HEALTH PEI

Annual Report

2016-2017

Health PEI

One Island Health System

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A Message from Health PEI's Board Chair and Chief Executive Officer

On behalf of the Health PEI Board of Directors, Senior Management Group, staff and physicians, we are pleased to present to the Minister of Health and Wellness, and people of Prince Edward Island, the 2016-17 Annual Report for Health PEI. This Annual Report provides an overview of our accomplishments, challenges, performance and financial results for 2016-17.

Over this past year, progress has been made in providing care that focuses on *Quality*, *Access* and *Efficiency*. A great amount of work remains to be accomplished in order to provide Islanders with care that is easily accessible, innovative and closer to home. As we work to increase opportunities to collaborate with patients and families, Health PEI will strive to engage these partners in the planning for health care in PEI in a meaningful and purposeful way.

It is our privilege to acknowledge and thank the over 4,700 staff, physicians and volunteers who embody Health PEI's mission and values, by demonstrating compassion, respect, fairness and dignity in the care they provide to Islanders.

As we move forward, we will continue to ensure that our day-to-day operations are based on our commitment to focus on patient and family-centered care, quality, safety and efficiency.

Respectfully submitted,

Phyllis Horne
Board Chair

Dr. Michael Mayne
Chief Executive Officer

About Health PEI

Health PEI is a crown corporation responsible for the operation and delivery of publicly funded health services in Prince Edward Island. The organization is governed by a Board of Directors and offers a full continuum of acute care and community-based health services, including: public health programs, long-term care facilities, home care services, primary care networks, health centres, and mental health and addiction services.

Health PEI partners with a number of government departments and community organizations across the province in order to provide quality health care services to Islanders, some of these partners include: the Department of Health and Wellness, the University of Prince Edward Island's School of Nursing and advanced education programs, the PEI Association of Newcomers to Canada, as well as a number of auxiliaries, hospital foundations and non-governmental organizations throughout the province.

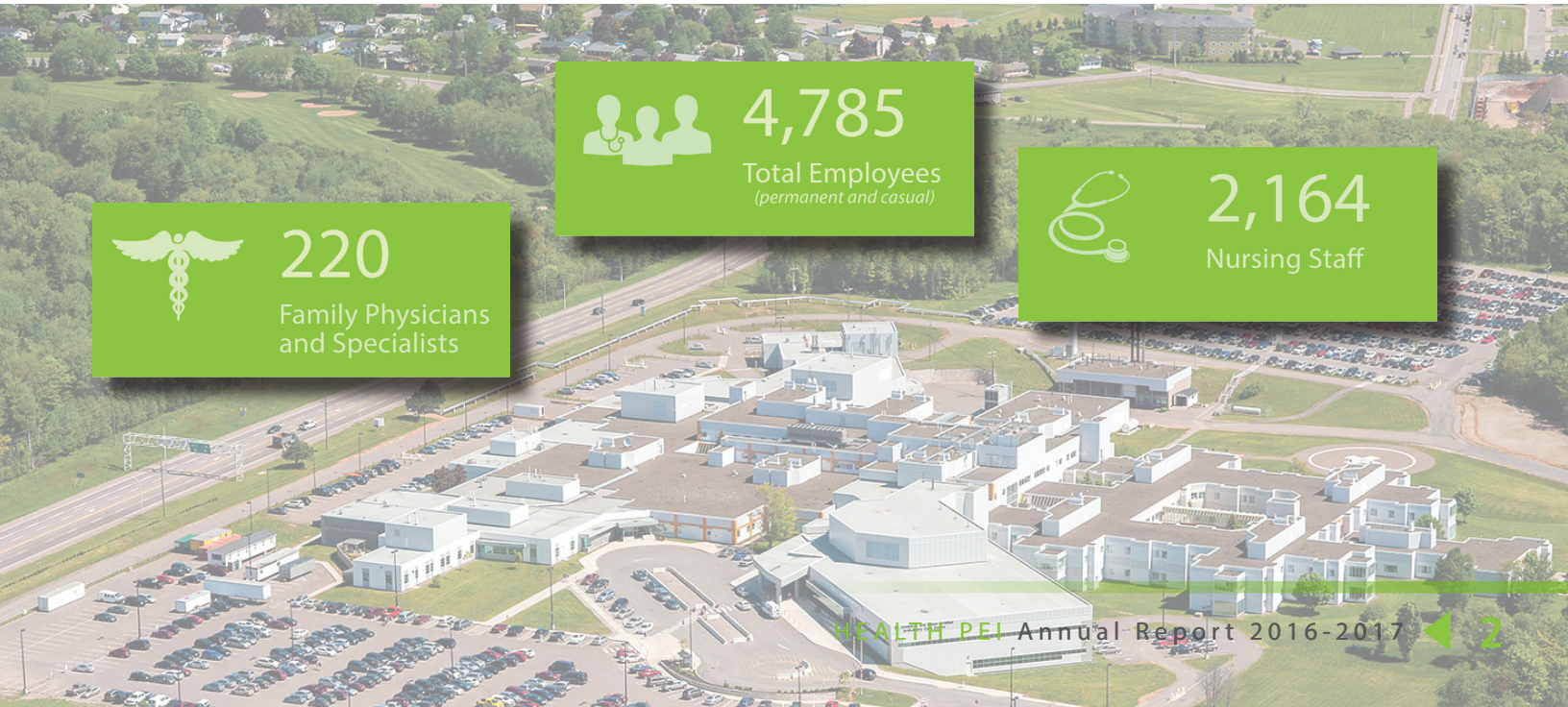
Health PEI Board

The Health PEI Board works on behalf of Islanders to provide oversight of the financial management and delivery of safe, quality health care. The Board governs Health PEI and is accountable to the Minister of Health and Wellness.

The Board is made up of 11 members from across the Island who are each appointed by the Minister of Health and Wellness for a three-year term. Each member represents various community perspectives and offers a broad combination of skills, knowledge and experiences necessary to govern our health system.

www.healthpei.ca/board

Health PEI Staff at a Glance



2016-2017

Strategic Direction

Our Vision

One Island health system supporting improved health for Islanders.

Our Mission

Working in partnership with Islanders to support and promote health through the delivery of safe and quality health care.

Our Values

Caring
We treat everyone with compassion, respect, fairness and dignity.

Integrity
We collaborate in an environment of trust, communicate with openness and honesty, and are accountable through responsible decision making.

Excellence
We pursue continuous quality improvement through innovation, integration and the adoption of evidence-based practices.

Our Goals

Quality
We will provide safe, quality and person-centered care and services.

Access
We will provide access to appropriate care by the right provider in the right setting.

Efficiency
We will optimize resources and processes to sustain a viable health care system.

www.healthpei.ca/strategicplan

2016-2017

In Brief

This section highlights the work completed by Health PEI toward accomplishing the strategic goals of *Quality*, *Access* and *Efficiency*. 2016-17 was a transition year for Health PEI with the completion of the 2013-16 Strategic Plan and the development of a new three-year plan. Over the past year, the leadership group was restructured to include the appointment of a new Chief Executive Officer and the development of new management portfolios providing clinical and administrative leadership for the organization. During 2016-17, Health PEI accomplished significant improvements in the care provided to Islanders. There has been a renewed focus on patient and family-centered care, new services for women's health, and initiatives to improve patient and staff safety have grown.

As with many other provinces across Canada, Health PEI is faced with significant challenges. Some of these challenges include: a growing demand for services, increasing costs, recruitment and retention of staff, an aging workforce and population, evolving workplace health and safety issues, and a growing number of patients with complex needs. In planning for the future, Health PEI will continue to work with patients, families, staff, physicians, community partners and the Department of Health and Wellness to improve the care provided to Islanders.

Detailed summaries of accomplishments for each goal area and Islanders' descriptions of their personal health care experiences are included in the following pages. Strategic Performance Indicators (SPIs) can be found in Appendix A with summaries provided under each goal area. SPIs are monitored regularly and are used to measure performance in the three strategic goal areas. SPI results may vary due to program changes since the implementation of the strategic plan. SPIs provided in this report focus on priorities from the *2013-16 Health PEI Strategic Plan*.

Quality

Health PEI's focus on quality has been strengthened over the last year through new initiatives that enhance patient and family-centered care.

As partners in care, patients and families work with Health PEI staff and physicians to improve patient safety, their experience and ensure that their voice as a patient is heard and understood.

Health PEI's commitment to quality also encompasses efforts to improve health outcomes using prevention and education delivered through the community and specialized programs. The health, wellness and development of all staff are also key functions of providing quality care across Health PEI facilities and programs.

Areas of Focus

Patient safety standards

Person-centered care

Improved health outcomes through prevention and education

Healthy work environment

In 2015, I was diagnosed with Invasive Ductal Carcinoma following a routine mammogram. I have no family history of breast cancer so it came as quite a shock to me. After a biopsy, I had surgery which removed two lymph nodes and underwent numerous chemotherapy, radiation treatments and herceptin treatments.

While at the PEI Cancer Treatment Centre, the nurses, physicians, technicians, treatment coordinators and volunteers all made me feel very comfortable due to their compassionate and positive attitude. I experienced a wide range of emotions and staff always had time to listen and promptly react to my concerns. They truly are an amazing team and we are lucky as Islanders to have access to their competent care.

Lavenia Avery
Brudenell, PEI

Objective 1.1

Ensure appropriate patient safety standards are met

Medication Reconciliation

- Roll-out of electronic medication reconciliation was completed in acute care, including a process for transfers between and within Health PEI facilities and a discharge medication list for patients. This helps to ensure that medication information is communicated consistently among health care providers across care transitions.

Infection, Prevention and Control

- Antimicrobial Stewardship Program: *Antibiotic Matters* education events were held for health care providers and community members. A long-term care (LTC) Urinary Tract Infection (UTI) Diagnosis and Management Medical Directive Pilot Project went live in three public LTC sites. Initial outcomes observed include: quicker specimen handling, improved quality of samples resulting in less rejected specimens and faster reporting with more detailed reports.

> A Urinary Tract Infection Diagnosis and Management Medical Directive went live in three public long-term care sites providing quicker specimen handling and improved sample quality.

- Dental Public Health completed a series of steps to evaluate its infection control and prevention practices. Funding was secured to redesign the sterilization bays at the Charlottetown clinic which has enabled the instruments used in schools to be processed centrally. Similar upgrades for the Summerside clinic will take place in 2017-18.

Falls Reduction in Long-Term Care

- Provincial LTC homes participated in an "innovation series" featuring the implementation of small scale projects. Maplewood Manor developed protocols to safely limit the use of bed rails which are a significant potential hazard. The project demonstrated positive results, including a reduction of injuries from falls.

- 180 modern LTC beds were recently purchased, including ten bariatric care beds, to support client safety and comfort.

- Preventative and post-fall practices were enhanced and procedures to support staff were adjusted. For the Canadian Institute for Health Information (CIHI) indicator (% of residents who fell in the previous 30 days), PEI's average (10.3%) was significantly lower than the national average (14.1%). This demonstrated an improvement from 2015-16 (10.8% PEI, 15.3% national).

2016 Leadership Excellence in Quality and Safety Awards

- In 2016, primary care INR (International Normalized Ratio) clinics received the Leadership Excellence in Quality and Safety Award from Health PEI's Board for their work on implementing nurse managed point of care anticoagulation clinics.
- Awards of merit were received by Dr. Carol McClure (development of Mammography Radiology Report Card) and the Prince County Hospital (PCH) Interdisciplinary Bariatric Team (provision of patient-centered bariatric care).

www.healthpei.ca/nominate

Health PEI
One Island Health System

Leadership Excellence in Quality and Safety Award

2016

Throughout Prince Edward Island, health facilities, services and programs are improving how they care for patients. But advances to health care quality don't happen on their own. Innovation is driven by the expertise and leadership of staff who are passionate about improving the health system.

Through its annual Leadership Excellence in Quality and Safety Award, the Health PEI Board is acknowledging and celebrating staff who are making positive, sustainable changes across our health care system. The awards program recognizes individuals and health care teams that have led initiatives to improve the quality and safety of care in Prince Edward Island.

We invite you to demonstrate your leadership in health care quality and safety by submitting a nomination.

The submission deadline is July 15, 2016.
Go to: www.healthpei.ca/nominate

Award

One Leadership Excellence in Quality and Safety Award will be given to either an individual or team who demonstrated significant leadership in the area of quality and safety, and who is making positive, sustainable changes across the health care system.

Additionally, up to two awards of merit may be given to worthy individuals and/or teams.

Evaluation

Award submissions are evaluated by the Health PEI Board Quality and Safety Committee. Each nomination is evaluated by ranking and consensus methods. The committee considers both the process by which an initiative is undertaken, and its outcomes.

The criteria used to evaluate all submissions are based on the 'Leads in a Caring Environment' framework adopted by Health PEI as the basis of its leadership development model.

Lead Self → Engage Others → Achieve Results → Develop Coalitions → Systems Transformation

Recognition

Leadership Excellence in Quality and Safety Award recipient will receive:
- financial award of up to $4,000 to support professional development in areas related to quality and safety;
- award plaque and lapel pins; and
- letter of recognition from the Board Chair.

Award of Merit recipient(s) will receive:
- bursary valued up to $2,500; and
- letter of recognition from the Board Chair.

Hillsborough Hospital Safety and Security Review

- A review was conducted and recommendations were made to improve safety and security at Hillsborough Hospital. Upgrades are currently being made based on recommendations that include: planning for surveillance camera placement, fire safety and electrical work.

Objective 1.2

Embed the philosophy of person-centered care

Patient Navigator

- The new patient navigator position was introduced to help patients move through the health care system by connecting them with the right care providers, resources and supports. Support has been provided in many areas including: accessing specialist services, coordination of care (where patients may have to access different health care providers and services) and out-of-province inquiries, including financial assistance for travel expenses. A total of 105 inquiries were supported by the navigator with top inquiries including: accessing specialists (28%), coordination of care (19%) and out-of-province services (15%).
- Patient navigators have also been working with specific program areas including stroke care, cancer and addictions.

www.healthpei.ca/patientnavigator

Patient and Family Representatives and Advisors

- In the summer of 2016, a media campaign invited patients and families to become partners in quality improvement work. With the assistance of Engage PEI, applications were processed and advisors joined a variety of Health PEI committees.
- Recruitment for patient and family advisors is on-going. To date, more than 45 advisors have been recruited to participate on committees and working groups.

Patient and Family-Centered Care

- Health PEI was accepted to participate in the Canadian Foundation for Health Care Improvement (CFHI) Family Presence e-Collaborative Project. As a result, the Health PEI Family Presence Policy was developed and implemented across the province. The policy focuses on improving patient and family-centered care by eliminating formal visiting hours and recognizing that families of patients are vital members of the care team, and not as visitors.
- Patient Satisfaction Surveys will be used to monitor and assess the provision of patient and family-centered care across all services of Health PEI.

Advance Care Planning (ACP)

- Project funded by the Canadian Partnership Against Cancer (CPAC) to increase awareness and use of ACP and goals of care (GOC) among patients and health care providers of home care and the PEI Cancer Treatment Centre (CTC). ACP information was incorporated into orientation sessions for the PEI CTC which included 116 participants and 90 per cent of PEI CTC staff received ACP training.

www.healthpei.ca/advancecareplanning

- The Shelley L. Woods Award was established in October 2016 to recognize person-centered care excellence in LTC. Recipients are selected by an awards panel chaired by a resident family member who is supported by a resident and care provider.

www.healthpei.ca/shelleylwoodsaward

Screen for Distress

- Through funding from CPAC, tools and processes to screen for distress to better support the psychological and practical needs of patients were used at the PEI CTC during and after their treatments. In 2016-17, 92.4 per cent of patients completed the screening for distress questionnaire during their first consult appointment (goal 100% participation).

Community Outreach

- Intergenerational programs at various LTC facilities such as the Youth and Elderly in Action (YEA) and connections with local schools have brought the elderly and youth together in a mutually beneficial way that has enriched the lives of residents and young students.

Over the past few years, I have suffered from chronic urinary tract infections. I began working with Dr. Gregory German's team at the Same Day Treatment Clinic in the QEH to deal with this painful condition.

In 2015, I had 11 antibiotic treatments and in 2016, I had 13 treatments. When I got an infection, I felt very nauseous and weak.

Over time, the health care team was able to deal with my condition through topical estrogen supplements, probiotic and low toxicity antibiotic treatments. I have been able to reduce the pain and am now feeling much better these days.

The treatment I receive now has really helped improve my quality of life and I am no longer nearly as ill as I used to be when I got an infection. I am looking forward to another beautiful PEI spring and summer where I can tend to my flower and vegetable gardens.

Doris Anderson
St. Peters, PEI

Objective 1.3

Promote improved health outcomes through prevention and education

Integrated Chronic Disease Prevention and Management

- Twelve week Cardiac and Pulmonary Rehabilitation Programs were offered throughout the year in Charlottetown and Summerside to improve the health and quality of life of individuals with heart problems and lung disease through rehabilitation and education. Based on the success of the 78 pilot participants, this program will be fully implemented in 2017.

Diabetes

- In-hospital diabetes management initiatives were launched in February 2017. Initiatives included standardized approaches to: hypoglycemia management for all Health PEI hospital facilities; insulin delivery, including the implementation of insulin pens and the revision, standardization of patient teaching; and provision of health care provider training.
- Twenty-four children and youth received benefits from the Insulin Pump Program.
- The Provincial Diabetes Program, which provides education, support and management advice, continues to grow with a 36.5 per cent increase in total client count from 2013 (3,171 clients) to 2017 (4,330 clients). In addition to this, comparisons of client data over the last four years show:
  - Number of Adult Clients: Type 1 Diabetes: 31.1% increase; Type 2 Diabetes: 35.2% increase
  - Number of Pediatric Clients: Type 1 Diabetes: 19.6% increase in number of clients
  - Pre-Diabetes: 56.4% increase in number of clients

Cancer

- Construction started on the third bunker for radiation therapy at the PEI CTC to allow for the replacement of expiring equipment and maintain high quality cancer treatment on PEI.
- Implemented the Ottawa Model for Smoking Cessation Project with funding from CPAC that focuses on tobacco cessation and relapse prevention. All PEI CTC staff have been trained, including three as quit counselors through this project. The rate of patient acceptance of offers for counseling was 45 per cent.

Public Health

- In October 2016, Health PEI approved an Infant Feeding Policy incorporating the principles of the Breastfeeding Committee for Canada's Baby Friendly Initiative (BFI) Integrated 10 Steps. BFI is a global program that promotes, protects and supports breastfeeding. A multidisciplinary steering committee is working to support the implementation of this policy across Health PEI.

Stroke

- A Stroke Community Transition Service Pilot was completed in Kings County. This pilot is a partnership between Home Care and the Provincial Organized Stroke Care Program. This service assists stroke survivors and their caregivers in the transition and reintegration to their home environment and community activities. Ten clients with an average of 16 (1-2 hour) visits per client participated in the pilot resulting in 157 client sessions.

www.healthpei.ca/stroke

I have suffered from Chronic Obstructive Pulmonary Disease (COPD) for the past six years and recently completed the COPD Program offered by Health PEI in Summerside. The group met twice a week for 12 weeks.

A group of professional and knowledgeable staff taught our group of patients and their partners or spouses. It was wonderful to have loved ones with us. Staff were willing to share their research and knowledge on best approaches to managing COPD and our overall health.

Before I entered the program, I just did breathing exercises. We had many different guest speakers do presentations. We learned something from each one of these sessions including the fact that we could not reverse the damage but could slow down the progression of the disease. We learned how to administer medication properly, the importance of exercise and good nutrition, how to deal with the emotional strain of the related health issues and the various resources available for us. We worked with a nurse, a physiotherapist, dietitians, a pulmonary specialist, and we had emotional and spiritual support to deal with our grief and fear.

We participated in exercise programs and watched our levels of activity and blood pressure improve. The program ended and the group has voluntarily set up time each month to get back together and learn from each other. We recommend this program to anyone suffering from COPD.

Mike McCartney & his wife Mary Kinch
Tignish, PEI

Objective 1.4

Foster a healthy work environment

Leadership and Staff Development

- The Leadership Development Series offered 15 successful courses between September 2016 and June 2017 with 201 staff from different sectors participating.
- 120 staff members received education on Just Culture, Risk Management, Ethics and Incident Management. Feedback from the workshops indicated that participants found them to be relevant to their area of practice and that many (62%) were able to implement workshop learnings in their workplace.
- Implemented the new physician Master Agreement, including an initiative where Health PEI provides annual funding to the Medical Society of PEI (MSPEI) to support and administer a physician health and wellness program.

Nursing Leadership and Training

- Released the *2017-2020 Health PEI Nursing Strategy* that focuses on workforce capacity, engagement and leadership, professional practice for nurses and innovation.
- Eight students (Health PEI nurses) graduated from the 11-month Critical Care and Emergency Nursing Program.

> *2017-2020 Health PEI Nursing Strategy* was released.

Workplace Wellness

- An integrated disability management (IDM) coordinator was hired in the summer of 2016 and an IDM team was developed as a pilot initiative to integrate and coordinate the safety and injury prevention aspects of human resources. In addition to the IDM team's mandate to lower injury rates and support improved return to work time frames and results, the team has also focused on enhancing a culture of safety and promotion of employee wellness to aid in achieving results of the pilot. Key initiatives to date include:
  - A collaborative project with the PEI Workers Compensation Board that focuses on improving the culture of safety, reducing injuries and supporting return to work through education sessions, as well as, a Recover at Work Pilot are underway.
  - A Staff Smoking Cessation Program partnership was created with the Canadian Cancer Society.
  - An Advisory Committee was established for the Psychologically Safe and Healthy Workplaces National Initiative.
- Occupational Health and Safety (OHS): OHS officers were realigned to ensure appropriate focus on safety and compliance when returning to work.
- Staff wellness sessions were organized by the employee health nurse and Pastoral Care at the Queen Elizabeth Hospital (QEH), including: yoga, exercise classes and meditation workshops.

Effective Service Delivery

- Human Resources has started leading proactive knowledge transfer initiatives for staff to ensure continuity in the provision of programs and services (e.g. development of Health PEI Knowledge Transfer Policy and education sessions).

Strategic Performance Indicators

Quality: Strategic Performance Indicators	Target 2015-16 to 2016-17	Actual 2015-16	Actual 2016-17
Adverse events for incident severity levels 4 & 5 per 1,000 patient days – acute and extended care	0.21	0.27	0.21
Patients who rated their overall hospital stay as greater than or equal to 9 out of 10	80%	62%	59%
Ambulatory care sensitive conditions discharges per 100,000 under 75 years	410	331	439
Sick days per budgeted full-time equivalent	10.0 days/FTE	9.98 days/FTE	8.72 days/FTE

** For a detailed listing of all Strategic Performance Indicators, refer to Appendix A (Page 33-34).*

Access

Wait times and access to care providers and services continue to be challenges for Islanders and Health PEI. These issues may be linked to staff retention and the complexity of patient needs; however, improvements have been made for different service areas.

Community outreach and increasing the utilization of a variety of health care providers with expanded scopes of practice has been key to expanding where services are provided.

Health PEI continues to focus on providing Islanders with improved access to the right provider, in the right place and at the right time.

Areas of Focus

Reduce wait times in priority areas

Improve access to care for specific populations

My family has greatly benefited from Health PEI services over the years. With two young sons who only spoke French in their pre-school years, encountering bilingual health care providers was very helpful. Having a bilingual health professional was key to calming fears in both of my children.

My two boys started visits to the Ear, Nose and Throat (ENT) specialist at 4 years of age and both physicians, Dr. Salamoun and Dr. MacDonald, pro-actively offered services in French. My sons were comfortable because they understood what was being said to them and about their health. We had the same experience when we went to Charlottetown to get an electroencephalogram (EEG) at the QEH and also during routine outpatient visits at the PCH. This language support can really ease a child's mind.

We also understand that if we are unable to have a French speaking care giver, Health PEI also offers phone-based language interpretation service during appointments.

Paula Arsenault
Summerside, PEI

Objective 2.1

Reduce wait times in priority areas

Primary Care Providers

- Establishment of clinics in the East Prince Primary Care Network – Kinkora (50 patients seen and opportunities for participation in group sessions provided), Queens East Primary Care Network – Morell (810 patients seen) and at Holland College Charlottetown and Summerside locations (289 patients seen during the school year).
- 3,324 Islanders from the Patient Registry were assigned to a primary care provider.

www.healthpei.ca/patientregistry

- As of May 2017, 141,897 Islanders (95% of the population) have a primary care provider.
- Increased use of technology in primary care to improve wait times through the use of e-mails, texts and websites to communicate with patients.
- Since the Family Medicine Residency Program began in 2011, 19 physicians have stayed on the Island to practice medicine across different communities.
- Continued growth of the Health PEI Optometry Program since its launch in 2015-16, allows for optometrists to screen for different conditions and provides Islanders with increased access to eye care services. In 2016-17, 5,218 patients utilized the program with 8,742 visits for testing and consultations for Diabetic Retinopathy Screening (DRS) for dry eye and red eye.
- DRS is now covered under the Health PEI Optometry Program. The following outlines patient visits in 2016-17:
  - 138 patients/visits for DRS for Type 1 Diabetes.
  - 2,064 patients with 2,073 visits for DRS for Type 2 Diabetes.
  - 112 patients/visits for Diabetic Retinopathy Photography Screening Interpretation for Type 1 Diabetes.
  - 1,500 patients with 1,508 visits for Diabetic Retinopathy Photography Screening Interpretation for Type 2 Diabetes.
  - 562 patients/visits for diabetes office visits.

www.healthpei.ca/diabetes

Mental Health and Addictions Services

- Implemented a pilot care model whereby mental health care for patients with mild to moderate anxiety and depression is provided in primary care settings in collaboration with mental health clinicians. Visits included:
  - Mental Health Social Worker: 741 appointments, 214 distinct patients.
  - Primary Care Registered Nurse (RN): 665 appointments, 208 distinct patients.
- The INSIGHT Program, a mental health day program was launched for youth aged 13-18 years, their families and schools to reduce the day-to-day impact of mental health problems or illnesses on their lives. To date, INSIGHT has serviced 20 clients who have been in the program for 16-24 weeks. Support has also been provided to 32 family members.
- Established a Seniors Mental Health Resource Team in Summerside which is a multi-disciplinary collaborative supporting senior clients of Community Mental Health (CMH).
- Launched the Provincial Behavioural Support Team to help children (aged 4-12) who have moderate to severe behavioural difficulties. Care is provided by a team with specialized expertise in delivering treatment to children with disruptive behaviour disorders.

www.healthpei.ca/mentalhealth

- Mental Health Walk-In Clinics were added at Westisle High School, O'Leary and Summerside to increase access to community-based services.
- Thirty staff in CMH received training in Dialectical Behaviour Therapy which supports suicide prevention and trauma support groups.
- The Strongest Families© Program which provides child and youth mental health access through the use of tele-counseling and a distance coaching approach continued to grow with 167 active clients.

> The INSIGHT Program was launched for youth aged 13-18 years, their families and schools to help reduce the day-to-day impact of mental health problems or illnesses on their lives.

Emergency Service

- Trauma PEI was formed in the fall of 2016 with the aim to improve quality and facilitate the delivery of optimal trauma care to all Island residents. Trauma PEI provides leadership in injury prevention, education, clinical care, research, and the continuous development and improvement of the trauma system.

> Trauma PEI was formed in the fall of 2016.

Long-Term Care

- The Restorative Care Unit at Prince Edward Home supports clients with a series of interventions to promote mobility and personal ability to achieve the fundamentals of daily living, such as making meals, dressing, taking medications and personal care functions. In 2016, 126 clients at risk for extended institutionalization were admitted to the service, approximately 80 per cent of whom were able to stay at home within their communities and not enter long-term or acute care.

www.healthpei.ca/longtermcare

I come from a world where every day from my earliest memory was filled with anxiety - and I kept this anxiety a closely guarded secret. When I finally decided I needed help, I was referred to Community Mental Health services at Health PEI and was assigned to a therapist who gave me help in the most gentle, patient and kind manner imaginable.

It takes a very special type of person to help people open up and the therapist was a natural at it. She was nurturing but focused, and ever so carefully helped me develop trust and confidence to talk about my feelings and also learn to change my reactions to situations...and the results were extraordinary. I have not had any anxiety in over a year.

My employer supports me 100% and my illness is no longer a secret. I genuinely encourage others in need of counseling to seek help with Community Mental Health. People should not feel alone in this suffering. You can live a more healthy life if you are willing to do the emotional work and seek help. It's a safe place!

Chris Dunbar
Summerside, PEI

Objective 2.2

Improve access to care for specific populations

Women's Wellness Program

- The Women's Wellness Clinic was launched at PCH in January 2017 to offer contraception counseling, Intrauterine Device (IUD) insertion, pregnancy options counseling and surgical abortions. Health PEI continues to expand both the services offered at the clinic and in community-based settings in Charlottetown and Summerside, including sexual health services for all Islanders.

www.healthpei.ca/womenswellness

Frail Seniors with Complex Health Needs

- Continued roll-out and refinement of the Caring for Older Adults in Community and at Home Program (COACH) to improve access to care through collaborative partnerships between Home Care, the Geriatric Program and Primary Care. COACH started as a pilot in Kings County in 2015, and began implementation in Prince County in 2016. COACH is currently implemented in Souris, Montague and O'Leary. In 2016-17, 48 clients participated in Kings County with 12 clients joining the program in Prince County.
- An additional Nurse Practitioner (NP) joined the Geriatric Program to improve access to care for frail seniors.
- The Home Care Program continues to work closely with emergency departments (ED) at the QEH and PCH; and with home care liaison nurses providing a more upfront presence in the ED.

> Islanders can self-refer to the Women's Wellness Program or for sexual health services by calling toll-free 1-844-365-8258.

Generic Drug Program

- The Generic Drug Program is available to Islanders under the age of 65 who do not have insurance. The program is designed to limit out-of-pocket costs for eligible generic prescription drugs to a maximum cost of $19.95. Of the 16,604 people registered with the program as of March 31, 2017, 8,781 people accessed the program with 60,512 claims paid out.

www.healthpei.ca/genericdrugs

Aboriginal Populations

- Aboriginal Cultural Awareness and Sensitivity training was provided to community-based health service providers using funding from Health Canada's First Nations Inuit Health Branch.
- NutriSTEP screening for nutritional risk in toddlers and preschoolers has expanded to include First Nations communities.
- Provided communities with dedicated mental health support, including psychiatry consults and clinicians on First Nations Health Teams.

Children, Youth and Families

- Triple P - Positive Parenting Program: Public Health and Children's Developmental Services has 16 practitioners trained in various levels of Triple P which is a program that offers various levels of support to parents who face challenges of raising children and teens.
- Building on past staff investments, wait times for autism assessments have decreased to 8-9 months.
- A Children and Youth Health section has been added to the PEI Government website to provide easily accessible information to families.

Almost five years ago, in 2012, after a day's work, I unexpectedly went into premature labor with my first daughter, Rory. I was 24 weeks pregnant at the time. Due to how quickly things progressed, there was not enough time to be airlifted to the IWK, which would be the normal progression of things. A decision to proceed had to be made, and she was born by emergency c-section. The circumstances were stressful to say the very least, but the physicians and staff at the PCH were exceptional in their professionalism, compassion and nurturing approach while saving my daughter's life.

Due to her extreme prematurity and circumstances surrounding her birth, she has medically complex special needs. She is unable to walk or talk, uses a wheelchair, and is fed by a tube. Besides a 4+ month hospital stay between the IWK, QEH and PCH when she was first born, she has had more than a dozen surgeries, and we have embarked on quite a journey with a variety of healthcare professionals. We continually work with our family doctor, pediatrician, nursing staff and her early intervention team - which includes physiotherapists, occupational therapists and speech language pathology. We work with Public Health, the Pediatric Eye Clinic and Seating Clinic at QEH as well. All the facets to her care contribute to fostering Rory's very best self, and our family is so appreciative of all the care and concern we have received over the years. I truly admire the family-centered approach that Health PEI has offered to us.

Shalyn Pinkham
Summerside, PEI

French Language Services

- The availability of bilingual care continues to grow in the provincial LTC system. An agreement was reached with the Acadian and Francophone Affairs Secretariat to develop a bilingual care program at the Beach Grove Home, featuring beds designated for residents requesting service in French.
- Launched a French Language Volunteer Services Program in West Prince to provide access to language information of the current volunteer base.

Newcomer Populations

- Care continues to be provided to newcomers through refugee public health and primary care clinics.

Paramedics Providing Palliative Care at Home Program

- Training of paramedics in providing palliative care at home continues with the goals of reducing the number of unwanted transfers to the ED and to better equip Emergency Medical Services (EMS) paramedics with the skills and support to provide palliative care to Islanders enrolled in the Integrated Palliative Care Program (IPCP). In 2016-17, 498 calls were made to 315 clients. Thirty-five per cent of clients were treated and remained at home, without the need to be transported elsewhere. The service will continue in partnership with the IPCP, home care and Island EMS.

www.healthpei.ca/paramedicsprovidingpalliativecare

Strategic Performance Indicators

Access: Strategic Performance Indicators	Target 2015-16 to 2016-17	Actual 2015-16	Actual 2016-17
Utilization of QEH Emergency Department for Triage Level 4 and 5	40%	38%	36%
Utilization of PCH Emergency Department for Triage Level 4 and 5	40%	38%	35%
Length of stay in LTC for people aged 65 and over	2.5 years	2.6 years	2.6 years

** For a detailed listing of all Strategic Performance Indicators, refer to Appendix A (Page 33-34).*

Efficiency

A key priority for Health PEI is to optimize the use of resources across the health care system.

Increased efficiency enriches the patient experience through improved continuity of care and increased coordination. Health PEI also strives to enhance the effectiveness, quality and utilization of resources.

Progress has been made toward the goal of efficiency through the utilization of technology, examining patient flow and effective resource management.

Areas of Focus

Utilize technology

Improve management of bed utilization

Improve the coordination of care across the continuum of health services

Effective resource management

In June of 2016 I had a double lung transplant in Toronto. I feel grateful to live in Canada where I can be covered for such life saving treatment. The whole process started with my family physician who understood my health challenges and referred me to Toronto for a week of testing including tests on my physical and mental health. I was connected to an out-of-province transplant team at Health PEI who worked with me through my entire treatment journey. When I found out I qualified for a lung transplant, I was informed of and understood the risks. Luckily I have a rare blood type - AB positive - so I could match with any donor who has a similar sized body.

Following my successful transplant, I then moved to a strenuous three month exercise program while still in Toronto. I was back home on the Island by September of last year and began working with my family physician and a respirologist. I was taking expensive anti-rejection drugs which were covered by Health PEI and I was very grateful. I truly believe our health care system here on PEI is amazing for such a small province. I started a 7 week rehabilitation program at UPEI …driven by Health PEI staff which supported lung patients including transplants and Chronic Obstructive Pulmonary Disease. We had support from physiotherapists, dietitians, nurses and pharmacists who taught us about proper medication use. It was all so helpful.

Janet Burke
Charlottetown, PEI

Objective 3.1

Utilize technology to improve the quality, safety and continuity of care

Electronic Discharge Planning

- Key actions involved in hospital discharge are now available for physicians, nursing and allied health staff with the Clinical Information System (CIS). Activities such as entering a discharge order, setting follow-up appointments or detailing team meetings may be documented on the electronic chart and accessible for all care team members.

Remote Patient Monitoring for Heart Failure (RPM)

- RPM allows monitoring in patient's homes with the use of technology. Patients with heart failure measure their own weights and vital signs and the information is sent electronically to specially-trained nurses who monitor and provide support to the client. Currently there are 50 participants. In 2017, patients with COPD were added to the RPM Program.

Laboratory Services

- Provincial Point of Care Testing:
  - Implemented a new interface of urinalysis units in EDs to the Clinical Information System (CIS), which allows results to be posted directly to the patient chart.
  - Developed a process that allows INR results from primary care sites to be entered directly into CIS.

www.healthpei.ca/laboratoryservices

Diabetes Program

- The following changes were implemented:
  - Imbedding of diabetes best practice guidelines into the Electronic Health Record (EHR), including order entry and discharge planning; and
  - Implementation of an electronic dashboard that includes blood glucose results, A1C (diabetes blood test) and other lab results and insulin doses, giving health care providers a 'snapshot' view of diabetes management in the EHRs of their patients.

Objective 3.2

Improve management of bed utilization across the system

Patient Flow

- Released the *2017-2020 Health PEI Patient Flow Strategy* with the focus for 2017-18 on acute bed management across the province.
- Physicians who see inpatients receive biannual reports detailing characteristics of their patients, including hospital length of stay (LOS). The reports provide comparisons with the previous reporting period and with peer averages. This information provides physicians with details on where they fit in terms of appropriate LOS for the inpatient population and historical data to identify improvements or areas for improvement.

Better Health and Lower Costs for Patients with Complex Needs (BHLC)

- Health PEI is working to improve health outcomes, health care experiences and lower costs to clients by using a case management model to address complex social determinants of health issues such as income, housing and transportation. The BHLC Program is currently serving 211 participants.

The 2017-2020 Health PEI Patient Flow Strategy was released.

Objective 3.3

Improve the coordination of care across the continuum of health services

Home Care

- Enhanced protocols between home care and acute care across the province, offering more consistent and timely sharing of information for existing home care clients. A home care to acute care transfer document provides information resulting in improved continuity of care for these patients when transitioning to and from hospital.
- Expanded home care services to include an additional 3.0 full-time equivalent (FTE) social workers to provide care coordination and adult protection services.

www.healthpei.ca/homecare

Alternative Level of Care (ALC)

- Focus continues on development of consistent ALC coding processes and research across Canadian health jurisdictions.
- Completion of stakeholder consultations around patient transitions between hospital and the community with recommendations currently being reviewed and planned.

Long-Term Care

- Implemented a LTC NP-led model which has led to increased care capacity, particularly with chronic disease management.

I fell two years ago following a knee and hip replacement and I fractured part of my upper spinal cord. Between hospital services and Restorative Care, I underwent five months of treatment. All my caregivers were very helpful and patient. Without them I don't feel I would be walking now with a walker. I really owe it to the wonderful staff at Restorative Care. They offered me group exercises every morning and afternoon and then helped us individually with anything that was needed to get us mobile.

I ended up back in Restorative Care twice last summer for extra physiotherapy after the program had ended for me. I would recommend the program to anyone who needs care after an injury - the exercises were very helpful in my rehabilitation.

Iris MacRae
Charlottetown, PEI

Objective 3.4

Effective resource management

Supply Chain Management

- Health PEI Materials Management has been working to streamline health care procurement processes to increase efficiencies for staff and patients.
- Twelve clearly defined steps for tendering and contracting products and services were developed. This effort has helped health care managers better understand the Health PEI purchasing process. This work also helps clarify roles and responsibilities related to the procurement process.
- New Electronic Data Interchange (EDI) will enable electronic filing of purchase orders with vendors who accept information via this method.

Laboratory Testing Utilization

- Physician/NP Test Utilization Reports were implemented to manage clinical laboratory and pathology testing with the goal of providing high quality and effective patient care while reducing system waste. The first report was released in November 2016 and was generally well received by physicians and NPs. The data comprised of a short list of commonly ordered tests which show how ordering practices compare between peers working in a similar type of practice and will keep practitioners informed of general trends.
- Developed and delivered Choosing Wisely® patient and physician information pamphlets by the Laboratory Quality Committee to be used for education purposes on lab testing.
- Staff at rural area laboratories were provided training and supplies for the inoculation of urine cultures. These sites now receive and inoculate urines at their locations, incubate and ship the cultures to the nearest microbiology laboratory for analysis. This process has significantly reduced the rejection rates of these samples, especially from the LTC facilities.
- Introduced a new patient identification process for patients within LTC facilities.

Diagnostic Imaging (DI) Utilization

- Continued implementation of the 2015-18 DI work plan which focuses on improved communication among clients and staff, training and education for staff, and improved access to care.
- As a result of patient feedback, breast ultrasound patients and mammography patients now share a waiting room to improve the patient experience for breast exams.
- A Magnetic Resonance Imaging (MRI) technologist was added to assist in decreasing wait times.
- Began sharing information with the public on the impacts of patients not showing up for their appointments and not indicating a cancellation in advance.
- A new process was created to decrease door to CT (computed tomography) times for stroke protocol patients.

www.healthpei.ca/diagnosticimaging

Strategic Performance Indicators

Efficiency: Strategic Performance Indicators	Target 2015-16 to 2016-17	Actual 2015-16	Actual 2016-17
STAT lab tests meeting turnaround time	90%	89.9%	97%
Overall average length of stay (ALoS) in acute care facilities	7.3 days	8.44 days	9.38 days
Census for patients coded as ALC in acute care facilities	<62 patients	47.3 patients	72.5 patients

** For a detailed listing of all Strategic Performance Indicators, refer to Appendix A (Page 33-34).*

2016-2017

Financial Highlights

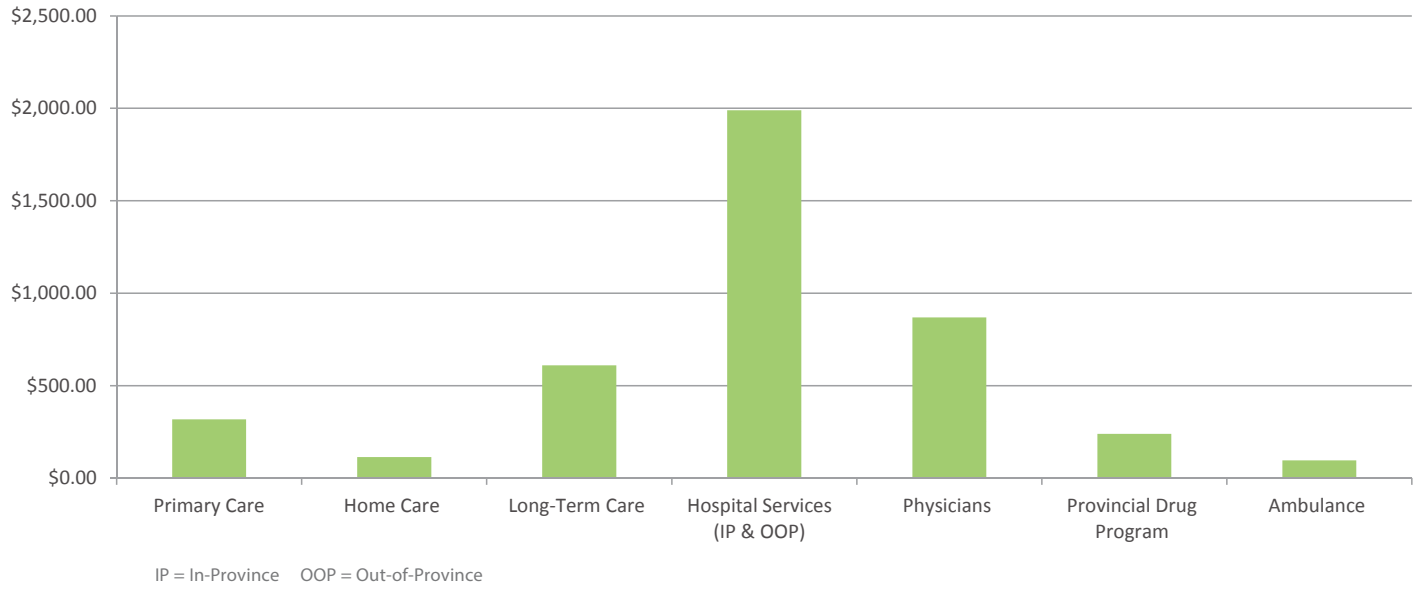
This section of the Annual Report highlights the organization's operations for the fiscal year ending March 31, 2017. This financial section should be read in conjunction with Health PEI's audited financial statements (Appendix D).

Operations	Operating Activities	Special Warrant for Prior Period	Total
Revenues	$ 629,633,210	$ 12,583,245	$ 642,216,455
Expenditures	$ 651,135,320		$ 651,135,320
Subtotal - Operating	$ (21,502,110)	$ 12,583,245	$ (8,918,865)
Capital			
Revenues	$		$ 13,487,242
Amortization	$		$ 15,690,069
Subtotal - Capital	$		$ (2,202,827)
Annual (Deficit) Surplus	$		$ (11,121,692)

Expenses per Capita

Budgeted spending per capita highlights the Provincial Government's health expenditure by use of funds divided by the population. This indicator allows Health PEI leadership to target and track service enhancement and better control spending in specific areas. Targets are set based on anticipated areas of growth or projected needs for additional resources to meet the needs of Islanders.

2016-2017 Expenses per Capita (Actual)



Expenses by Sector

Primary Health Care and Provincial Dental Program – expenses relating to the provision of primary health care by nursing and other health care providers including: community primary health care, community mental health, addiction services, public health services and dental programs.

Home-Based Care – expenses relating to the provision of home nursing care and home support services.

Long-Term Care – expenses relating to the provision of long-term residential care, including palliative care.

Hospital Services – expenses relating to acute nursing care, ambulatory care, laboratory, DI, pharmacies, ambulance services, the CIS, renal services and out-of-province medical care for Islanders.

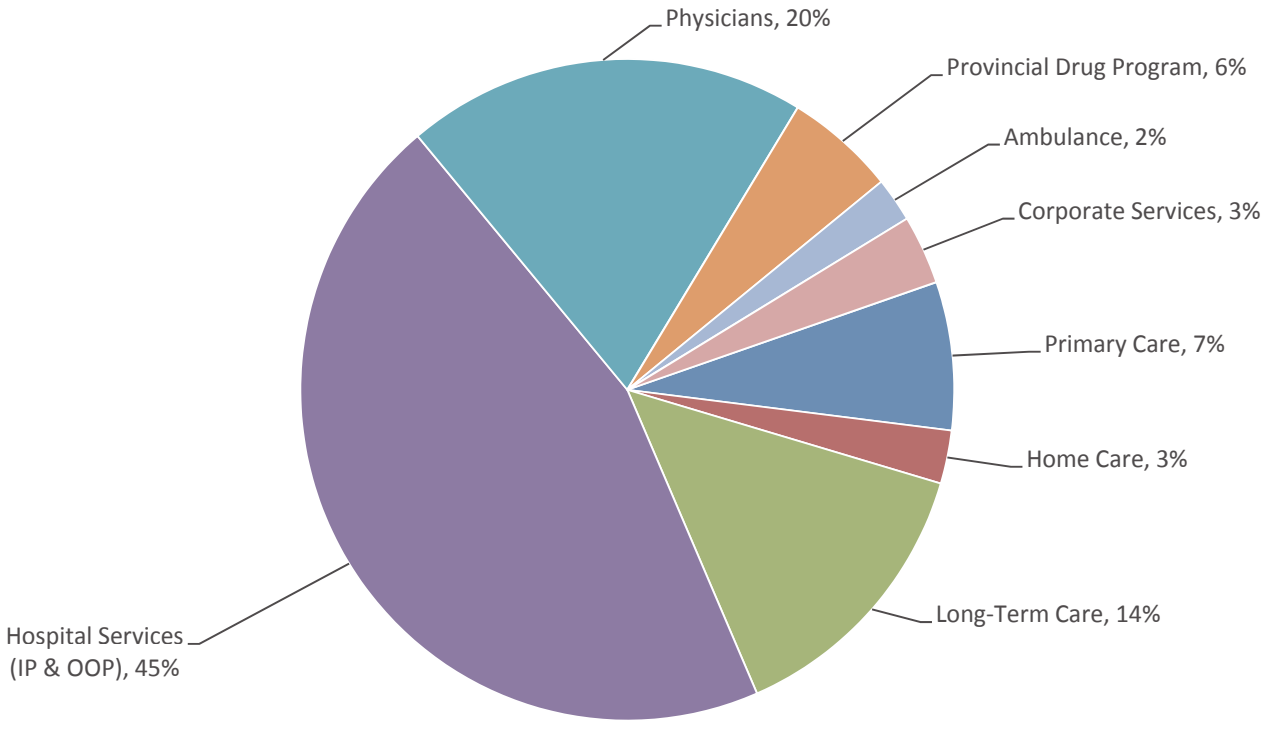
Physicians – expenses relating to services provided by physicians and programs for physicians, including: primary health care, acute medical care, specialty medical care and the Medical Residency Program.

Provincial Drug Programs – expenses relating to the provision of pharmacare programs, including: the Seniors Drug Cost Assistance Program, Social Assistance Drug Cost Assistance Program and High Cost Drugs Program.

Ambulance – expenses relating to the contracting and provision of EMS.

Corporate and Support Services – expenses relating to the provision of centralized, corporate support services including: strategic planning and evaluation, risk management, quality and safety, human resource management, financial planning and analysis, financial accounting and reporting, materials management and health information management.

2016-2017 Expenses by Sector (Actual)



IP = In-Province OOP = Out-of-Province

In Conclusion

The 2016-17 fiscal year brought significant changes to how health care is delivered in Prince Edward Island with a renewed focus on patient and family-centered care and the provision of new services to Islanders.

As highlighted in previous section, Islanders have access to new supports such as the patient navigator; opportunities to share their perspectives on care that is provided through volunteering as patient and family advisors; and, specific programs targeting different chronic diseases and populations.

From an access perspective, the expansion of services to different parts of the Island has resulted in an increase in community supports for primary care, mental health, frail seniors and women's wellness. As the demand for services increases over time and care becomes more complex, it is critical that resources are used effectively and efficiently.

Progress has been made through the utilization of technology to assist patient discharges from hospitals, monitoring patients with heart failure and in laboratory services.

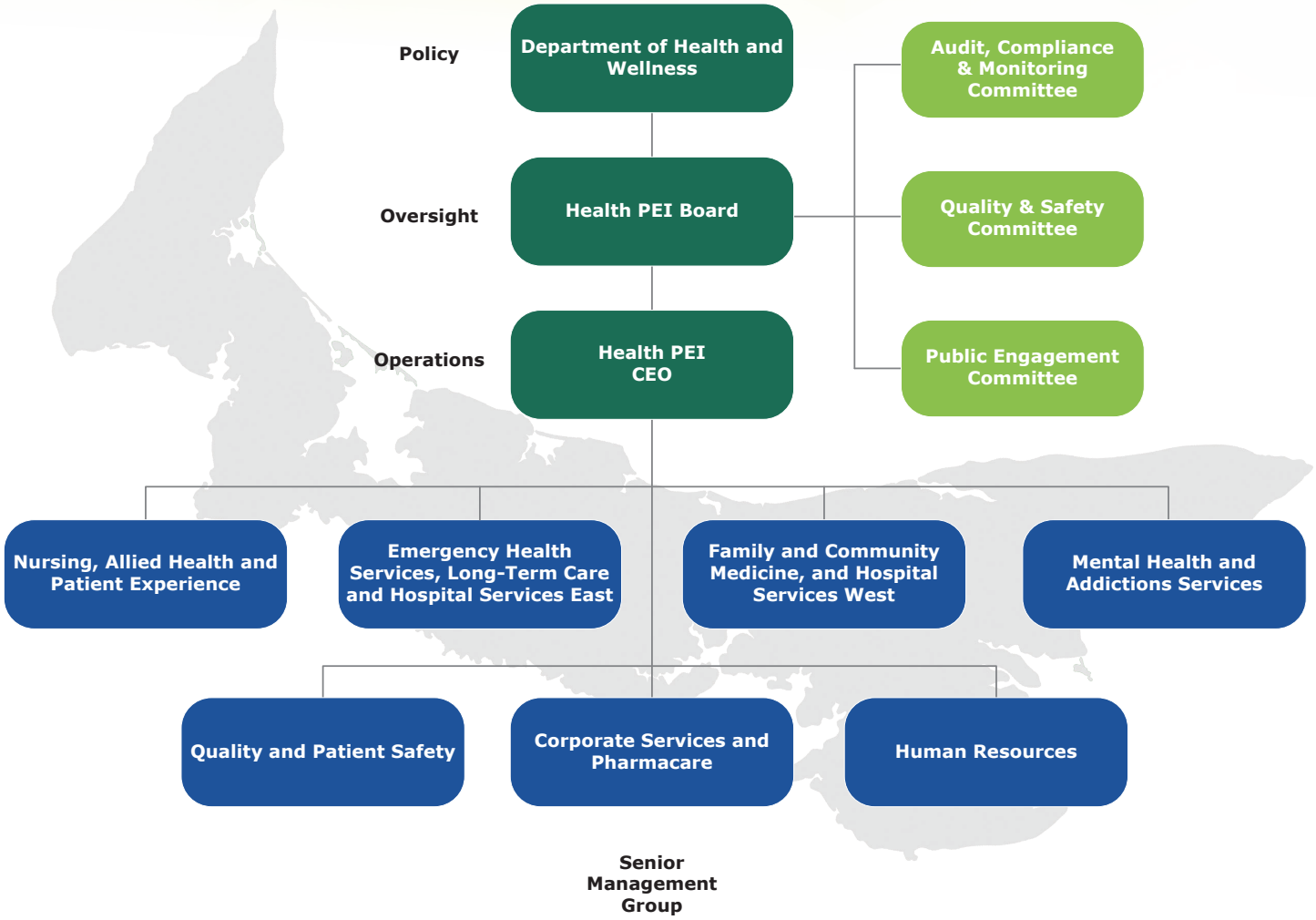
Focusing on improving patient flow through the health care system will help Islanders receive the right care, in the right place, by the right provider and improve overall coordination of care.

Health PEI recognizes the need to acknowledge challenges in moving the health care system forward. These challenges include increased demands on financial and human resources, recruitment and retention of staff, access to supports and services for patients and clients to improve patient flow, growth of services, and changing demographics of both health care providers and the Island population.

In the following sections, a profile of Health PEI services and a summary of SPIs are included. An analysis and review of the SPIs reflect areas of the organization that are working well and where improvement is needed. Goals and key actions identified in Health PEI's 2017-2020 Strategic Plan will help the organization move forward and address the challenges described.

2016-2017

Organizational Structure



2016-2017

Health PEI by the Numbers

Employees*	2014/15	2015/16	2016/17
Nursing (NPs, RNs, LPNs, RCWs & PCWs)	1,687	1,725	1,693
Administration and Management	198	200	195
Lab Technicians	176	176	175
Secretarial/Clerical	284	287	287
Utility Worker/Service Worker	387	383	382
Other Health Professionals and Support Staff	1,063	1,093	1,093
Medical Staff			
Family Physicians	120	120	118
Specialists	100	104	102
Residents	10	10	9
Hospital-Based Service Volumes Across Health PEI			
Emergency Visits	92,222	93,103	94,598
Operative Cases (acute care)	3,621	3,680	3,836
Operative Cases (day surgery)	5,670	5,604	5,641
Inpatient Days (excludes Hillsborough Hospital)	139,350	133,640	150,116
Admissions (excludes Hillsborough Hospital)	15,471	14,978	15,327
Average Length of Stay (days) (excludes Hillsborough Hospital)	9.08	8.73	9.38
Number of Diagnostic Imaging Exams	141,545	143,532	154,020
Number of Tests Processed by Laboratory Services	2,202,936	2,268,043	2,353,550
Hospital-Based Mental Health Services Inpatients	981	935	1,061
Long-Term Care (public facilities only)			
Occupancy Rate	98.2%	97.2%	98.1%
Number of Long-Term Care Admissions	251	214	194
Number of Long-Term Care Beds	598	598	598
Number of Long-Term Care Facilities	9	9	9
Average Length of Stay (years)	2.6	2.6	2.6
Home Care			
Number of Clients Served by Home Care	4,192	4,213	4,300
Number of Home Care Clients that are 75+ years old	2,316	2,261	2,217

** Permanent full-time equivalents.*

www.healthpei.ca/bythenumbers

PEI Cancer Treatment Centre	2014/15	2015/16	2016/17
Radiation Therapies and Simulation Visits	9,600	8,690	8,608
Medical Visits	17,197	17,654	28,998
Radiation Consults and Follow-ups	3,579	3,291	3,594
Medical Consults and Follow-ups	4,608	5,332	5,739
Primary Health Care Statistics			
Community Mental Health Provincial – Referrals	5,836	5,443	6,057
Community Mental Health – Crisis Response	1,560	1,461	1,679
Addiction Services – Total Admissions	3,194	3,491	3,160
Visits to Primary Care Health Centres	78,312	67,180	71,391
Primary Care Health Centres – Number of distinct clients	20,277	19,061	19,546
Provincial Diabetes Programs – Number of distinct clients	3,642	3,957	4,330
Provincial Diabetes Programs – Total visit count	14,997	18,444	19,521
Provincial Diabetes Programs – Total number of referrals (Pediatric Type 1 & 2; Adult Type 1 & 2; Gestational Diabetes)	1,592	1,537	1,542
Public Health Dental Program – Number of children who received dental treatment	4,486	4,581	3,915
Public Health Dental Program – Number of children who participated in the school-based prevention program*	13,347	12,631	11,554

** The school numbers run with the school year that is recorded from July 1 to June 30. The school year starts in the summer because clinics run in some schools during that period.*

Health PEI Facilities at a Glance

Appendix A
Strategic Performance Indicators

	Objective		Measure
Quality	Ensure appropriate patient safety standards are met		Hospital standardized mortality ratio
			Adverse events for incident severity levels 4 & 5 per 1,000 patient days – acute and extended care
			Adverse events for incident severity levels 4 & 5 per 1,000 patient days – LTC
	Embed the philosophy of person-centered care		Patient survey - percent patients who rated their overall hospital stay as greater than or equal to 9 out of 10
	Promote improved health outcomes through prevention and education		Participants in the diabetes program with an A1C of ≤ 7 %
			Percent participation of population aged 50 - 74 in Colorectal Cancer Screening Program within the past 2 years[1]
			Ambulatory care sensitive conditions discharges per 100,000 under 75 years
			Percent of children born in PEI immunized under the age of 2[2]
	Foster a healthy work environment		Sick days per budgeted full-time equivalent
Access	Reduce wait times in priority areas	Primary Care Provider	Utilization of QEH emergency department for triage levels 4 and 5
			Utilization of PCH emergency department for triage levels 4 and 5
			Utilization of KCMH emergency department for triage levels 4 and 5
			Utilization of Western Hospital emergency department for triage levels 4 and 5[3]
		Mental Health Services	Youth clients seen by community mental health services within current access standards[4]
			Adult clients seen by community mental health services within current access standards
		Addiction Services	Wait time for inpatient withdrawal management
			Wait time for outpatient withdrawal management
		Long-Term Care	Length of stay in LTC for people aged 65 and over
			Wait time in days from hospital bed to any LTC facility (public or private)
		Elective Surgical Services	Percent of cataract surgeries completed within access standard of 16 weeks
			Percent of hip replacement surgeries completed within access standard of 26 weeks
			Percent of knee replacement surgeries completed within access standard of 26 weeks
		Emergency Services	Percent of patients who left without being seen at QEH emergency department
			Percent of patients who left without being seen at PCH emergency department
			Percent of patients who left without being seen at KCMH emergency department
			Percent of patients who left without being seen at WH emergency department
Efficiency	Utilize technology to improve the quality, safety and continuity of care		STAT lab tests meeting turnaround time [5]
			Medication reconciliation completed on admission using Computerized Provider Order Entry (CPOE) in acute care
	Improve management of bed utilization across the system		Overall average length of stay in acute care facilities [6]
	Improve coordination of care across the continuum of health services		Census for patient coded as alternate level of care in acute care facilities [7]
			Number of inpatients in emergency department awaiting acute care beds per day[8]
	Effective resource management		Annual variance between budget and actual as documented in Health PEI annual financial statements [9,10]
			Over-time days per budgeted full-time equivalent

Technical Notes:

[1] 2014-15 Actual includes two year screening interval: 2013-14 and 2014-15 fiscal years. The 2016-17 Actual includes two year screening interval: 2015-16 and 2016-17 fiscal years. This indicator only tracks screening rates through the Colorectal Cancer Screening Program.
[2] Data collection methodology changed in 2016-17.
[3] Target is not applicable at this time and data is not comparable to other EDs since the Western Hospital ED functions as an ED during the day and a Collaborative Emergency Center at night.
[4] Wait times data for youth clients seen by Community Mental Health is currently under review to confirm support provided by programs such as *Strongest Families*© is accurately captured and reflected in the indicator reported.
[5] STAT lab test turnaround times includes lab turnaround time plus the time it takes for physicians and nurses to place the order.
[6] Indicator is tied to the OALoS initiative and includes the following acute care facilities QEH, PCH, KCMH and Western Hospital.
[7] Includes the following acute care facilities QEH, PCH, KCMH and Western Hospital.
[8] Includes QEH, PCH and KCMH.
[9] Operational results only: excludes all capital grants, other capital contributions and depreciation.
[10] Refer to Note 15 in audited financial statements.

(--) indicates data is not applicable

	Target 2014-15	Actual 2014-15	Target 2015-16 to 2016-17	Actual 2015-16	Actual 2016-17
	≤100	105	≤100	91	103
	0.23	0.32	0.21	0.27	0.21
	0.09	0.12	0.08	0.11	0.14
	73%	59%	80%	62%	59%
	50%	48%	60%	34%	53%
	20%	15%	20%	--	14%
	430	359.1	410	331	439
	87%	87%	90%	89%	Not Available
	10.5 days/FTE	11 days/FTE	10.0 days/FTE	9.98 days/FTE	8.72 days/FTE
	40%	37.7%	40%	38%	36%
	40%	42.1%	40%	38%	35%
	45%	53%	45%	53%	56%
	--	73.70%	--	73%	69%
	60%	23%	70%	34%	Not Available
	68%	57%	70%	41%	43%
	7.5 days	3.8 days	6.5 days	1.1 days	2.8 days
	5 days	5.7 days		7.3 days	3.2 days
	2.7 years	2.6 years	2.5 years	2.6 years	2.6 years
	52.2 days	28.9 days	50.0 days	23.8 days	55.1 days
	90%	63%	90%	87%	92%
	90%	92%	90%	86%	73%
	90%	88%	90%	90%	61%
	6%	8.3%	6%	6.9%	6.6%
	6%	7.3%	6%	7.9%	8.8%
	≤4%	1.7%	≤4%	2.3%	2.5%
	≤4%	3.5%	≤4%	3.3%	2.5%
	90%	87.6%	90%	89.9%	97.0%
	95%	86%	95%	68%	70%
	7.3 days	8.78 days	7.3 days	8.44 days	9.38 days
	<62	54.5	<62	47.3	72.5
	10 patients	9.84 patients	10 patients	5.98 patients	13.3 patients
	$0	$3.88 M Surplus	$0	$12.58 M Deficit	$21.5 M Deficit
	5.8 days/FTE	6.44 days/FTE	5.6 days/FTE	6.01 days/FTE	5.85 days/FTE

Legend:

Meeting Target
Approaching Target
Not Meeting Target

The SPIs included here reflect performance across the different aspects of care provided by Health PEI. These indicators are linked to the *2013-16 Health PEI Strategic Plan* and were developed to measure performance on accomplishing the strategic goals of *Quality*, *Access* and *Efficiency*. The indicators play a key role in identifying areas that are working well and where improvement is required. Targets were established in 2013 based on performance and data available at that time.

Moving forward for the 2017-2020 strategic cycle, new targets and indicators will be utilized to reflect the current landscape and national comparisons. To guide review of the SPIs provided, colour coding has been utilized to indicate if a target was met or on track to be met and if a target was not met.

Appendix B
Glossary

Strategic Performance Indicator Descriptions

Hospital Standardized Mortality Ratio (HSMR):

The HSMR is a ratio of the actual number of in-hospital deaths in a region or hospital to the number that would have been expected based on the types of patients a region or hospital treats.

Rate of incident severity levels 4 and 5 per 1,000 patient days for acute care and LTC facilities:

Level 4 and 5 adverse events are very serious concerns for a health care system. It is important to ensure these events are properly tracked and handled to reduce the likelihood of them happening again. Incident severity level 4 = serious injury/damage and level 5 = death.

Ambulatory Care Sensitive Conditions discharges per 100,000 under 75 years of age:

Hospitalization for an ambulatory care sensitive condition is considered to be a measure of access to appropriate primary health care. While not all admissions for these conditions are avoidable, it is assumed that appropriate ambulatory care could prevent the onset of this type of illness or condition, control an acute episodic illness or condition, or manage a chronic disease or condition. A disproportionately high rate is presumed to reflect challenges in obtaining access to appropriate primary care.

Utilization Rates of emergency department for triage levels 4 and 5:

High usage rates of triage levels 4 and 5 presenting to an emergency department can be an indicator of limited access to primary care services. Emergency Department Canadian Triage Acuity and Scale (CTAS) level 4 = less urgent and level 5 = non-urgent.

Percentage of STAT lab tests meeting turnaround time benchmark:

Turnaround time for STAT tests (i.e. as soon as possible) is identified by users as a quality performance indicator of the service provided by the lab and the facility as a whole.

Appendix C
List of Acronyms Used

ACRONYM	DEFINITION	ACRONYM	DEFINITION
A1C	Diabetes Blood Test	FTE	Full-Time Equivalent
ACP	Advance Care Planning	GOC	Goals of Care
ALC	Alternate Level of Care	HSMR	Hospital Standardized Mortality Ratio
BFI	Baby Friendly Initiative	IDM	Integrated Disability Management
BHLC	Better Health and Lower Costs	INR	International Normalized Ratio
CEO	Chief Executive Officer	IPCP	Integrated Palliative Care Program
CFHI	Canadian Foundation for Health Care Improvement	IUD	Intrauterine Device
CIHI	Canadian Institute for Health Information	LOS	Length of Stay
CIS	Clinical Information System	LTC	Long-Term Care
CMH	Community Mental Health	MRI	Magnetic Resonance Imaging
COACH	Caring for Older Adults in Community and at Home	MSPEI	Medical Society of PEI
COPD	Chronic Obstructive Pulmonary Disease	NP	Nurse Practitioner
CPAC	Canadian Partnership Against Cancer	OALoS	Overall Average Length of Stay
CT	Computed Tomography	OHS	Occupational Health and Safety
CTAS	Canadian Triage Acuity and Scale	PCH	Prince County Hospital
CTC	Cancer Treatment Centre	QEH	Queen Elizabeth Hospital
DI	Diagnostic Imaging	RN	Registered Nurse
DRS	Diabetic Retinopathy Screening	RPM	Remote Patient Monitoring
ED	Emergency Department	SPIs	Strategic Performance Indicators
EDI	Electronic Data Interchange	Triple P	Positive Parenting Program
EEG	Electroencephalogram	UTI	Urinary Tract Infection
EHR	Electronic Health Record	WWP	Women's Wellness Program
EMS	Emergency Medical Services	YEA	Youth and Elderly in Action
ENT	Ear, Nose and Throat		

Appendix D
Audited Financial Statements

HEALTH PEI

Financial Statements
March 31, 2017

Management's Report

Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is responsible for the notes to the financial statements and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is responsible for implementing and maintaining a system of internal control to provide reasonable assurance that reliable financial information is produced.

Management is accountable to the Board of Directors of Health PEI on matters of financial reporting and internal controls. Management provides internal financial reports to the Board of Directors on a regular basis and externally audited financial statements annually.

The Auditor General conducts an independent examination, in accordance with Canadian generally accepted auditing standards and expresses her opinion on the financial statements. The Auditor General has full and free access to financial information and management of Health PEI to meet as required.

On behalf of Health PEI

Dr. Michael Mayne
Chief Executive Officer

Denise Lewis Fleming
Chief Operating Officer

August 3, 2017

Prince Edward Island
Office of the
Auditor General
PO Box 2000, Charlottetown PE
Canada C1A 7N8

Île-du-Prince-Édouard
Bureau du
vérificateur général
C.P. 2000, Charlottetown PE
Canada C1A 7N8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Health PEI

I have audited the financial statements of **Health PEI**, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and accumulated surplus, changes in net debt, and cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2017, and the results of its operations, changes in net debt, and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

B. Jane MacAdam, CPA, CA
Auditor General

Charlottetown, Prince Edward Island
August 3, 2017

Tel/Tél. : 902 368 4520 *assembly.pe.ca/auditorgeneral* Fax/Téléc. : 902 368 4598

HEALTH PEI

Statement of Financial Position
March 31, 2017

	2017	2016
	$	$
Financial Assets		
Cash	2,209,285	-
Restricted cash (Note 2b)	1,227,854	1,252,856
Accounts receivable (Note 4)	10,185,534	8,615,159
Due from the Department of Health and Wellness	46,222,108	42,872,302
	59,844,781	52,740,317
Liabilities		
Accounts payable and accrued liabilities (Note 7)	95,838,810	85,262,819
Bank advances	-	1,836,124
Employee future benefits (Note 8)	72,104,516	65,883,860
Deferred donations (Note 2b)	1,227,854	1,252,856
Deferred revenue (Note 9)	5,982	382,110
	169,177,162	154,617,769
Net Debt	(109,332,381)	(101,877,452)
Non Financial Assets		
Tangible capital assets (Note 11)	232,600,693	234,803,520
Inventories held for use (Note 5)	4,074,091	3,824,787
Prepaid expenses (Note 6)	1,083,789	2,797,029
	237,758,573	241,425,336
Accumulated Surplus	128,426,192	139,547,884
Trusts under administration (Note 16)	826,339	807,743

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

Approved on behalf of Health PEI

Chair, Board of Directors

Board Member

HEALTH PEI

Statement of Operations and Accumulated Surplus
for the year ended March 31, 2017

	Budget (Note 17) 2017	2017	2016
	$	$	$
Revenues			
Operating grants - Dept. of Health and Wellness	604,664,100	617,247,345	586,577,300
Fees - patient and client (Note 14)	22,336,700	20,687,525	20,054,560
Food services	1,141,400	1,019,741	961,505
Federal revenues	660,900	554,424	819,271
Sales	969,400	406,355	794,398
Other	1,510,200	2,301,065	4,120,711
Operational Revenues	631,282,700	642,216,455	613,327,745
Capital grants - Dept. of Health and Wellness	17,990,300	8,474,742	5,229,019
Other capital contributions	3,424,900	5,012,500	3,927,461
Capital Revenues	21,415,200	13,487,242	9,156,480
	652,697,900	655,703,697	622,484,225
Expenses (Note 18)			
Community Hospitals	23,000,500	23,449,283	22,734,147
Acute Care	168,791,300	172,640,089	167,018,100
Addiction Services	12,511,600	12,206,035	11,739,872
Acute Mental Health	18,429,600	19,202,603	17,892,895
Community Mental Health	11,198,100	10,757,222	9,352,567
Continuing Care	65,494,700	66,763,681	65,275,005
Private Nursing Home Subsidies	24,307,100	23,952,215	23,163,633
Public and Dental Health	11,015,700	10,658,848	10,233,513
Provincial Pharmacare Programs	33,010,300	35,422,465	32,257,784
Home Care and Support	16,820,200	16,956,676	15,959,008
Provincial Laboratory and Diagnostic Imaging	31,714,400	33,095,317	30,600,377
Provincial Hospital Pharmacies	6,107,100	5,860,814	5,618,116
Emergency Health Services	16,340,200	16,767,026	14,848,302
Corporate and Support Services	23,245,500	22,007,857	21,780,275
Medical Programs - In Province	108,833,800	116,349,309	111,616,453
Medical Programs - Out of Province	47,220,400	51,486,982	52,591,475
Primary Care	13,242,200	13,558,898	13,229,468
Program and Service Expenses	631,282,700	651,135,320	625,910,990
Amortization of tangible capital assets	-	15,690,069	16,404,155
	631,282,700	666,825,389	642,315,145
Annual Surplus (Deficit) (Note 15)	21,415,200	(11,121,692)	(19,830,920)
Accumulated Surplus, beginning of year		139,547,884	159,378,804
Accumulated Surplus, end of year		128,426,192	139,547,884

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

HEALTH PEI

Statement of Changes in Net Debt
for the year ended March 31, 2017

	Budget 2017	2017	2016
	$	$	$
Net Debt, beginning of year	(101,877,452)	(101,877,452)	(86,862,671)
Changes in year:			
Annual surplus (deficit)	21,415,200	(11,121,692)	(19,830,920)
Acquisition of tangible capital assets	(21,415,200)	(13,487,242)	(9,156,480)
Proceeds on disposal of tangible capital assets	-	81,818	93,933
Amortization of tangible capital assets	-	15,690,069	16,404,155
Gain on disposal of tangible capital assets	-	(81,818)	-
Increase in inventories	-	(249,304)	(313,360)
(Increase) decrease in prepaid expenses	-	1,713,240	(2,212,109)
Change in Net Debt	-	(7,454,929)	(15,014,781)
Net Debt, end of year	(101,877,452)	(109,332,381)	(101,877,452)

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

HEALTH PEI

Statement of Cash Flow
for the year ended March 31, 2017

	2017	2016
	$	$
Cash provided (used) by:		
Operating Activities		
Deficit for the year	(11,121,692)	(19,830,920)
Gain on disposal of tangible capital assets	(81,818)	-
Amortization of tangible capital assets	15,690,069	16,404,155
Changes in:		
Accounts receivable	(1,570,375)	(3,388,862)
Due from the Department of Health and Wellness	(3,349,806)	(6,607,127)
Accounts payable and accrued liabilities	10,575,991	3,849,639
Employee future benefits	6,220,656	6,913,663
Deferred revenue	(376,128)	94,510
Inventories held for use	(249,304)	(313,360)
Prepaid expenses	1,713,240	(2,212,109)
Cash provided (used) by operating activities	17,450,833	(5,090,411)
Capital Activities		
Acquisition of tangible capital assets	(13,487,242)	(9,156,480)
Proceeds on disposal of tangible capital assets	81,818	93,933
Cash used by capital activities	(13,405,424)	(9,062,547)
Change in cash	4,045,409	(14,152,958)
Cash (bank advances), beginning of year	(1,836,124)	12,316,834
Cash (bank advances), end of year	2,209,285	(1,836,124)

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

1. Nature of Operations

Health PEI is a provincial Crown corporation established on April 1, 2010, and operates under the authority of the *Health Services Act*. Health PEI is a government organization named in Schedule B of the *Financial Administration Act* and reports to the Legislative Assembly through the Minister of the Department of Health and Wellness. The mandate of Health PEI is to be responsible for the operation and delivery of all health services in the Province of Prince Edward Island. These services are categorized as follows:

Community Hospitals	Home Care and Support
Acute Care	Public and Dental Health
Addiction Services	Provincial Laboratory and Diagnostic Imaging
Acute Mental Health	Provincial Hospital Pharmacies
Community Mental Health	Emergency Health Services
Continuing Care	Corporate and Support Services
Private Nursing Home Subsidies	Medical Programs - In Province
Provincial Pharmacare Programs	Medical Programs - Out of Province
Primary Care	

Health PEI is a provincial Crown corporation and as such is not subject to taxation under the federal *Income Tax Act*.

2. Summary of Significant Accounting Policies

Basis of Accounting

These financial statements are prepared by management in accordance with Canadian public sector accounting standards. Health PEI complies with the recommendations of the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada) wherever applicable. PSAB standards are supplemented, where appropriate, by other CPA Canada accounting pronouncements.

Since Health PEI has no unrealized remeasurement gains or losses attributable to foreign exchange, derivatives, portfolio investments, or other financial instruments, a statement of remeasurement gains and losses is not prepared.

2. **Summary of Significant Accounting Policies (continued...)**

a) **Cash and Bank Advances**

Cash and bank advances include cash on hand and balances on deposit with financial institutions, net of overdrafts.

b) **Restricted Cash**

Restricted cash consist of funds received as donations by a health facility or program that are restricted for the purchase of equipment, supplies, and/or other needs of the specific facility or program.

c) **Accounts Receivable**

Accounts receivable are recorded at cost less any provision when collection is in doubt. The provision includes receivables which are known not to be recoverable and estimated unrecoverable amount for receivables taking into consideration receivable age, customer specifics, and historical success in recoveries.

d) **Inventories Held for Use**

Inventories of supplies as described in Note 5 are recorded at the lower of the moving average and replacement cost. Damaged, obsolete, or otherwise unusable inventory is expensed as identified. Inventories of supplies that are resold to the public are not segregated due to their immaterial value.

e) **Due from the Department of Health and Wellness**

Amounts due to or from the Department of Health and Wellness arise from the difference between cash flows provided to Health PEI and expenditures up to a maximum of the approved grant from the Department. These balances have no repayment terms and are non-interest bearing.

f) **Deferred Revenue**

Certain amounts are received pursuant to legislation, regulation, or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue when eligibility criteria, if any, have been met.

g) **Tangible Capital Assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, and/or betterment of the assets. Cost includes overhead directly attributable to construction and development. Interest, if any, on capital projects is expensed as incurred.

2. Summary of Significant Accounting Policies (continued...)

g) Tangible Capital Assets (continued...)

For each category of tangible capital assets, only assets meeting a minimum dollar threshold for that category are recorded as capital assets.

The cost of assets under construction is not amortized until construction is complete and the asset is available for use. In the year of acquisition, one half of the annual amortization is recorded.

The cost of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Building improvements	10 years
Leasehold improvements	Lease term
Paving	10 years
Equipment	5 years
Computer hardware	5 years
Computer software systems	5-20 years
Motor vehicles	5 years

Tangible capital assets are written down when conditions indicate they no longer contribute to Health PEI's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital assets are less than their net book value. Write-downs are expensed when identified.

h) Prepaid Expenses

Prepaid expenses, as described in Note 6, are charged to expenses over the periods expected to benefit.

i) Revenues

Revenues are recorded on an accrual basis in the period in which the transaction or event which gave rise to the revenue occurred. When accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable, revenues are recorded as received.

Transfers (revenues from non-exchange transactions) are recognized as revenue when the transfer is authorized, any eligibility criteria are met, and a reasonable estimate of the amount can be made. Transfers are recognized as deferred revenue when amounts have been received but eligibility criteria have not been met.

2. Summary of Significant Accounting Policies (continued...)

j) Expenses

Expenses are recorded on an accrual basis in the period in which the transaction or event which gave rise to the expense occurred.

Transfers include entitlements, grants, and transfers under cost shared agreements. Grants and transfers are recorded as expenses when the transfer is authorized, eligibility criteria have been met by the recipient, and a reasonable estimate of the amount can be made.

k) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at year-end. Foreign currency transactions are translated at the exchange rate prevailing at the date of the transaction.

Health PEI has limited exposure to foreign currency, as substantially all of its transactions are conducted in Canadian dollars and year-end foreign currency balances are not significant.

l) Use of Estimates and 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 the revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of capital assets, employee retirement and sick leave benefits, provisions for doubtful accounts including accounts receivable related to recovery of assessments arising from internal audits of physician billings, accrued liabilities for out-of-province and in-province health services including academic funding premiums payable to Nova Scotia, and negotiated settlements with unions and other employees.

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

2. Summary of Significant Accounting Policies (continued...)

m) Recently Issued Public Sector Accounting Standards

The Public Sector Accounting Board has issued several new standards that are not yet effective and that have not been applied in preparing these financial statements. The new standards are as follows and are effective for financial statements relating to fiscal years beginning on or after the following dates:

April 1, 2017

- Section PS 2200, *Related Party Disclosures,* defines and establishes disclosure standards for related party transactions;
- Section PS 3210, *Assets,* provides guidance for applying the definition of assets set out in Section PS 1000, *Financial Statement Concepts,* and establishes general disclosure standards for assets;
- Section PS 3320, *Contingent Assets,* defines and establishes disclosure standards for contingent assets;
- Section PS 3380, *Contractual Rights,* defines and establishes disclosure standards for contractual rights;
- Section PS 3420, *Inter-entity Transactions,* defines and establishes accounting treatment and disclosure standards for inter-entity transactions;

Health PEI plans to adopt the standards in the fiscal year in which they are effective. Management is currently analyzing the impact that these standards will have on Health PEI's financial statements.

3. Financial Instruments

Fair Value

Health PEI's financial instruments consist of cash and bank advances, accounts receivable, amounts due from the Department of Health and Wellness, accounts payable and accrued liabilities. Due to their short-term nature, the carrying value of these financial instruments approximate their fair value.

3. Financial Instruments (continued...)

Risk Management

Health PEI is exposed to a number of risks as a result of the financial instruments on its statement of financial position that can affect its operating performance. These risks include credit and liquidity risk. Health PEI's financial instruments are not subject to significant market, interest rate, foreign exchange, or price risk.

Credit Risk

Health PEI is exposed to credit risk with respect to accounts receivable. Health PEI has a collection policy and monitoring processes intended to mitigate potential credit losses. Health PEI maintains provisions for potential credit losses that are assessed on an on-going basis. The provision for doubtful accounts is disclosed in Note 4.

Liquidity Risk

Health PEI is subject to minimal liquidity risk. Liquidity risk is the risk that Health PEI will not be able to meet its financial obligations as they fall due. Health PEI's approach to managing liquidity is to evaluate current and expected liquidity requirements, and to communicate these requirements with the Province of Prince Edward Island to ensure that provincial funding grant payments are timed accordingly.

4. Accounts Receivable

	2017 $	2016 $
Fees and revenues receivable	5,177,151	4,759,348
Assessments of physician billings	1,839,867	1,739,296
Hospital foundations	1,468,736	899,105
Province of Prince Edward Island	118,616	127,405
Employee advances	553,154	662,945
Other	3,294,722	2,740,568
	12,452,246	10,928,667
Less: provision for doubtful accounts	(2,266,712)	(2,313,508)
	10,185,534	8,615,159

4. Accounts Receivable (continued...)

The aging of fees and revenues receivable is as follows:

	2017 $	2016 $
Current	3,457,385	3,179,493
61-90 days	181,629	73,879
91-180 days	579,473	210,012
Greater than 180 days	958,664	1,295,964
	5,177,151	4,759,348

5. Inventories Held for Use

	2017 $	2016 $
Medical supplies	2,450,865	2,288,450
Drugs	1,422,638	1,307,442
Food and other supplies	200,588	228,895
	4,074,091	3,824,787

6. Prepaid Expenses

	2017 $	2016 $
Workers Compensation premiums	-	1,735,445
Maintenance contracts	1,019,224	918,962
Other	64,565	142,622
	1,083,789	2,797,029

7. Accounts Payable and Accrued Liabilities

	2017 $	2016 $
Accounts payable	25,418,870	22,677,364
Accrued liabilities	27,657,674	22,020,291
Salaries and benefits payable	22,587,605	21,602,881
Accrued vacation pay	20,174,661	18,962,283
	95,838,810	85,262,819

8. Employee Future Benefits

a) Retirement Allowance

Health PEI provides a retirement allowance to its permanent employees in accordance with the applicable collective agreement. The amount paid to eligible employees at retirement is one week's pay per year of eligible service based on the rate of pay in effect at the retirement date to the maximum specified in the applicable collective agreement. These benefits are unfunded. The benefit costs and liabilities related to these allowances are included in these financial statements.

The most recent actuarial valuation for accounting purposes prepared by the actuarial consulting firm Morneau Shepell, disclosed an accrued benefit obligation of $45,638,200 as at April 1, 2014. The total liability is projected by Health PEI in the years between the tri-annual valuations.

The economic assumptions used in the determination of the actuarial value of the accrued retirement allowance were developed by reference to the expected long-term borrowing rate of the Province of Prince Edward Island as of April 1, 2014. Significant actuarial assumptions used in the valuation and projections are:

	2017	2016	2015
Discount rate per annum	3.08%	2.64%	3.80%

Expected salary increase: 2.75% per annum and promotional scale

Expected average remaining service life: 12 years

Retirement age: varying by age and service, with all employees retiring between the ages of 55 and 66. Employees age 66 and older at the valuation date are assumed to retire one year after the valuation date.

The discount rate used for the April 1, 2016 to March 31, 2017 projection has been revised by Health PEI based on an increase in the Province's long term borrowing rate. A revised rate of 3.26% at April 1, 2017 has also been applied resulting in a decrease of $886,824 to the accrued benefit obligation and a corresponding decrease in the unamortized gains and losses at March 31, 2017.

8. Employee Future Benefits (continued...)

a) Retirement Allowance (continued...)

	2017 $	2016 $
Balance, beginning of year	42,420,249	38,375,070
Current service cost	3,712,662	3,899,366
Interest accrued on liability	1,645,204	1,405,134
Amortization of actuarial gains & losses	1,317,410	1,496,815
Less: payments made	(2,978,642)	(2,756,136)
Balance, end of year	46,116,883	42,420,249
Gross accrued benefit obligation	54,541,100	53,048,699
Less: unamortized actuarial gains & losses	(8,424,217)	(10,628,450)
Net accrued benefit obligation	46,116,883	42,420,249

b) Accrued Sick Leave

Health PEI employees accumulate sick leave credits at a rate of 11.25 hours for each 162.5 paid hours. Members of the excluded (management) group can accumulate to a maximum of 1950 hours with the exception of 8 grandfathered members whose sick leave balances are currently higher than 1950 hours. All other employees can accumulate to a maximum of 1612.50 hours. An actuarial estimate for this future liability has been completed and forms the basis for the estimated liability reported in these financial statements.

The most recent actuarial valuation for accounting purposes prepared by the actuarial consulting firm Morneau Shepell, disclosed an accrued benefit obligation of $26,204,000 as at April 1, 2014. The total liability is projected by Health PEI in the years between the tri-annual valuations.

The economic assumptions used in the determination of the actuarial value of accrued sick leave benefits were developed by reference to the expected long-term borrowing rate of the Province of Prince Edward Island as at April 1, 2014.

8. Employee Future Benefits (continued...)

b) Accrued Sick Leave (continued...)

Significant actuarial assumptions used in the valuation and projections are:

	2017	2016	2015
Discount rate per annum	3.08%	2.64%	3.80%

Expected salary increase: 3.0% per annum

Expected average remaining service life: 15 years

Termination rates: 0.5% terminate per year

Retirement age: age 61, or in one year if employee has attained age 61

The discount rate used for the April 1, 2016 to March 31, 2017 projection has been revised by Health PEI based on an increase in the Province's long term borrowing rate. A revised rate of 3.26% at April 1, 2017 has also been applied resulting in a decrease of $402,868 to the accrued benefit obligation and a corresponding decrease in the unamortized gains and losses at March 31, 2017.

	2017 $	2016 $
Balance, beginning of year	23,463,611	20,595,127
Current service cost	3,498,268	3,485,597
Interest accrued on liability	989,766	823,121
Amortization of actuarial gains & losses	643,754	709,091
Less: payments made	(2,607,766)	(2,149,325)
Balance, end of year	25,987,633	23,463,611
Gross accrued benefit obligations	33,162,415	31,685,015
Less: unamortized actuarial gains & losses	(7,174,782)	(8,221,404)
Net accrued benefit obligation	25,987,633	23,463,611

8. Employee Future Benefits (continued...)

c) Pension and Other Benefits

i) All permanent employees of Health PEI, other than physicians, participate in the multi-employer contributory defined benefit pension plan as defined by the *Civil Service Superannuation Act*. This Plan provides a pension on retirement based on two percent of the average salary for the highest three years times the number of years of pensionable service, for service to December 31, 2013, and two percent of the career average salary indexed with cost-of-living adjustments, for service after 2013. Indexing is subject to the funded level of the Plan after December 31, 2016.

The Plan is administered by the Province of Prince Edward Island. Additional information on the pension plan as defined in the *Civil Service Superannuation Act* can be found in the notes to the Public Accounts of the Province of Prince Edward Island. The Province is responsible for any unfunded liabilities of the plan. A total of $18,835,571 (2016 - $17,769,669) was contributed towards the Civil Service Superannuation Plan as the employer share of contributions.

ii) Salaried physicians maintain their own personal RRSP accounts to which Health PEI makes contributions in accordance with the Master Agreement between the Medical Society of Prince Edward Island and the Province of Prince Edward Island. Health PEI's contributions are equivalent to 9 percent of the physician's base salary and shall not exceed 50 percent of the maximum permissible contribution provided for in the *Income Tax Act*. Health PEI's liability is limited to its required contributions in accordance with the agreement. A total of $1,087,924 (2016 - $1,037,816) was contributed towards salaried physicians' personal RRSP accounts.

iii) The Public Sector Group Insurance Plan provides life insurance, long-term disability, and health and dental benefits to eligible employees of Health PEI. The Plan is administered by a multi-employer, multi-union Board of Trustees who are responsible for any unfunded liabilities of the Plan. The cost of insured benefits reflected in these financial statements are the employer's portion of the insurance premiums owed for employee coverage during the period.

9. Deferred Revenue

Deferred revenues set aside for specific purposes as required either by legislation, regulation, or agreement as at March 31, 2017:

	Balance, beginning of year $	Receipts during year $	Transferred to revenue $	Balance, end of year $
Health promotion projects	380,410	5,982	(380,410)	5,982
Conference hosting revenues	1,700	-	(1,700)	-
	382,110	5,982	(382,110)	5,982

10. Contingent Liabilities

Health PEI is subject to legal actions arising in the normal course of business. At March 31, 2017, there were a number of outstanding legal claims against Health PEI. Costs and damages, if any, related to these outstanding claims are the responsibility of the Prince Edward Island Self-Insurance and Risk Management Fund. The Fund provides general liability, errors and omissions, primary property, crime, and automobile liability insurance. The Fund is administered by the Province of Prince Edward Island and the province is responsible for any liabilities of the Fund.

11. Tangible Capital Assets

	Land and land improvements	Buildings and improvements	Equipment and vehicles	Computer hardware and software	2017 Total	2016 Total
	$	$	$	$	$	$
Cost						
Opening balance	3,072,726	277,260,936	113,296,934	56,710,472	450,341,068	441,850,121
Additions	78,989	5,621,432	7,076,315	710,506	13,487,242	9,156,480
Disposals	-	-	(1,607,755)	-	(1,607,755)	(665,533)
Closing balance	3,151,715	282,882,368	118,765,494	57,420,978	462,220,555	450,341,068
Accumulated Amortization						
Opening balance	925,469	82,664,321	100,507,602	31,440,156	215,537,548	199,704,993
Disposals	-	-	(1,607,755)	-	(1,607,755)	(571,600)
Amortization	87,327	6,495,783	5,371,321	3,735,638	15,690,069	16,404,155
Closing balance	1,012,796	89,160,104	104,271,168	35,175,794	229,619,862	215,537,548
Net book value	2,138,919	193,722,264	14,494,326	22,245,184	232,600,693	234,803,520

Cost at March 31, 2017 includes assets under construction as follows:

	2017 $	2016 $
Queen Elizabeth Hospital	2,156,714	-
Tyne Valley Long Term Care	259,500	195,563
Riverview Manor	679,358	358,055
Other buildings - major improvements	522,355	1,289,794
Computer software	584,049	1,748,102
Other	314,809	-
	4,516,785	3,591,514

12. Contractual Obligations

	2018 $	2019 $	2020 $	2021 $	2022 $	Thereafter $
Private nursing homes	20,693,916	-	-	-	-	-
Ambulance services	11,029,907	-	-	-	-	-
IT maintenance	2,872,287	2,837,979	-	-	-	-
PEI Medical Society	1,777,400	1,777,400	-	-	-	-
Maintenance contracts	1,989,083	1,470,718	966,017	373,314	58,950	16,884
Education funds	1,335,000	800,000	-	-	-	-
Facility rental	286,252	271,974	166,305	-	-	-
Other	4,674,603	3,495,918	2,221,379	1,329,450	656,585	4,454,352
	44,658,448	10,653,989	3,353,701	1,702,764	715,535	4,471,236

Health PEI has $4,320,268 in outstanding contractual commitments for capital projects which commenced on or before March 31, 2017, and are still incomplete.

13. Related Party Transactions

Health PEI had the following transactions with the Province of Prince Edward Island and other government controlled organizations:

	2017 $	2016 $
Transfers from the Province of Prince Edward Island:		
Operating grant - Department of Health and Wellness	604,664,100	586,577,300
Special Warrant related to prior period shortfall	12,583,245	-
Capital grant - Department of Health and Wellness	8,474,742	5,229,019
Salary recoveries	896,316	1,352,281
Other sales and expenses	312,133	151,282
	626,930,536	593,309,882
Transfers to the Province of Prince Edward Island:		
Salary reimbursements	253,453	492,621
Insurance premiums	1,851,665	1,793,736
Public Service Commission	671,188	566,300
Other expenses	894,474	1,582,715
	3,670,780	4,435,372

Included within the accounts receivable balance at year-end are $118,616 (2016 - $127,405) of transfers from the Province of Prince Edward Island. Included within the accounts payable balance at year-end are $1,013,978 (2016 - $383,886) of transfers to the Province of Prince Edward Island.

The Province of Prince Edward Island provides the use of several facilities and certain maintenance services for some of these facilities at no cost to Health PEI. Health PEI is responsible for most operational and maintenance costs related to these facilities.

14. Fees - Patient and Client

	2017 $	2016 $
Continuing Care resident fees	12,346,909	12,487,668
Hospital medical services:		
Non-residents	4,612,158	4,403,045
Uninsured hospital services - workers compensation	1,624,039	1,434,900
Other uninsured hospital services	1,767,553	1,310,425
Hospital preferred room accommodations	302,563	380,018
Other	34,303	38,504
	20,687,525	20,054,560

15. Annual Deficit

Each year Health PEI is granted an operating and capital budget appropriation. The operating budget includes revenues and expenses associated with providing daily health services. The capital budget includes spending and funding related to acquisition, construction, development and betterment of tangible capital assets. Amortization expenses are budgeted by the Province as described in Note 17. Throughout the fiscal year, Health PEI regularly communicates with the Department of Health and Wellness and the Department of Finance on the expected operational results for the year and action plans developed to address potential deficits. If the required funds are not available within the existing appropriation, a request for a special warrant is prepared to seek additional funding.

During the current period a special warrant for the 2015-16 shortfall of $12,583,245 was authorized and is reflected in the 2016-17 Statement of Operations and Accumulated Surplus. Funding for the 2016-17 operating budget shortfall of $21,502,110 will be reflected in the Statement of Operations and Accumulated Surplus in the year when the funding is authorized.

The annual deficit for the year ended March 31, 2017 was comprised of:

	Operational $	Special Warrant for Prior Period $	Total Operational $	Capital $	2017 $
Grants – Dept. of Health and Wellness	604,664,100	12,583,245	617,247,345	8,474,742	625,722,087
Other revenues	24,969,110	-	24,969,110	5,012,500	29,981,610
Total revenues	629,633,210	12,583,245	642,216,455	13,487,242	655,703,697
Program and service expenses	651,135,320	-	651,135,320	-	651,135,320
Amortization	-	-	-	15,690,069	15,690,069
Deficit	(21,502,110)	12,583,245	(8,918,865)	(2,202,827)	(11,121,692)

16. Trusts Under Administration

At March 31, 2017, the balance of funds held in trust for residents of facilities in Continuing Care was $826,339 (2016 - $807,743). These trusts consist of a monthly comfort allowance provided to Continuing Care residents who qualify for subsidization of resident fees. These amounts are not included in the statement of financial position.

17. Budgeted Figures

Budgeted figures have been provided for comparative purposes and have been derived from the estimates approved by the Legislative Assembly of the Province of Prince Edward Island.

The budget for amortization of tangible capital assets remains with the Province of Prince Edward Island. For the fiscal year ended March 31, 2017, the Province budgeted $16,088,500 for amortization of Health PEI's tangible capital assets.

Subsequent to the tabling of the 2016 P.E.I. Estimates of Revenue and Expenditures, Health PEI reallocated certain budget amounts among its divisions. The following table shows the reallocation of the original approved budget.

17. Budgeted Figures (continued...)

	Original Approved Budget	Adjustments Between Divisions	Budget - Statement of Operations
	$	$	$
Revenues			
Operating grants - Dept. of Health and Wellness	604,664,100	-	604,664,100
Fees - patient and client	22,336,700	-	22,336,700
Food services	1,141,400	-	1,141,400
Federal revenues	660,900	-	660,900
Sales	969,400	-	969,400
Other	1,510,200	-	1,510,200
Operational Revenues	631,282,700	-	631,282,700
Capital grants - Dept. of Health and Wellness	17,990,300	-	17,990,300
Other capital contributions	3,424,900	-	3,424,900
Capital Revenues	21,415,200	-	21,415,200
	652,697,900	-	652,697,900
Expenses			
Community Hospitals	23,065,300	(64,800)	23,000,500
Acute Care	169,332,800	(541,500)	168,791,300
Addiction Services	12,513,200	(1,600)	12,511,600
Acute Mental Health	18,405,900	23,700	18,429,600
Community Mental Health	11,198,200	(100)	11,198,100
Continuing Care	65,609,800	(115,100)	65,494,700
Private Nursing Home Subsidies	24,307,200	(100)	24,307,100
Public and Dental Health	11,068,700	(53,000)	11,015,700
Provincial Pharmacare Programs	33,008,100	2,200	33,010,300
Home Care and Support	16,855,200	(35,000)	16,820,200
Provincial Laboratory and Diagnostic Imaging	31,590,100	124,300	31,714,400
Provincial Hospital Pharmacies	6,094,800	12,300	6,107,100
Emergency Health Services	16,051,600	288,600	16,340,200
Corporate and Support Services	23,023,200	222,300	23,245,500
Medical Programs - In Province	108,567,000	266,800	108,833,800
Medical Programs - Out of Province	47,167,200	53,200	47,220,400
Primary Care	13,424,400	(182,200)	13,242,200
	631,282,700	-	631,282,700
Annual Surplus	21,415,200	-	21,415,200

18. Expenses by Type

The following is a summary of expenses by type:

	Compensation $	Supplies $	Sundry* $	Equipment $	Contracted Out Services $	Buildings and Grounds $	2017 Total $
Community Hospitals	18,334,171	3,667,685	467,682	283,938	244,672	451,135	23,449,283
Acute Care	125,327,372	36,180,860	2,704,374	5,138,219	1,647,428	1,641,836	172,640,089
Addiction Services	10,392,772	861,115	689,550	48,450	71,943	142,205	12,206,035
Acute Mental Health	16,637,340	1,498,827	216,688	271,527	404,666	173,555	19,202,603
Community Mental Health	9,936,013	123,971	416,764	79,368	190,508	10,598	10,757,222
Continuing Care	57,986,952	6,076,439	818,781	512,577	356,077	1,012,855	66,763,681
Private Nursing Home Subsidies	-	-	23,952,215	-	-	-	23,952,215
Public and Dental Health	9,173,595	323,693	312,457	78,315	740,165	30,623	10,658,848
Provincial Pharmacare Programs	1,282,978	99,340	32,748,724	3,051	1,288,372	-	35,422,465
Home Care and Support	15,187,618	540,771	905,081	102,667	180,794	39,745	16,956,676
Provincial Laboratory and Diagnostic Imaging	19,156,916	12,078,411	384,949	215,887	1,194,896	64,258	33,095,317
Provincial Hospital Pharmacies	5,619,777	140,732	73,350	19,231	-	7,724	5,860,814
Emergency Health Services	322,063	83,685	14,393,928	-	1,967,350	-	16,767,026
Corporate and Support Services	15,456,936	1,996,857	2,764,563	1,085,260	704,241	-	22,007,857
Medical Programs - In Province	106,079,023	94,986	3,825,780	20,444	6,329,076	-	116,349,309
Medical Programs - Out of Province	488,386	2,239	89,905	78	50,906,374	-	51,486,982
Primary Care	11,684,899	545,641	450,960	39,911	754,036	83,451	13,558,898
	423,066,811	64,315,252	85,215,751	7,898,923	66,980,598	3,657,985	651,135,320

*Sundry expenses are defined by the Management Information System Standards of the Canadian Institute for Health Information and consist of expenses that cannot be otherwise classified as Compensation, Supplies, Equipment, Contracted Out Services, or Buildings and Grounds. Sundry expenses includes operating grants to non-government organizations, public drug program subsidies, and grants established under union collective agreements.

Notes

Notes

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Patient and Family Testimonials

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Report Development

Development of this report was led by a multi-disciplinary team of Health PEI staff. Team members came from the Planning and Evaluation Unit, the Health Information Unit, Financial Services and Communications. Information was shared by staff from all Health PEI divisions.

We want to hear from you!

Your health care stories help Health PEI continue to deliver safe, high-quality health care. We are proud of the great work our staff and physicians do every day under challenging circumstances, and hearing your story is another opportunity to further improve the quality of services we deliver to Islanders and celebrate this hard work.

In order to continue to work in partnership with Islanders to support and promote health with patients, families and care givers, we invite you to submit a story or testimonial to ***healthpei@gov.pe.ca***

We look forward to hearing from you.

Health PEI
One Island Health System

Telephone:
(902) 368-6130

Fax:
(902) 368-6136

Mail:
Health PEI
16 Garfield Street
PO Box 2000
Charlottetown, PE
CANADA C1A 7N8

Email:
healthpei@gov.pe.ca

Web:
www.healthpei.ca

Twitter:
@Health_PEI