/loss and other	**(913,608)**	65,189
Pre-retirement benefit obligation, end of year	**8,754,027**	9,251,481
Unamortized net actuarial gain	**1,165,497**	514,194
Pre-retirement accrued benefit liability, end of year	**9,919,524**	9,765,675

The actuarial valuation was based on a number of assumptions about future events including a discount rate of 3.425% (2018 - 3.425%), a rate of salary increases of 3.50% (2018 - 3.50%) and an expected average remaining service life of 8.5 years.

Funding for the pre-retirement obligation is recoverable from Manitoba Health for costs incurred up to March 31, 2004 on an Out-of-Globe basis in the year of payment. As of April 1, 2004, In-Globe funding has been amended to include these costs.

12. Tangible capital assets

	Cost	***Additions***	***Disposals***	***Accumulated amortization***	***2019 Net book value***
Land and land improvements	**761,178**	**-**	**-**	**371,923**	**389,255**
Buildings	**132,073,195**	**628,426**	**-**	**74,325,141**	**58,376,480**
Computers	**4,794,536**	**1,080,807**	**-**	**4,174,874**	**1,700,469**
Equipment	**48,791,752**	**8,242,234**	**-**	**35,196,955**	**21,837,031**
Construction in progress	**33,018,044**	**550,630**	**-**	**-**	**33,568,674**
	219,438,705	**10,502,097**	**-**	**114,068,893**	**115,871,909**

	Cost	*Additions*	*Disposals*	*Accumulated amortization*	*2018 Net book value*
Land and land improvements	761,178	-	-	370,888	390,290
Buildings	118,854,134	13,219,061	-	69,913,211	62,159,984
Computers	4,677,513	117,023	-	3,889,701	904,835
Equipment	44,492,719	4,299,033	-	31,022,778	17,768,974
Construction in progress	34,616,875	(1,598,831)	-	-	33,018,044
	203,402,419	16,036,286	-	105,196,578	114,242,127

Construction in progress commitment

a. Flin Flon ER Development Project
A contract was originally signed with Fresh Projects in April 2016 for the construction of the Flin Flon Emergency Room with an estimated completion date of Fall 2018 and a projected cost of $24,572,980. The project is currently expected to be completed in Fall 2019. Costs incurred to date for building and equipment are $25,854,650, and total expected costs are now estimated at $26,166,179.

b. Construction in Progress
Other projects with total costs incurred to-date of $7,718,548 are in various stages of completion. Total projected costs for these projects are $21,024,641.

There were no disposals of tangible capital assets for the years ended March 31, 2019 or 2018. Changes in accumulated amortization reflect amortization expensed in capital expenses in the statement of operations for each year.

13. Revenue from Province of Manitoba

	2019	*2018 (Restated)*
Revenue as per Manitoba Health's funding document	**216,546,718**	213,413,107
Deduct:		
Payments on prior year receivables	**(2,882,049)**	(6,527,584)
Capital equipment funding	**(287,233)**	(2,108,384)
Nelson House PCH funding - flow through	**(1,447,207)**	(1,472,779)
Ancillary program	**(132,311)**	(345,823)
Ambulance	**-**	(21,520)
Interest funding (actual)	**10,962,518**	(90,091)
Other	**25**	(6,532)
Provincial Nursing Station - Transitional	**(1,496,928)**	(219,210)
CIHI Fees	**-**	39,800
EMS Fee Reduction and IFT	**-**	(238,639)
	4,716,815	(10,990,762)
Add: Accruals approved by Manitoba Health		
2018-2019 Medical Remuneration	**91,363**	-
2018-2019 Families Department	**27,500**	-
2018-2019 Education and Training	**2,868,140**	-
2017-2018 Hope North Funding Shortfall	**-**	827,417
2017-2018 Dialysis Expansion BTHC	**-**	661,400
2017-2018 Saskatchewan Health FFGH Agreement	**-**	285,911
Impact of change in accounting framework	**-**	15,701,810
	2,987,003	17,476,538
	224,250,536	219,898,883

14. Expenses by object

Expenses in the statement of operations and accumulated surplus are reported by function. Below is the detail of expenses by object:

	March 31 2019	*March 31 2018 (Restated)*
Salaries	**170,689,636**	171,037,953
Amortization	**8,872,315**	7,017,824
Interest	**2,369,054**	2,506,525
Facilities	**5,501,407**	5,286,371
Supplies, materials and minor equipment	**16,297,249**	15,600,243
Administration	**7,511,829**	8,277,391
Purchased services	**3,570,385**	2,564,023
Transportation	**27,543,262**	21,777,748
	242,355,137	234,068,078

15. Related party transactions

The Pas Health Complex Foundation, Inc. and The Northern Health Foundation Inc. (together the "Foundations") are non-profit voluntary associations whose purpose is the betterment of health care at The Health Complex facilities. The aims and objectives of these Foundations coincide with those of the Authority. The Authority regularly provides the Foundations with a listing of project/equipment requirements for the Foundations to consider in their annual funding processes. During the year the Authority received donated equipment valued at $51,023 (2018 - $73,165).

16. Commitments and contingencies

(i) The Authority has entered into various operating leases for rental units to assist with accommodation needs of the Authority with estimated payments of $249,338 in 2020.

(ii) The Authority is subject to individual legal actions arising in the normal course of operations. It is not expected that these legal actions will have a material adverse effect on the financial position or operations of the Authority.

(ii) On July 1, 1987, a group of health care organizations ("Subscribers") formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is a pooling of the public liability insurance risks for its members. All members of the pool pay annual premiums which are actuarially determined. All members are subject to reassessment for losses, if any, experienced by the pool for the years in which they were members and these losses could be material. No reassessments have been made to March 31, 2019.

(iv) During the year ended March 31, 2018, the Authority was made aware by HEPP that there were unremitted pension contributions associated with HEPP related to prior fiscal years for the Authority. The amount of the liability is unknown as at March 31, 2019 as the Authority and HEPP have not accurately determined the amount due from the Authority to HEPP. It is expected that the amount, once finalized, will not be material to the financial statements of the Authority.

17. Financial instruments

The Authority as part of its operations carries a number of financial instruments. It is management's opinion that the Authority is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Risk management policy

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 of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. Financial instruments which potentially subject the Authority to credit risk consist principally of 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.

The Authority is not exposed to significant credit risk from due from Manitoba Health, vacation entitlement receivable and pre-retirement receivable, as these receivables are due from the Province of Manitoba.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

17. Financial instruments *(Continued from previous page)*

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The functional currency of the Authority is the Canadian dollar. The Authority's transactions in U.S. dollars are infrequent and are limited to non-resident charges, certain purchases and capital asset acquisitions. The Authority does not use foreign exchange forward contracts to manage foreign exchange transaction exposures.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The exposure of the Authority to interest rate risk arises primarily on its bank indebtedness and long-term debt, the majority of which include interest at variable rates based on the bank's prime rate. The Authority's cash includes amounts on deposit with financial institutions that earn interest at market rates. The Authority manages its exposure to the interest rate risk of its assets and liabilities by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on assets and liabilities do not have a significant impact on the Authority's results of operations.

18. Liability for contaminated sites

Effective for fiscal years beginning on or after April 1, 2014, public sector accounting standards requires recognition of a liability for remediation of contaminated sites where contamination exceeds environment site standards and a reasonable estimate of the amount can be made. Reporting requirements are limited to the contamination of soil, water and sediment. As of March 31, 2019, the Authority has no known contaminated sites or no known future potential contaminated sites.

19. Comfort funds under administration

At March 31, 2019, the balance of Resident comfort funds held in trust is $81,443 (2018 - $75,391). These funds are not included in the balances of the Authority's financial statements.

20. Economic dependence

The Authority received approximately 93% (2018 - 93%) of its total revenue from Manitoba Health and is economically dependent on Manitoba Health for continued operations. This volume of funding transactions is normal within the industry, as regional health authorities are primarily funded by their respective provincial Ministries of Health.

21. Contingent liabilities

In the normal course of operations, there are pending claims by and against the Authority. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. In the opinion of management, based on the advice and information provided by its legal counsel, final determination of these other litigations will not materially affect the Authority's financial position or results of operations.

22. Budget information

The disclosed budget information has been approved by the Board of Directors of the Northern Regional Health Authority at the meeting held on September 25, 2018.

23. Subsequent event

As of April 1, 2019 the funding for Digital Health and EMS under Manitoba Health will be transferring to Shared Health.

Bouquets

Our staff strives every day to provide a welcoming environment for their patients in all of the services we provide. One way we can show that their efforts are working is through compliments submitted by our patients. Here are a few…….

"I recently had a long stay in the hospital (3 weeks +) All of your staff are incredible right from the housekeeping staff to the nurses and physicians. The HCA's never made me feel as if I was wasting their time, always made time to help and make me feel comfortable and never a burden, including when I needed assistance 8 times in a 2 hour period to go to the washroom. The ER staff were wonderful and I did not have to wait to be admitted; I believe that the wait times are not long for people that are really sick."

Thompson General Hospital patient

"The health care aides and nurses on the 3rd floor are wonderful. You couldn't ask for a better crew. They are very considerate and caring. If it hadn't been for them and the wonderful care my experience would have been horrendous."

Flin Flon General Hospital patient

"I would like to extend my appreciation to the nurses at the ER in The Pas. There were two particular visits when I was in critical pain from my Rheumatoid Arthritis and the nurses on staff made me very comfortable and their caring nature helped me so much. They extended a lot of compassion and understanding to my condition and helped me to get back on feet and return home to my family. This experience left me feeling very proud of our staff at the hospital and please extend my appreciation to them and acknowledge their duties as nurses it was truly awesome someone cares especially when you are in a lot of pain at the time ☺ "

St. Anthony's General Hospital patient

"I cannot find enough words to express my sincerest thanks and appreciation to the entire caring staff at the Lynn Lake Hospital who cared for me for 4 days. The doctors, nurses, receptions, support staff and dietary staff just could not do enough for all the patients……. Once again pass a thank you to all staff."

Lynn Lake Hospital patient

"On February 5th, 2019, I had the occasion to require the emergency services of the Northern Health Region ambulance out of The Pas. Following a 911 call the ambulance arrived quickly and I was assessed and given the required stabilization care prior to my speedy transfer to The Pas Health Complex. I wish to commend the service and the two EMO workers who accompanied the vehicle to my home and acknowledge the care and expertise they demonstrated on securing my safe passage to the hospital. I commend the Northern Health Region on their continued support to this excellent service."

The Pas Resident

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