



Labrador-Grenfell
Health

Annual Report 2021-22

Labrador-Grenfell Health



RESILIENCE

RECOVERY

REFOCUS

Table of Contents

Annual Report 2021-22

| | |
|--|----|
| Message from the Chair | 4 |
| Overview | 5 |
| Key Statistics | 5 |
| Financial Data | 5 |
| Human Resources Data | 6 |
| Service Delivery Data | 6 |
| Highlights and Partnerships | 7 |
| Report on Performance | 10 |
| Issue 1: People First | 10 |
| Issue 2: Healthy and Sustainable Workforce | 14 |
| Issue 3: Better Access for Better Health | 20 |
| Opportunities and Challenges Ahead | 24 |
| Appendix I: Audited Financial Statements | 26 |
| Appendix II: Service Delivery Data | 52 |
| Client Visits - Allied Health | 53 |
| Acute Care Statistics | 54 |
| Outpatient Department Statistics | 57 |
| Health Centre Statistics | 58 |
| Community Clinic Statistics | 59 |
| Community Health and Wellness Statistics | 60 |
| Long-Term Care Statistics | 61 |
| Tele-Health Statistics | 61 |

Message from the Board Chair

Annual Report 2021-22

On behalf of the Labrador-Grenfell Health Board of Trustees, I present the Annual Performance Report for 2021-22, in accordance with the Transparency and Accountability Act as a Category 1 Government Entity. The Board understands and accepts its accountability for the preparation of this report, and any results or variances explained herein.

Representing year two of the health authority's three-year strategic planning cycle, the Board is pleased to present the results of the work completed towards meeting Labrador Grenfell Health's (LGH) strategic goals for 2020-2023 in the following priority areas: People First, Healthy and Sustainable Workforce, and Better Care for Better Health.

Year one of LGH's strategic plan was stewarded with resilience through the early days of the pandemic. While the pandemic response caused the health authority to re-prioritize strategic actions while it focused on public health and employee health and safety, work continued on indicators with the resources available.

Year two of this strategic planning cycle was also the second year of the pandemic. In year two, focus shifted from readiness and response to resilience and recovery. LGH remained committed to enhancing person- and family-centred care, supporting and stabilizing a healthy workforce, and improving access to care.

The Board of Trustees is proud of this year's accomplishments. In the face of a global pandemic and cyber incident, LGH administration and staff remained resilient and supported recovery efforts while remaining committed to the delivery of safe, accessible, quality care.

As we begin the third and final year of our strategic plan, and the world redefines its definition of a new normal, LGH will refocus on achieving the goals set out our three-year strategic plan and to the opportunities outlined by Health Accord NL and the transition from four regional health authorities to a single health authority for the province.

The successes and learnings from years one and two of the 2020-2023 strategic planning cycle have provided three lessons to help us successfully complete and achieve our three-year plan and help us prepare for our transition to a single health authority: resilience, recovery, refocus.

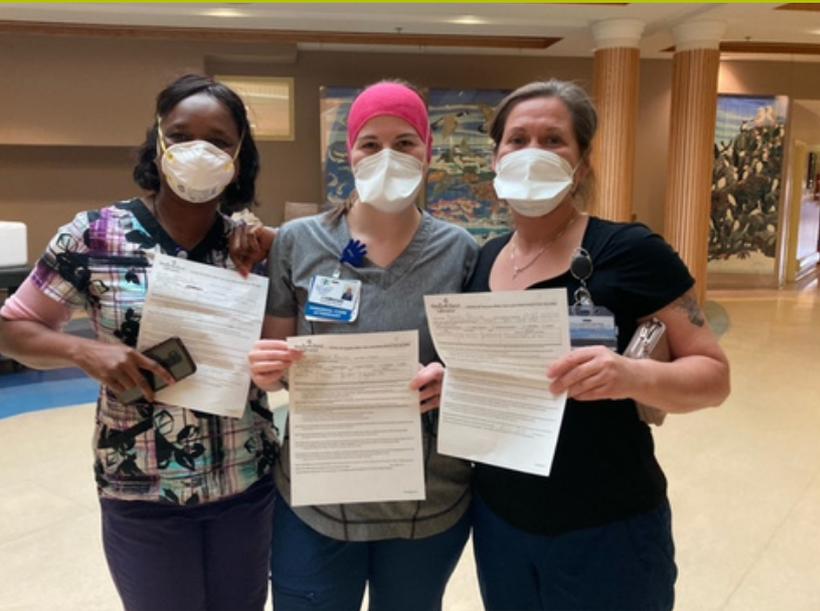
Sincerely



Noreen Careen
Interim Board Chair, LGH

Overview

Labrador-Grenfell Health Region



LGH is one of Newfoundland and Labrador's four regional health authorities (RHA) serving all of Labrador and communities north of Bartlett's Harbour on Newfoundland's Northern Peninsula.

LGH provides safe and quality health and community services to approximately 37,000 people (Statistics Canada, Census 2016 data), including Indigenous groups: Innu, Inuit, and Southern Inuit.

The RHA operates 22 facilities: three hospitals, three community health centres, 14 community clinics, and two long-term care homes. Corporate headquarters is based in Happy Valley-Goose Bay.

LGH facilities are based in small population centres (1,000 - 29,999 residents) and rural and remote areas that encompass all territory outside the population centres (Population Centres and Rural Area Classifications).

Information on LGH's mandate and lines of business is available on <https://www.lghealth.ca/about-us/>

Financial Data

See Appendix I
for Audited Financial Statements.

Key Statistics

Human Resource Data

As of March 31, 2022, LGH employed 1,600 staff (916 permanent full-time, 41 permanent part-time, 432 temporary, and 211 casual workers).

Of these, 52 per cent are support staff, 25 per cent are registered nurses, seven per cent are other health professionals (i.e. social workers, physiotherapists, occupational therapists, speech language pathologists, pharmacists), six per cent are laboratory and diagnostic imaging technologists, four per cent are management, and two per cent are physicians.

There are also more than 294 volunteers throughout the region, including those affiliated with various community groups such as the Grenfell Foundation, auxiliaries, churches, fundraising groups for long-term care homes, plus many individuals who give their time and talents to support clients, residents, and their families.



Service Delivery Data

Key statistics on Acute Care, Health Centres, Community Clinics, Community Health and Wellness, Long-Term Care and Tele-Health services are available in the Appendix II.



Highlights and Partnerships

Food Security as a Social Determinant of Health



Culturally safe care is defined and evaluated by the people it affects. People should feel recognized, respected, and safe in all interactions with the health care system. Organizations striving to provide culturally safe care recognize the inherent power imbalance in the health care system and work with health care partners to address this imbalance through education, humility, partnerships, policy, and protocols.

Nourish is a not-for-profit that started with a simple idea: how can the hospital tray be a platform to dream big and transform our food and health systems? Nourish believes that food is fundamental to patient, community and planetary health and wellbeing. www.nourishleadership.ca

Traditional Foods for Healing and for Health

Health outcomes are rooted in social determinants of health. One of those is food security. As a health authority, we have the opportunity to improve access to healthy traditional foods in our facilities.

Food security is about sustainable access to affordable and healthy (cultural) foods. To support both healthy aging and culturally safe care, we have integrated traditional (cultural) foods in our long-term care facility menus. Traditional and cultural foods like fish, wild meat, and berries are not only nutritious and healthy food options. They are part of individual's identity and life story. Supporting people in healthy aging is about recognizing and celebrating their life stories.

We were honoured to build a collaborative team with our Indigenous partners (Nunatsiavut, NunatuKavut Community Council, Sheshatshiu Innu First Nation, and Mushuau Innu First Nation), and Food First NL to find ways to improve access to traditional foods across the health region. Nourish supported our team through their transition design process, to reach our desired outcomes.

We are thankful to our Indigenous partners for their guidance, knowledge-sharing, and support in addressing food security for the people we serve.

The Labrador team continues to move forward, with support from Nourish's guided processes, to improve access to traditional foods across the health region. Together, we are helping to make real food systems change, and we're starting right here at home.

Highlights and Partnerships

Better Access for Better Health

Meeting People Where They Are

LGH is thankful for the opportunity to partner with the Nunatsiavut Government, Innu Round Table, and Newfoundland and Labrador Housing to provide services to the housing hub in Happy Valley-Goose Bay, as well as a privately owned and operated facility providing shelter to vulnerable individuals who are housing challenged and may experience mental health and addictions concerns.

Reflecting a person- and family-centred care philosophy, LGH mental health and addictions team member meet clients where they are by offering mental health and addictions services at the housing hub and shelter. This model improves access and supports culturally safe care environments.

This outreach initiative is the first step in the plans for a collaborative primary health care outreach team including a mental health and addictions social worker, nurse practitioner, and a BETTER Prevention Practitioner™.

“The Better Program™ focuses on prevention and screening of cancer, diabetes, heart disease and associated lifestyle factors (diet, physical activity, smoking, and alcohol). A health professional within the primary care setting is trained to take on the role of a Prevention Practitioner, a resource to the practice with expertise in prevention and screening.” (<http://better-program.ca/>)



Highlights and Partnerships

Better Access for Better Health



Meeting People Where They Are

Two Flexible Assertive Community Treatment (FACT) teams were established in Happy Valley-Goose Bay and Labrador West areas. These teams provide wraparound services to clients with multiple and complex needs.

The program aims to be community-based to meet clients where they are in the community and to help reduce visits to health facilities. Clients are seen in their own homes or other areas of the community. The wraparound services team includes social work, occupational therapy, addictions counsellor, psychology, psychiatry, and nursing.

Two Dialectical Behaviour Therapy (DBT) teams were launched (one in Labrador West and a collaborative group between Happy Valley-Goose Bay and St. Anthony).

DBT is effective in treating a variety of mental health conditions and can be very helpful for people who have difficulty with emotional regulation or may be exhibiting self-destructive behaviours.

Some strategies and techniques of DBT include mindfulness (focusing on the present or living in the moment), distress tolerance (teaches coping techniques like distraction or self-soothing for times of crisis), interpersonal effectiveness and communication skills to be more assertive in relationships and emotion regulation to help recognize and cope with intense negative emotions like anger.

Report on Performance

Issue 1: People First

A Person- and Family-Centred Care Philosophy

A person- and family-centred care (PFCC) philosophy is considered best practice for health care organizations and is now a requirement to be accredited by Accreditation Canada. Most importantly, PFCC is the right thing to do.

The Government of Newfoundland and Labrador identified five strategic directions for the 2020-23 planning cycle. People First, and the PFCC philosophy, support the strategic directions of Healthier People and Better Living.

Health care providers often meet clients and their families when they are the most vulnerable – emergency medical situations, diagnoses, treatments, counselling, unfamiliar procedures, chronic disease management, and end-of-life. While health care providers cannot promise a positive health outcome, they can promise a positive experience. That is the basis for PFCC.

In stark contrast to a provider-centric care model where the health care provider is seen as the authority, a PFCC organization looks at everything through the PFCC lens – including building design, visiting hours, menu planning, and point of care experiences. From a client perspective, PFCC means nothing for me without me.

Engagement with the people we serve continues to be enhanced with the help of Community Advisory Councils (CAC) in our six primary health care (PHC) zones and our Indigenous partners.

Cultural safety is supported by the PFCC philosophy. Fostering culturally safe care environments also means building culturally competent workforces. Becoming a PFCC health organization requires meaningful engagement with patients, clients, families, direct care providers, support service providers, leadership, governance, and community partners.

GOAL

By March 31, 2023, LGH will have created a culture of person- and family-centered care that meets the needs of the individuals and communities that we serve, in ways that are respectful of cultural values and reflect the diversity of our region.

Report on Performance

Issue 1: People First

Year 2 Performance

Planned for 2021-22

Introduced a Hospital Services Advisory Committee as part of patient safety & quality framework.

Actual Performance 2021-22

The Terms of Reference has been developed for the Hospital Services Advisory Committee. The next step is to establish committee membership with regional representation.

Planned for 2021-22

Developed a policy around visitor conduct and patient rights and responsibilities.

Actual Performance 2021-22

A Visitor Conduct Policy was developed to include patients' rights and responsibilities. Full implementation of this policy, including public awareness, is planned for 2022-23.

Planned for 2021-22

Established an anti-racism working group with Indigenous partners.

Actual Performance 2021-22

Progress was made to establish an anti-racism working group and learnings from this process will help shape a collaborative approach moving forward. In the spirit of the PFCC care philosophy, we recognize and respect the ongoing support and guidance from our Indigenous partners as we continue our transformation to a culturally competent workforce delivering culturally relevant care in culturally safe spaces. We welcome the guidance of our partners on the role and function of this working group.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement key strategies within the PFCC strategy.

Report on Performance

Issue 1: People First

Year 2 Performance

Planned for 2021-22

Implemented an anti-racism policy.

Actual Performance 2021-22

Research into best practices, internal policy planning, and stakeholder discussions have all taken place. Policy has not been developed or implemented. Genuine efforts were made to gather best practices, bring together change and policy leaders within our organization, engage clients and patients, and to begin discussions with our Indigenous partners. While information gathering and sharing was valuable, to be meaningful and successful this policy must be developed and implemented in the spirit of the PFCC care philosophy and that means the policy must be led by those it affects. We are thankful for the ongoing support and guidance of our Indigenous partners as we continue our transformation to a culturally competent workforce delivering culturally relevant care in culturally safe spaces. We welcome the guidance of our partners on this policy.

Planned for 2021-22

Developed and implemented an Indigenous Culture Education and Awareness plan for staff at LGH.

Actual Performance 2021-22

While a plan was developed and implemented, we recognize that resources can be enhanced with the input of our Indigenous partners. We will work collaboratively to evaluate current practices, identify gaps, and make improvements.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement key strategies within the PFCC strategy.

Discussion of Results

Issue 1: People First

Year 2 Performance

Two key factors influenced some variances in the planned indicators and actual performance to support LGH's journey towards becoming a PFCC organization: pandemic pressures (pandemic response activities during surges, employee absences, public health restrictions), and the realization that the changes we desire cannot be made or scheduled by us alone.

PFCC is about engagement, empowerment, and partnerships. Nothing for me without me. While the PFCC objectives outlined in our three-year strategic plan remain priorities for the RHA, we recognize that we cannot make PFCC changes by ourselves. Meaningful and sustainable change engages, empowers, and partners. We respect that it takes time for conversations, learnings, and actions. And while we are committed to fully implementing and integrating the PFCC philosophy at all levels and locations of our organization, we acknowledge that we are not always the right ones to lead discussions.

Undertaking the development and implementation of an anti-racism policy without the leadership of those directly impacted by systemic racism in the health care system would be a provider-centric activity. While research on best practices, internal policy planning, and stakeholder discussions have taken place, we will look to our Indigenous partners, internationally-educated physicians and nurses, and new Canadians for guidance on both the development and implementation of an anti-racism policy.

To realize the Government's strategic directions of Healthier People and Better Living, people need to feel empowered to become full partners in their health and health care. Work completed in Year 2 of LGH's strategic plan support these priorities.

Year 3 Strategic Indicators

- Established a liaison office of Indigenous health navigation and cultural safety.
- Collaborated with Indigenous partners on select projects and initiatives, led by the liaison office of Indigenous health navigation and cultural safety.
- Updated Community Health Needs Assessment.
- Increased recruitment of patient advisors.
- Embedded patient advisors as active members of quality management teams.
- Hospital Services Committee is formed and active.

OBJECTIVE YEAR 3

By March 31, 2023, LGH will have evaluated select outcomes to ensure care meets the needs of individuals and communities we serve, in ways that are respectful of cultural values and reflects the diversity of our region.

Report on Performance

Issue 2: Healthy and Sustainable Workforce

Recruitment, Retention, and Resiliency

Retention and recruitment are challenges faced by health care organizations across Canada. The rural and remote locations of some of LGH's facilities can present additional retention and recruitment challenges.

LGH decreased its turnover rate from 15.9 per cent in 2020-2021 to 13.15 per cent in 2021-22.

The pandemic changed the way people view and prioritize their work and personal lives. Direct health care providers around the world faced additional pressures since the beginning of the pandemic. This has led to widespread reports of stress and burnout. Others went from team-based offices to remote (home) working arrangements – requiring employees to find balance between work and family obligations. The pandemic has also presented us with opportunities to reimagine how we work.

Remote working decreases commutes and provides flexibility for employees to also attend to personal and family priorities. The increasing trend towards the casualization of nursing presents an opportunity to appeal to both the adventure seekers and those looking to work to their full scope of practice, while having the flexibility and time for other personal and family pursuits. In addition to growing our own, internationally educated physicians and nurses continue to be a recruitment priority for LGH.

Employee engagement remained a priority in year two of our strategic plan. Despite challenges faced by public health restrictions, LGH prioritized improving job satisfaction and productivity, as well as individual and organizational health. Responding to the results and feedback from employee engagement surveys in 2020-2021, LGH increased both formal and informal communications with staff, increased visibility and engagement opportunities with senior leadership, and continued to develop and foster a psychologically safe workplace.

A healthy and sustainable workforce supports the Government of Newfoundland and Labrador's strategic direction of A More Efficient Public Sector.

GOAL

By March 31, 2023, LGH will have built and sustained a healthy workforce that meets the needs of the population we serve.

Report on Performance

Issue 2: Healthy and Sustainable Workforce

Year 2 Performance

Planned for 2021-22

Implemented the Psychological First Aid program.

Actual Performance 2021-22

Since the policy implementation in year one, 95% of managers have completed the module from John Hopkins University, 550 employees have completed the basic module in LEARN (provincial online learning management system), education sessions have been hosted for managers to review modules, and Employee Health Nurse (EHN) and managers have been trained as first responders. We continue training supports for the remaining 5% of managers and are working closely with directors to ensure all staff complete the Psychological First Aid LEARN module.

Planned for 2021-22

Established a Regional Workplace Violence Committee and implement select strategies.

Actual Performance 2021-22

The Regional Workplace Violence Committee has been established. Membership includes RCMP and Patient Family Advisor. The Committee's Terms of Reference and action plan have been shared with members. A risk assessment of some areas of Labrador Health Centre have been completed. Risk assessments for other LGH facilities have been prioritized for completion by March 2023.

Planned for 2021-22

Developed and implemented an Early and Safe Return to Work program.

Actual Performance 2021-22

To assist in the rehabilitation of employees and their return to work, a policy was completed and implemented in January. Information sessions were also hosted. As of March 2022, seven employees were participating in the program. To support employees, LGH will continue to encourage those with non-occupational illness/injury to participate in the program.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement strategies within the human resources plan.

Report on Performance

Issue 2: Healthy and Sustainable Workforce

Year 2 Performance

Planned for 2021-22

Implemented select strategies to improve employee recruitment and retention.

Actual Performance 2021-22

Marketing and branding strategies have been developed and implemented. LGH has adopted the slogan “Come for the experience. Stay for the adventure” and is promoting a distinctive lifestyle and work experience. Web updates are under development to improve the user experience. LGH is leveraging social media to reach potential recruits and locums by highlighting lifestyle, career advancement, and job opportunities. Signing bonuses, up to a maximum of \$20,000, are offered for difficult to fill positions. LGH held eight high school presentations throughout the region to share job opportunities, discuss post-secondary requirements, and highlight bursary incentives.

Planned for 2021-22

Developed and implemented a marketing video.

Actual Performance 2021-22

In fall 2021, a contractor was hired to produce a marketing video to assist recruitment efforts for the LGH region. There were some project delays due to pandemic response and public health restrictions, and this project is now being reimagined in light of provincial recruitment activities and the planned transition from four RHAs to a single health authority. The work completed to date can be used in marketing products with a provincial recruitment scope, be reframed to focus on rural and remote recruitment, or to highlight a specific geographic area or opportunity.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement strategies within the human resources plan.

Report on Performance

Issue 2: Healthy and Sustainable Workforce

Year 2 Performance

Planned for 2021-22

Developed and implemented a nursing recruitment strategy.

Actual Performance 2021-22

In response to survey information, most new hires hear about employment opportunities through word of mouth. The International Grenfell Association (IGA) approved funding for a \$500 educational honourarium for staff who refer a successful candidate hire to a difficult to fill position.

We hired five nurse collegians in summer 2021. These positions allow RN students to work in their communities to support their career growth. It provides nursing students with rich experiences highlighting and promoting rural and remote nursing.

A student welcome and orientation program was developed for RN clinical placements, including information about employment opportunities and bursary incentives.

IGA approved funding for the LabQuest program for high school students. This program helps raise awareness of health career paths and includes experiential job shadowing with health professionals.

In February 2021, we had the opportunity to present information on career opportunities, lifestyle, and financial incentives to internationally educated nurses (IEN).

LGH participated in provincial job fairs with the other RHAs and the Department of Health and Community Services' Health Workforce Planning division. The job fairs presented opportunities to promote LGH's lifestyle and work experiences.

In partnership with the Department of Health and Community Services, a BN program has been approved in Happy Valley-Goose Bay. This will help support recruitment and retention efforts by increasing access and supply of registered nurses.

A recruitment and retention strategist was hired to develop recruitment strategies for marketing and branding, growing our own, and recruiting the right fit.

Job postings have been branded and standardized: "Come for the Experience, Stay for the Adventure". An adventure focused web site developed to generate interest in rural and remote nursing at community clinics is nearing completion.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement strategies within the human resources plan.

Report on Performance

Issue 2: Healthy and Sustainable Workforce

Year 2 Performance

Planned for 2021-22

Developed and implemented an employee recognition program.

Actual Performance 2021-22

A new Employee Recognition policy was released in September 2021 to recognize the formal and informal accomplishments and contributions of employees and volunteers. Activities included the annual service awards event (virtual), holiday meal, staff BBQs, and National Employee Appreciation Day. In recognition of the meaningful impacts volunteers have on the experience of patients, residents, and their families, volunteers received letters and gifts of appreciation.

All staff are encouraged to send LGH thank-you cards to recognize peers, leaders, and teams for the work they do. Employees are also recognized through special calendar days (e.g. Social Work Month, Nursing Week, etc.) and to give a “shout out” to others for living our values.

Planned for 2021-22

Developed and implemented a leadership handbook.

Actual Performance 2021-22

A leadership handbook was developed and finalized in September 2021 and included in Clinical Information Management System (CIMS) in October 2021. The first education session was provided at the Quarterly Management Meeting in October 2021.

Planned for 2021-22

Implemented further opportunities to promote staff engagement, wellness, and improve leadership skills by implementing the Institute for Healthcare Improvement (IHI) Open School program from the Institute for Healthcare Improvement.

Actual Performance 2021-22

In August 2021, we launched the Quality and Patient Safety Basic Certificate program, funded by the International Grenfell Association. This educational opportunity promotes staff engagement and wellness, while building and strengthening leadership knowledge in quality and safety, quality improvement, patient safety, leadership, PFCC, and Triple Aim for population. Attendance and completion for managers and team leads are regularly reported to LGH senior leadership to help encourage and support staff to continue their learning path and graduate as a team in June 2022.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have continued to implement strategies within the human resources plan.

Discussion of Results

Issue 2: Healthy and Sustainable Workforce

Year 2 Performance

Year two of our strategic plan was also year two of the pandemic, and this is the key factor in influencing some of the variances in the planned indicators and actual performance for creating a healthy and sustainable workforce.

While the resilience of employees was on full display at swabbing clinics and vaccine clinics, in support services, and on the front lines of care delivery, pandemic fatigue was also a reality. LGH was as focused on the primary health and safety of employees during year two as employees were focused on the people we serve. Psychological First Aid, Regional Workplace Violence Committee, and Early and Safe Return to Work program provided immediate and real supports for employees.

Having a healthy and sustainable workforce is fundamental to being able to provide accessible and safe, quality care to the people we serve. We recognize that a healthy and sustainable workforce is also the foundation needed to realize the Government of Newfoundland and Labrador's strategic direction of A More Efficient Public Sector.

Retention and recruitment remain challenges for LGH – challenges it shares with health care organizations across this province and country. Increased and focused efforts to market LGH as an opportunity for health care professionals to work to their full scope of practice, accelerate their career, and enjoy work/life balance took place throughout 2021-22. We recognize that some of these initiatives may eventually become part of broader province-wide retention and recruitment efforts as RHAs transition to a single health authority. LGH is proud of the foundational work completed and looks forward to sharing and collaborating with others to ensure we build the healthiest and most sustainable workforce to provide the right care at the right time in the right place.

Year 3 Strategic Indicators

- Implemented the Psychological First Aid program. Note: Year 2 variance.
- Developed and disseminated a marketing video to support awareness of opportunities at LGH and staff recruitment. Note: Year 2 variance.
- Implemented LabQuest Program.
- Facilitated credentialing for Internationally Educated Nurses (onboarding).
- Used scorecard to evaluate progress of recruitment and retention strategy.

Objective Year 3

By March 31, 2023, LGH will have evaluated the human resource plan, including select strategies around recruitment and retention, staff engagement, staff health and leadership development.

Report on Performance

Issue 3: Better Access for Better Health

Access is a Social Determinant of Health

Rural and remote communities spread across a vast geographic area present unique challenges for access to primary, secondary, and tertiary care.

Primary health care is often a person's first and most frequent point of contact with the health care system. Effective primary health care includes a range of community-based services that crosses the life span and is oriented around health and wellbeing, not the treatment of diseases. To create effective primary health care teams, providers from a broad range of disciplines must work collaboratively to provide quality services that meet the needs of their populations.

The Government of Newfoundland and Labrador recognized Healthier People and Better Living as two of the top five strategic directions for the 2020-23 planning cycle. Access is a social determinant of health. Access is about more than access to health care facilities and services. It can include access to information, supports for self-care, remote and online services, and peer-led supports. Meeting the health needs means understanding the needs of that population, identifying barriers to health (including social determinants of health), and working with partners in health care to decrease those barriers.

Many communities in our region are experiencing an aging population. Community consultations indicate that seniors need access to affordable housing, healthy foods, recreation, community events, transportation, and supportive care to support them in healthy aging and to improve their quality of life. LGH continues to collaborate with seniors and community stakeholders to identify ways to improve overall health and wellness.

Timely access to services can affect physical, social, and mental health. Critical to improving access is ensuring services are provided by the right provider, in the right location, at the right time. Weather and transportation are two challenges that can be reduced by technology, collaboration, and evidence-based best practices.

Enhancing access to health services is critical to improving patient outcomes and achieving our vision of healthy people living in healthy communities. LGH is continuing to work with communities, Indigenous partners, researchers, and others in the health care system to use innovative, creative, and evidence-based approaches to increase access to primary, secondary, and tertiary care.

GOAL

By March 31, 2023, LGH will have improved access to care and supportive services in select areas.

Report on Performance

Issue 3: Better Access for Better Health

Year 2 Performance

Planned for 2021-22

Completed an environmental scan in LGH region and develop recommendations to support Aging in Place, with engagement from Community Advisory Councils (CACs).

Actual Performance 2021-22

LGH is working collaboratively with CACs and community leadership to help progress work on an environmental scan of the entire health region. The 50 Plus Club in Labrador West was successful in receiving funding to complete a needs assessment, and work is underway in Labrador West for an aging in place assessment. The Town of Labrador City has passed a motion to support this initiative. A request has been brought forward to the Town of Wabush for similar motion, and work has begun to form an oversight committee in that community. Information on calls for proposals by Government of Newfoundland and Labrador has been shared with other CACs throughout the health region.

Planned for 2021-22

Completed an environmental scan and inventory of maternal-child health services in the LGH region, to identify opportunities for improvement in service delivery.

Actual Performance 2021-22

Provincially, Parent and Child Health Coordinators completed a review of Public Health Maternal, Child and Family Health programs/services to determine gaps in service and to develop a work plan outlining priorities to optimize health outcomes and standardize practices. The draft work plan includes plans to first prioritize maternal mental health and the use of the Edinburgh Postnatal Depression Scale questionnaire throughout the prenatal, Healthy Beginnings, and Child Health programs.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have implemented and evaluated strategies to support healthy aging and maternal-child health.

Report on Performance

Issue 3: Better Access for Better Health

Year 2 Performance

In collaboration with our Indigenous partners, an environmental scan was conducted by a public health post-graduate student. Five key priorities were identified:

1. Establish commencement and completion of community-based project that is patient- and family-centered.
2. Improve breastfeeding support and continuation rates.
3. Develop and introduce midwifery service model.
4. Develop evaluation policies.
5. Improve connection/collaboration among programs and departments with Indigenous partners.

To address these priorities, a funding application was submitted to IGA for a project coordinator for one year. The goal of the project is to improve, standardize, and address gaps in maternal/child health services with a focus on northern remote and Indigenous communities. Funding will be received in the first quarter of the 2022-2023 fiscal year. A meeting is planned with all stakeholders to help plan, implement, and evaluate a new maternal child health program that is community-based, culturally sensitive and appropriate.

Planned for 2021-22

Completed a pilot program of an interdisciplinary risk assessment clinic for patients in their 2nd trimester.

Actual Performance 2021-22

An interdisciplinary antenatal clinic at Labrador Health Centre has been implemented at Labrador Health Centre for patients in their 2nd trimester, with physician and OBS RN present for antenatal assessments.

Planned for 2021-22

Revised and implemented an admissions and monitoring policy for patients during labour and delivery.

Actual Performance 2021-22

Admission and Monitoring of a Woman in Labour Policy was revised with input from physicians and frontline nurses. It was posted to CIMS and implemented in December 2021.

OBJECTIVE YEAR 2

By March 31, 2022, LGH will have implemented and evaluated strategies to support healthy aging and maternal-child health.

Discussion of Results

Issue 2: Better Access for Better Health

Year 2 Performance

Pandemic response and public health restrictions are key factors in variances in the planned indicators and actual performance for better access for better care.

Year two of this strategic planning cycle and the pandemic continued to see the utilization and expansion of virtual care options. This is a particularly valuable option for people living in rural and remote communities in the LGH region as it is not affected by weather, travel schedules, or finances. Delivering care as close to home as possible is a PFCC approach and has multiple benefits to patients and their families.

Robust primary health care is key to improving health and health outcomes. With a mainly rural and remote population, LGH has been a primary health care champion and has implemented two primary care zones, focused on improving access and outcomes for maternal/child health, improved access to mental health and addictions services.

LGH continues to work with the Department of Health and Community Services to complete and implement a care model for the new regional Mental Health Unit at the Labrador Health Centre.

With high rates of chronic disease in our province, LGH has worked with community partners to identify safe and sustainable ways to support chronic disease management. Implementation of home-based dialysis program in select Indigenous communities will continue in year three, as the RHA begins to explore opportunities to expand this model to other rural communities.

Year 3 Strategic Indicators

- Evaluate pilot program of interdisciplinary risk assessment clinic for patients in 2nd trimester.
- Completed and implemented care model for the new regional MHU at the LHC.
- Implemented home-based dialysis program in select Indigenous communities, and explore opportunities for other rural communities in the region.
- Worked with CACs to identify priority initiatives to support Aging in Place.
- Worked with community partners to identify priority areas to move forward on MCH recommendations.
- Implemented chronic disease prevention and management strategies (including RN Rx program in partnership with CRNNL in select program areas).
- Established and operationalized two PHCCC teams in select areas.
- Implemented NICU Eyes on Baby initiative at Labrador Health Centre.
- Implemented virtual anesthesia pre-admission clinics.
- Improved access to select specialty services by increasing specialist community visits and expanding virtual specialist services.
- Collaborated with Indigenous partners to complete air transportation service evaluation.

OBJECTIVE YEAR 3

By March 31, 2023, LGH will have collaborated with multidisciplinary teams and community partners to implement evidence-based and innovative strategies to improve access to care and supportive services in select areas.

Opportunities and Challenges Ahead

Resilience and Refocus

Two significant events – the COVID-19 pandemic and the unexpected cyber incident in October 2021 – placed increased demand on the RHA's human resources and affected the ability to deliver on all 2021-22 objectives. Opportunities to address reported variances have been identified and planned in year three indicators.

The public release of Health Accord NL report and recommendations at the end of the 2021-22 fiscal year set the stage to reimagine the health care system in Newfoundland and Labrador. It is with this broader provincial lens that LGH reviewed and refocused its priorities and indicators for the third and final year of its strategic plan.

As LGH continues with its recovery from pandemic and cyber incident impacts, there is a need to refocus on priorities, realistic and responsible use of resources, as well as change management and opportunities to facilitate and support the transition from four RHAs to a single health authority.

Social determinants of health, equity, and access are major themes in Health Accord NL's report and recommendation. LGH's knowledge, relationships, and initiatives throughout this strategic planning cycle provide a basis to identify health and health system needs specific to the population the health authority currently serves. An example is the collaborative initiative with Indigenous partners, Nourish, and Food First NL to explore food security as a social determinant of health.

Transition to a Single Health Authority

The transition from four regional health authorities to a single health authority presents a number of opportunities to reimagine health and health care in our province, break down silos, share resources, build on RHA-specific knowledge and successes, and transform both the health system and health outcomes. At the end of the 2020-2023 strategic planning cycle, LGH will have achieved a number of goals in person- and family-centred care, primary care, cultural safety, community needs assessment, as well as collaborative and innovative access to care, to contribute important information and best practices to a provincial health system.

Opportunities and Challenges Ahead

Indigenous Partnerships

We are thankful for Nunatsiavut Government, Mushua Innu First Nation, and Sheshatshiu Innu First Nation for sharing experiences, knowledge, and guidance as we accept and address systemic racism in health care, learn to cultivate and foster a culturally-competent workforce, and strive to plan and deliver culturally-safe and accessible care.

In Year Three of our strategic plan, we have identified the need and opportunity to develop an office dedicated to Indigenous health navigation, cultural competency, and culturally-safe work and care environments.

Memorial University – Research and Education In Labrador

In support of evidence-based decisions, LGH continues to be engaged in discussions about educational and research opportunities related to health in the region with the Labrador Institute of Memorial University of Newfoundland and Labrador. LGH sponsored a pre-conference session on food security as a social determinant of health during the 2022 Labrador Research Forum, and looks forward to similar opportunities.

Appendix I

Audited Financial Statements



Labrador-Grenfell Regional Health Authority Operating Fund

Non-consolidated Financial Statements
March 31, 2022

Labrador-Grenfell Regional Health Authority

Consolidated financial statements
March 31, 2022

Labrador-Grenfell Regional Health Authority

Table of contents

March 31, 2022

| | <u>Page</u> |
|--|-------------|
| Statement of management's responsibility | 1 |
| Independent auditors' report | 2-3 |
| Consolidated statement of financial position | 4 |
| Consolidated statement of operations and accumulated surplus | 5 |
| Consolidated statement of changes in net debt | 6 |
| Consolidated statement of cash flows | 7 |
| Notes to consolidated financial statements | 8-23 |

Statement of management's responsibility

The accompanying consolidated financial statements of the Labrador-Grenfell Regional Health Authority [the "Authority"] as at and for the year ended March 31, 2022 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 also responsible for all the notes to the consolidated financial statements.

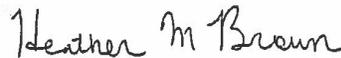
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management developed and maintains systems of internal control to provide reasonable assurance that transactions are properly authorized and recorded, proper records are maintained, assets are safeguarded, and the Authority complies with applicable laws and regulations.

The Board of Trustees [the "Board"] is responsible for ensuring that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee [the "Committee"]. The Committee meets with management and the external auditors to review any significant accounting and auditing matters, to discuss the results of audit examinations, and to review the consolidated financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements.

The external auditors, BDO Canada LLP conducted an independent examination in accordance with Canadian generally accepted auditing standards and expressed an opinion on the consolidated financial statements for the year ended March 31, 2022.



Noreen Careen
Board Chair (Interim)



Heather Brown
President & Chief Executive Officer



Tel: 709-579-2161
Fax: 709-579-2120
www.bdo.ca

BDO Canada LLP
300 Kenmount Road, Suite 100
St. John's, NL
A1B 3R2

Independent Auditor's Report

To the Board of Trustees of
Labrador-Grenfell Regional Health Authority

Opinion

We have audited the accompanying consolidated financial statements of the Labrador-Grenfell Regional Health Authority (the "Authority"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Authority as at March 31, 2022, and its results of consolidated operations, its consolidated changes in net debt, and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

BDO Canada LLP

Chartered Professional Accountants
St. John's, Newfoundland and Labrador
August 10, 2022

Labrador-Grenfell Regional Health Authority

Consolidated statement of financial position

As at March 31

| | 2022 | 2021 |
|---|---------------------|---------------------|
| | \$ | \$ |
| Financial assets | | |
| Cash | 2,897,400 | 1,887,409 |
| Restricted cash <i>[note 3]</i> | 2,202,413 | 2,009,464 |
| Accounts receivable <i>[note 4]</i> | 5,390,797 | 5,159,541 |
| Due from Government/other government entities <i>[note 5]</i> | 9,586,930 | 6,487,681 |
| Inventories for resale | 1,464,217 | 1,488,362 |
| | 21,541,757 | 17,032,457 |
| Liabilities | | |
| Bank overdraft <i>[note 7]</i> | 5,672,939 | 1,081,645 |
| Demand credit facility <i>[note 7]</i> | 16,450,000 | 14,415,000 |
| Accounts payable and accrued liabilities <i>[note 8]</i> | 14,770,529 | 19,687,485 |
| Due to Government/other government entities <i>[note 9]</i> | 911,114 | 1,412,617 |
| Employee future benefits | | |
| Accrued severance pay <i>[note 10]</i> | 1,712,389 | 2,044,162 |
| Accrued sick leave <i>[note 10]</i> | 9,124,921 | 8,934,957 |
| Accrued vacation pay and other accrued benefits | 8,858,419 | 8,521,350 |
| Deferred contributions <i>[note 11]</i> | | |
| Deferred capital grants | 19,515,473 | 13,632,647 |
| Deferred operating contributions | 5,433,015 | 4,771,577 |
| Special purpose funds | 1,074,475 | 1,008,116 |
| National Child Benefit ["NCB"] initiatives | 35,283 | 21,552 |
| Long-term debt <i>[note 12]</i> | 179,913 | 228,059 |
| | 83,738,470 | 75,759,167 |
| Net debt | (62,196,713) | (58,726,710) |
| Non-financial assets | | |
| Tangible capital assets, net <i>[note 6]</i> | 47,617,629 | 48,211,948 |
| Prepaid expenses | 843,235 | 1,424,840 |
| Supplies inventory | 1,675,067 | 1,896,768 |
| | 50,135,931 | 51,533,556 |
| Accumulated surplus (deficit) | (12,060,782) | (7,193,154) |
| Contractual obligations <i>[note 13]</i> | | |
| Contingencies <i>[note 14]</i> | | |
| COVID-19 <i>[note 20]</i> | | |

See accompanying notes to the consolidated financial statements.

On behalf of the Board:


 _____ Trustee


 _____ Trustee

Labrador-Grenfell Regional Health Authority

**Consolidated statement of operations and
accumulated surplus**

Year ended March 31

| | Budget | 2022 | 2021 |
|---|--------------------|---------------------|--------------------|
| | \$ | \$ | \$ |
| | <i>[note 18]</i> | | |
| Revenue | | | |
| Provincial plan – operating | 153,136,623 | 166,899,001 | 147,262,462 |
| Medical care plan | 25,342,971 | 18,731,942 | 19,312,818 |
| Provincial capital grant | — | 3,759,033 | 3,566,850 |
| Other capital contributions | — | 178,048 | 50,474 |
| Outpatient | 1,957,050 | 1,445,874 | 1,404,598 |
| Inpatient | 615,800 | 403,460 | 409,882 |
| Long-term care | 2,216,000 | 2,120,678 | 2,110,927 |
| Transportation and works | 1,285,500 | 1,285,500 | 1,285,500 |
| Apartment complexes | — | 129,055 | 251,141 |
| Foundation | — | 125,900 | 106,451 |
| Other | 13,306,985 | 7,077,157 | 7,110,773 |
| | 197,860,929 | 202,155,648 | 182,871,876 |
| Expenses <i>[note 16]</i> | | | |
| Support services | 39,280,592 | 43,862,142 | 39,994,957 |
| Community and social services | 34,152,454 | 33,614,316 | 31,057,642 |
| Nursing inpatient services | 31,818,103 | 31,610,053 | 30,765,880 |
| Medical services | 24,492,295 | 22,882,265 | 21,518,559 |
| Ambulatory care services | 27,329,607 | 26,616,808 | 24,564,263 |
| Diagnostic and therapeutic services | 20,601,594 | 21,391,330 | 19,172,692 |
| Administration | 18,142,477 | 19,725,976 | 16,396,565 |
| Amortization of tangible capital assets <i>[note 6]</i> | 5,000,000 | 4,738,981 | 4,917,596 |
| Education and research | 1,284,404 | 1,361,538 | 1,203,705 |
| Accrued severance pay | 100,000 | (257,773) | (77,818) |
| Accrued vacation pay | 500,000 | 1,183,489 | 728,545 |
| Accrued sick leave | 300,000 | 189,964 | 153,804 |
| Apartment complexes | — | 80,909 | 145,485 |
| Foundation | — | 23,278 | 25,097 |
| | 203,001,526 | 207,023,276 | 190,566,972 |
| Annual deficit | (5,140,597) | (4,867,628) | (7,695,096) |
| Accumulated deficit, beginning of year | | (7,193,154) | 501,942 |
| Accumulated surplus (deficit), end of year | (5,140,597) | (12,060,782) | (7,193,154) |

See accompanying notes to the consolidated financial statements.

Labrador-Grenfell Regional Health Authority

Consolidated statement of changes in net debt

Year ended March 31

| | 2022 | 2021 |
|--|---------------------|---------------------|
| | \$ | \$ |
| Annual deficit | (12,060,782) | (7,695,096) |
| Changes in tangible capital assets | | |
| Acquisition of tangible capital assets | (4,144,662) | (3,691,037) |
| Amortization of tangible capital assets | 4,738,981 | 4,917,596 |
| Decrease in net book value of tangible capital assets | 594,319 | 1,226,559 |
| Changes in other non-financial assets | | |
| Net decrease (increase) in prepaid expenses | 581,605 | (360,682) |
| Net decrease (increase) in supplies inventory | 221,701 | (539,421) |
| Decrease (increase) in other non-financial assets | 803,306 | (900,103) |
| Change in net debt | (10,663,157) | (7,368,640) |
| Net debt, beginning of year | (58,726,710) | (51,358,070) |
| Net debt, end of year | (69,389,867) | (58,726,710) |

See accompanying notes to the consolidated financial statements.

Labrador-Grenfell Regional Health Authority

Consolidated statement of cash flows

Year ended March 31

| | 2022 | 2021 |
|---|--------------------|------------------|
| | \$ | \$ |
| Operating activities | | |
| Annual deficit | (4,867,628) | (7,695,096) |
| Adjustments for non-cash items | | |
| Amortization of tangible capital assets | 4,738,981 | 4,917,596 |
| Decrease in accrued severance pay | (331,773) | (77,818) |
| Increase in accrued sick leave | 189,964 | 153,804 |
| Net change in non-cash assets and liabilities related to operations [note 15] | (6,842,916) | 3,314,733 |
| Cash provided by operating activities | (7,113,372) | 613,219 |
| Capital activities | | |
| Acquisition of tangible capital assets | (4,144,662) | (3,691,037) |
| Capital asset contributions, net | 5,882,826 | 3,193,394 |
| Cash used in capital activities | 1,738,164 | (497,643) |
| Investing activities | | |
| Changes to restricted cash | (192,949) | (319,154) |
| Cash used in investing activities | (192,949) | (319,154) |
| Financing activities | | |
| Advances from (repayment of) demand credit facility | 2,035,000 | 1,345,000 |
| Repayment of long-term debt | (48,146) | (47,284) |
| Cash provided by (used in) financing activities | 1,986,854 | 1,297,716 |
| Increase in cash during the year | (3,581,303) | 1,094,138 |
| Bank indebtedness, beginning of year | 805,764 | (288,374) |
| Cash (bank indebtedness), end of year | (2,775,539) | 805,764 |
| Cash (bank indebtedness) comprised of: | | |
| Cash | 2,897,400 | 1,887,409 |
| Bank overdraft | (5,672,939) | (1,081,645) |
| Cash (bank indebtedness) | (2,775,539) | 805,764 |

See accompanying notes to the consolidated financial statements.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

1. Nature of operations

The Labrador-Grenfell Regional Health Authority ["Labrador-Grenfell Health" or the "Authority"] manages and operates all health facilities, services and programs on the Northern Peninsula and all of Labrador in the Province of Newfoundland and Labrador. The Authority manages and controls the operations of the following facilities:

- Labrador Health Centre, Happy Valley-Goose Bay
- Long-Term Care Facility, Happy Valley-Goose Bay
- Labrador West Health Centre, Labrador City
- Charles S. Curtis Memorial Hospital, St. Anthony
- John M. Gray Centre, St. Anthony
- The St. Anthony Interfaith Home 12 Unit Apartment Complex
- The St. Anthony Interfaith Home 20 Unit Apartment Complex
- Grenfell Foundation Incorporated

Labrador-Grenfell Health also manages and controls the operations of all community clinics, health centers, facilities programs and other services in the geographic area. The Authority has a mandate to work to improve the overall health of the population through its focus on public health as well as on health promotion and prevention initiatives. In addition to the provision of comprehensive health care services, Labrador-Grenfell Health also provides education and research in partnership with all stakeholders.

The operations of the Authority are primarily funded by the Government of Newfoundland and Labrador [the "Government"].

Labrador-Grenfell Health is incorporated under the *Regional Health Authorities Act* of Newfoundland and Labrador and is a registered charitable organization under the provisions of the *Income Tax Act* (Canada) and, as such, is exempt from income taxes.

2. Summary of significant accounting policies

Basis of accounting

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards ["PSAS"] established by the Public Sector Accounting Standards Board of the Chartered Professional Accountants of Canada.

The significant accounting policies used in the preparation of these consolidated financial statements are as follows:

Basis of presentation

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the reporting entity, which is composed of all organizations that are controlled by the Authority. These organizations are listed under basis of consolidation. Trusts administered by the Authority are not included in the consolidated statement of financial position [note 17].

The Authority has also prepared separate non-consolidated financial statements for the operations of the operating fund of Labrador-Grenfell Health.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

Basis of consolidation

The Authority controls The St. Anthony Interfaith Home 12 Unit Apartment Complex [the “12-unit”], The St. Anthony Interfaith Home 20 Unit Apartment Complex [the “20-unit”], and the Grenfell Foundation Incorporated [the “Foundation”]. The consolidated financial statements of the Authority include the Labrador-Grenfell Health Regional Health Authority – Operating Fund, the 12-unit, the 20-unit and the Foundation [collectively referred to herein as “Labrador-Grenfell Health” or the “Authority”]. All inter-entity assets and liabilities and revenue and expenses have been eliminated.

Asset classification

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

Cash, bank overdraft and restricted cash

Bank balances, including bank overdrafts with balances that fluctuate from positive to overdrawn, are presented under cash and bank overdraft, respectively. Cash also includes cash on hand.

Restricted cash relates to amounts held for special purpose funds and endowment funds [note 3].

Inventories for resale

Inventories for resale include pharmaceuticals and are recorded at the lower of cost, determined on a first-in, first-out basis, and net realizable value.

Employee future benefits

Accrued severance pay

Employees of the Authority are entitled to severance pay benefits as stipulated in their conditions of employment. The right to be paid severance pay vests for employees with nine years of continuous service with the Authority or another Newfoundland and Labrador Government employer. Severance pay is payable when the employee ceases employment with the Authority or the public sector employer, upon retirement, resignation or termination without cause. In accordance with PSAS for post-employment benefits and compensated absences, the Authority recognizes the liability in the period in which the employee renders service. The severance benefit obligation has been actuarially determined using assumptions based on management’s best estimates of future salary and wage changes, employee age, years of service, the probability of voluntary departure due to resignation or retirement, the discount rate and other factors. Discount rates are based on the Government’s long-term borrowing rate. Actuarial gains and losses are deferred and amortized over the average remaining service life of employees, which is 13 years. Adjustments to the liability arising from plan amendments are recognized immediately.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

Accrued sick leave

Employees of the Authority are entitled to sick leave benefits that accumulate but do not vest. In accordance with PSAS for post-employment benefits and compensated absences, the Authority recognizes the liability in the period in which the employee renders service. The obligation is actuarially determined using assumptions based on management's best estimates of the probability of use of accrued sick leave, future salary and wage changes, employee age, the probability of departure, retirement age, the discount rate and other factors. Discount rates are based on the Government's long-term borrowing rate. Actuarial gains and losses are deferred and amortized over the average remaining service life of employees, which is 13 years. Adjustments to the liability arising from plan amendments are recognized immediately.

Accrued vacation pay and other accrued benefits

Vacation pay and other accrued benefits are accrued for all employees as entitlement is earned.

Pension costs

The employees of the Authority are included in the Public Service Pension Plan ["PSPP"], a multi-employer defined benefit plan, and the Government Money Purchase Plan administered by the Government [collectively the "Plans"]. The Government also provides for the continuation of certain dental and medical benefits for retirees. The Government determines the required plan contributions annually. Contributions to the Plans are required from both the employees and Labrador-Grenfell Health. The annual contributions are recognized as an expense as incurred and amounted to \$6,261,767 for the year ended March 31, 2022 [2021 – \$6,133,283].

The plan is accounted for as a defined contribution plan as insufficient information is available to account for the plan as a defined benefit plan. The Authority is only one of a number of employers that participates in the plan and the financial information provided to the Authority on the basis of the contractual agreements is usually insufficient to reliably measure the organization's proportionate share in the plan assets and liabilities on defined benefit accounting requirements.

The costs of insured benefits reflected in these consolidated financial statements are the employer's portion of the insurance premiums owed for coverage of employees during the period.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

Tangible capital assets

The Authority utilizes certain land, buildings and equipment, with the title resting with the Government and, consequently, these assets are not recorded as tangible capital assets. The Government does not charge the Authority any amounts for the use of such assets. Certain additions and improvements made to such tangible capital assets are paid for by the Authority and are reflected in the consolidated financial statements of the Authority.

Tangible capital assets are recorded at historical cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. The cost, less estimated salvage value of the tangible capital assets, excluding land, is amortized on a declining balance basis over their estimated useful lives, as follows:

| | |
|------------------------|-----|
| Buildings | 5% |
| Leasehold improvements | 5% |
| Equipment and vehicles | 20% |
| Land improvements | 20% |

Contributed capital assets represent assets that are donated or contributed to the Authority by third parties. Revenue is recognized in the year the assets are contributed and have been recognized at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case the assets are then recognized at a nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Gains and losses on disposal of individual assets are recognized in operations in the period of disposal.

Works of art, historical treasures, intangible assets and items inherited by right of the Crown, such as artwork displayed in the facilities, are not recognized in these consolidated financial statements.

Construction in progress is not amortized until the project is substantially complete, at which time the project costs are transferred to the appropriate asset class and amortized accordingly.

Impairment of long-lived assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Authority's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations and accumulated deficit throughout.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

Supplies inventory

Supplies inventory includes medical, surgical, general supplies, fuel oil and pharmaceuticals.

Medical surgical and general supplies are valued at the lower of cost, determined on an average cost basis, and net realizable value. These include a modest inventory of vaccines, including Covid-19 vaccines, received at zero cost to the Authority.

Fuel oil and pharmaceuticals are valued at the lower of cost, determined on a first-in, first-out basis, and net realizable value.

Revenue

Provincial plan revenue without eligibility criteria and stipulations restricting their use are recognized as revenue when the Government transfers are authorized.

Government transfers with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met by the Authority, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a liability, the transfer is recognized in revenue when the liability is settled.

Medical Care Plan ["MCP"], inpatient, outpatient and long-term care revenue is recognized in the period services are provided.

The Authority is funded by the Department of Health and Community Services [the "Department"] for the total of its operating costs, after deduction of specified revenue and expenses, to the extent of the approved budget. The final amount to be received by the Authority for a particular fiscal year will not be determined until the Department has completed its review of the Authority's consolidated financial statements. Adjustments resulting from the Department's review and consolidated statement of financial position will be considered by the Authority and reflected in the period of assessment. There were no changes from the previous year.

Apartment complex revenue includes rental revenue, subsidies and other Government assistance related to operations from the 12-Unit and 20-Unit and is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Foundation revenue includes grants and donations. Grants, bequests and other donations are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other donations are recorded when received, since pledges are not legally enforceable claims.

Other revenue includes, but is not limited to, drug revenue, rental revenue from accommodations, dental revenue and salary recoveries from Workplace, Health and Safety and Compensation Commission of Newfoundland and Labrador ["WorkplaceNL"]. Rebates and salary recovery amounts are recorded once the amounts to be recorded are known and confirmed by WorkplaceNL.

Expenses

Expenses are recorded on an accrual basis as they are incurred and measurable when goods are consumed, or services received.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

Contributed services

Volunteers contribute a significant amount of their time each year assisting the Authority in carrying out its service delivery activities. Due to the difficulty in determining fair value, contributed services are not recognized in these consolidated financial statements.

Use of estimates

The preparation of consolidated financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring the use of management estimates include the assumptions used in the valuation of employee future benefits and the useful life of tangible capital assets. Actual results could differ from these estimates.

3. Restricted cash

Restricted cash is as follows:

| | 2022 \$ | 2021 \$ |
|--|------------------|------------------|
| Deferred contributions – special purpose funds (note 11) | 1,353,854 | 1,036,760 |
| Endowment fund | 781,523 | 785,432 |
| Restricted cash held by Newfoundland and Labrador Housing Corporation for replacement reserve | 67,036 | 187,272 |
| | 2,202,413 | 2,009,464 |

4. Accounts receivable

Accounts receivable are as follows:

| | 2022 | | | | | |
|---------------------------|------------------|------------------|-----------------------|-----------------------|-----------------------|------------------|
| | Total \$ | Current \$ | Past due | | | |
| 1 – 30 days \$ | | | 31 – 60 days \$ | 61 – 90 days \$ | Over 90 days \$ | |
| Patient receivable | 6,805,922 | 2,799,576 | 486,955 | 765,588 | 64,091 | 2,689,712 |
| Other receivable | 468,812 | 468,812 | - | - | - | - |
| Gross receivables | 7,274,734 | 3,268,388 | 486,955 | 765,588 | 64,091 | 2,689,712 |
| Less impairment allowance | 1,883,937 | 1,883,937 | - | - | - | - |
| Net accounts receivable | 5,390,797 | 1,384,451 | 486,955 | 765,588 | 64,091 | 2,689,712 |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

4. Accounts receivable (continued)

| | 2021 | | | | | |
|---------------------------|-----------|-----------|-------------|--------------|--------------|--------------|
| | Total | Current | Past due | | | Over 90 days |
| | | | 1 – 30 days | 31 – 60 days | 61 – 90 days | |
| \$ | \$ | \$ | \$ | \$ | \$ | |
| Patient receivable | 6,379,767 | 2,797,285 | (17,783) | 192,745 | 46,941 | 3,360,579 |
| Other receivable | 423,716 | 423,716 | - | - | - | - |
| Gross receivables | 6,803,483 | 3,221,001 | (17,783) | 192,745 | 46,941 | 3,360,579 |
| Less impairment allowance | 1,643,942 | - | - | - | - | - |
| Net accounts receivable | 5,159,541 | 3,221,001 | (17,783) | 192,745 | 46,941 | 3,360,579 |

5. Due from Government/other Government entities

The amounts due from Government/other Government entities are as follows:

| | 2022 | 2021 |
|--|------------------|------------------|
| | \$ | \$ |
| The Government | 8,501,942 | 5,606,361 |
| Department of Children, Seniors and Social Development | 90,285 | 90,285 |
| Harmonized sales tax recoverable | 994,703 | 791,035 |
| | 9,586,930 | 6,487,681 |

Outstanding balances at year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2022, the Authority has not recorded any impairment of receivables from the Government [2021 – nil].

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

6. Tangible capital assets

Tangible capital assets consist of the following:

| | Land | Land | Construction | Buildings | Leasehold | Equipment | Total |
|---------------------------------|---------------|---------------|------------------|-------------------|-------------------|-------------------|-------------------|
| | \$ | improvements | in progress | \$ | improvements | and vehicles | \$ |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2022 | | | | | | | |
| Cost | | | | | | | |
| Opening balance | 36,203 | 216,064 | 977,542 | 37,196,209 | 24,729,214 | 100,380,655 | 163,535,887 |
| Additions | - | - | 2,148,250 | 86,013 | - | 1,910,399 | 4,144,662 |
| Disposals | - | - | - | - | - | - | - |
| Transfers | - | - | (215,081) | - | 215,081 | - | - |
| Closing balance | 36,203 | 216,064 | 2,910,711 | 37,282,222 | 24,944,295 | 102,291,054 | 167,680,549 |
| Accumulated amortization | | | | | | | |
| Opening balance | - | 189,099 | - | 23,896,312 | 5,161,796 | 86,076,732 | 115,323,939 |
| Disposals | - | - | - | - | - | - | - |
| Amortization | - | 824 | - | 703,519 | 983,823 | 3,050,815 | 4,738,981 |
| Closing balance | - | 189,923 | - | 24,599,831 | 6,145,619 | 89,127,547 | 120,062,920 |
| Net book value | 36,203 | 26,141 | 2,910,711 | 12,682,391 | 18,798,676 | 13,163,507 | 47,617,629 |
| 2021 | | | | | | | |
| Cost | | | | | | | |
| Opening balance | 36,203 | 216,064 | 2,956,336 | 37,196,209 | 21,831,506 | 97,608,532 | 159,844,850 |
| Additions | - | - | 1,044,698 | - | - | 2,646,339 | 3,691,037 |
| Disposals | - | - | - | - | - | - | - |
| Transfers | - | - | (3,023,492) | - | 2,897,708 | 125,784 | - |
| Closing balance | 36,203 | 216,064 | 977,542 | 37,196,209 | 24,729,214 | 100,380,655 | 163,535,887 |
| Accumulated amortization | | | | | | | |
| Opening balance | - | 188,069 | - | 23,162,481 | 4,208,108 | 82,847,685 | 110,406,343 |
| Disposals | - | - | - | - | - | - | - |
| Amortization | - | 1,030 | - | 733,831 | 953,688 | 3,229,047 | 4,917,596 |
| Closing balance | - | 189,099 | - | 23,896,312 | 5,161,796 | 86,076,732 | 115,323,939 |
| Net book value | 36,203 | 26,965 | 977,542 | 13,299,897 | 19,567,418 | 14,303,923 | 48,211,948 |

The Authority has works of art displayed in its facilities valued at \$195,714 that are not recognized in these consolidated financial statements as these assets are the legal property of the Government.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

7. Bank overdraft and demand credit facility

Bank overdraft represents bank accounts for which outstanding cheques exceeds bank cash balances. The Authority was in a bank overdraft position of \$5,672,939 at March 31, 2022 [2021 – \$1,081,645].

The Authority has a demand credit facility [the “Facility”] with a Canadian chartered bank for a maximum amount of \$20,000,000, bearing interest at the bank’s prime rate less 1.00%. The relevant prime rate was 2.70% as at March 31, 2022 [2021 – 2.45%]. As at March 31, 2022, the Authority has drawn \$16,450,000 in funds from the Facility [2021 – \$14,415,000]. The effective interest rate for the year ended March 31, 2022 was 1.70% [2021 – 1.45%].

8. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are as follows:

| | 2022 \$ | 2021 \$ |
|--|-------------------|-------------------|
| Accounts payable and accrued liabilities | 9,001,125 | 10,166,918 |
| Salaries and wages payable | 5,769,404 | 9,520,567 |
| | 14,770,529 | 19,687,485 |

9. Due to Government/other Government entities

The amounts due to Government/other Government entities are as follows:

| | 2022 \$ | 2021 \$ |
|-------------------------|----------------|------------------|
| Government remittances | 844,624 | 1,274,672 |
| Due to other Government | 66,490 | 137,945 |
| | 911,114 | 1,412,617 |

10. Employee future benefits

The Authority provides its employees who have at least nine years of service, upon termination, retirement or death, with severance pay benefits equal to one week of pay per year of service up to a maximum of 20 weeks. The Authority provides these benefits through an unfunded defined benefit plan.

Based on collective agreements signed with the Registered Nurses Union of Newfoundland and Labrador (“RNUNL”) as at July 30, 2019, RNUNL employees with at least one year of eligible service received a lump sum payout during the current fiscal year of their accrued severance benefit based on pay and service as at March 31, 2019.

Employees who were eligible for lump sum payments during this and the previous fiscal year had an option to leave the amounts owing within the Authority at the value of March 31, 2019.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

10. Employee future benefits (continued)

The Authority also provides its employees with sick leave benefits that accumulate, but do not vest, as follows:

| | Accumulated rate | Maximum accumulation | Maximum utilization per 20- year period |
|---|---------------------------|-------------------------|---|
| NLNU hired up to December 1, 2006 | 15 hours per 162.5 hours | 1,800 hours | N/A |
| NLNU hired after December 1, 2006 | 7.5 hours per 162.5 hours | 1,800 hours | 1,800 hours |
| CUPE/NAPE hired up to May 4, 2004 | 2 days per month | N/A | 480 days |
| CUPE/NAPE hired after May 4, 2004 | 1 day per month | N/A | 240 days |
| CUPE/NAPE hired up to May 4, 2004 – 12-hour shifts | 15 hours per 162.5 hours | N/A | 3,600 hours |
| CUPE/NAPE hired after May 4, 2004 – 12-hour shifts | 7.5 hours per 162.5 hours | N/A | 1,800 hours |

In addition, while management employees do not accrue additional sick leave days, they may use accrued sick leave banked after first using two days of paid leave.

The accrued benefit obligations for post-employment benefit plans as at March 31, 2022 are based on an actuarial valuation for accounting purposes as at March 31, 2021, and an extrapolation of that valuation has been performed to March 31, 2022.

The actuarial valuation is based on assumptions about future events. Significant actuarial assumptions used in measuring the accrued severance and accrued sick leave liabilities are as follows:

| | |
|---------------------------------|--|
| Discount rate – liability | 3.57% as at March 31, 2022 3.11% as at March 31, 2021 |
| Discount rate – benefit expense | 3.57% in fiscal 2022 3.11% in fiscal 2021 |
| Rate of compensation increase | 0.75% for promotions and merit as at March 31, 2022 0.75% for promotions and merit as at March 31, 2021 |

The net excess utilization rate of sick days is within the range of 9.2 to 114.1 days respectively for age groups ranging from 21 and under to 66 and over in bands of 3 years.

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

10. Employee future benefits (continued)

[a] *Severance pay and sick leave liabilities*

| | Severance \$ | Sick leave \$ | 2022 \$ |
|--|-----------------|------------------|-------------|
| Accrued benefit liability, beginning of year | 1,784,053 | 9,248,621 | 11,032,674 |
| Employee future benefit expenses | 117,791 | 1,185,535 | 1,303,326 |
| Less benefits paid | (352,377) | (1,309,235) | (1,661,612) |
| Accrued benefit liability, end of year | 1,549,467 | 9,124,921 | 10,674,388 |
| Remaining accrued liability, March 31, 2022 | 162,922 | - | 162,922 |
| Total accrued benefit liability, end of year | 1,712,389 | 9,124,921 | 10,837,310 |
| Unamortized actuarial (gains)/losses | (413,623) | (857,444) | (1,271,067) |
| Accrued benefit obligation, end of year | 1,298,766 | 8,267,477 | 9,566,243 |

| | Severance \$ | Sick leave \$ | 2021 \$ |
|--|-----------------|------------------|-------------|
| Accrued benefit liability, beginning of year | | | |
| Employee future benefit expenses | 1,841,980 | 9,271,793 | 11,113,773 |
| Less benefits paid | 141,509 | 1,315,552 | 1,457,061 |
| Accrued benefit liability, end of year | (197,215) | (1,652,748) | (1,849,963) |
| Remaining accrued liability, March 31, 2021 | 1,786,274 | 8,934,597 | 10,720,871 |
| Total accrued benefit liability, end of year | 257,888 | - | 257,888 |
| Unamortized actuarial (gains)/losses | 2,044,162 | 8,934,597 | 10,978,759 |
| Accrued benefit obligation, end of year | (260,109) | 314,024 | 53,915 |
| | 1,784,053 | 9,248,621 | 11,032,674 |

[b] *Severance pay and sick leave expenses*

| | Severance \$ | Sick leave \$ | 2022 \$ |
|--|-----------------|------------------|------------|
| Current service cost | 116,419 | 894,653 | 1,011,072 |
| Interest on accrued benefit obligation | 38,919 | 257,613 | 296,532 |
| Amortization of actuarial (gain)/loss | (37,547) | 33,269 | (4,278) |
| Employee future benefit expenses | 117,791 | 1,185,535 | 1,303,326 |

| | Severance \$ | Sick leave \$ | 2021 \$ |
|--|-----------------|------------------|------------|
| Current service cost | 118,335 | 909,407 | 1,027,742 |
| Interest on accrued benefit obligation | 46,278 | 297,244 | 343,522 |
| Amortization of actuarial (gain)/loss | (23,104) | 108,901 | 85,797 |
| Employee future benefit expenses | 141,509 | 1,315,552 | 1,457,061 |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

11. Deferred contributions

Deferred contributions are set aside for specific purposes as required either by legislation, regulation or agreement:

| | 2022 | | | | |
|----------------------------------|--|--------------------------------------|--------------------------------|--|-------------------------------|
| | Balance, beginning of year \$ | Receipts during the year \$ | Recognized as revenue \$ | Transfers to other revenue \$ | Balance, end of year \$ |
| Deferred operating contributions | 4,771,577 | 2,061,565 | 1,400,127 | - | 5,433,015 |
| NCB initiatives | 21,552 | 65,368 | 51,637 | - | 35,283 |
| Deferred capital grants | 13,632,647 | 9,651,253 | 3,768,427 | - | 19,515,473 |
| Special purpose funds | 1,008,116 | 621,174 | 554,815 | - | 1,074,475 |
| | 19,433,892 | 12,399,360 | 5,775,006 | - | 26,058,246 |

| | 2021 | | | | |
|----------------------------------|--|--------------------------------------|--------------------------------|--|-------------------------------|
| | Balance, beginning of year \$ | Receipts during the year \$ | Recognized as revenue \$ | Transfers to other revenue \$ | Balance, end of year \$ |
| Deferred operating contributions | 2,823,701 | 2,163,330 | 215,454 | - | 4,771,577 |
| NCB initiatives | 21,944 | 72,049 | 72,441 | - | 21,552 |
| Deferred capital grants | 10,439,253 | 6,796,937 | 3,603,543 | - | 13,632,647 |
| Special purpose funds | 688,924 | 533,295 | 214,103 | - | 1,008,116 |
| | 13,973,822 | 9,565,611 | 4,105,541 | - | 19,433,892 |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

12. Long-term debt

Long-term debt consists of the following:

| | 2022 \$ | 2021 \$ |
|--|------------|------------|
| Newfoundland and Labrador Housing Corporation 1.81% first mortgage on land and building of 12-unit apartment complex, repayable \$4,323 monthly, interest included, and maturing October 2025. | 179,913 | 288,059 |

The aggregate amount of principal repayments estimated to be required in each of the next four fiscal years is as follows:

| | \$ |
|------|--------|
| 2023 | 49,025 |
| 2024 | 49,920 |
| 2025 | 50,531 |
| 2026 | 30,137 |

13. Contractual obligations

The Authority has entered into a number of multiple year operating leases and contracts for the delivery of services. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Disclosure relates to the unperformed portion of the contracts.

| | 2023 \$ | 2024 \$ | 2025 \$ | 2026 \$ | 2027 \$ |
|---|------------------|------------------|------------------|----------------|----------------|
| Contractual obligations | | | | | |
| Future operating lease payments – properties | 1,157,825 | 806,530 | 805,430 | 777,530 | 336,900 |
| Future operating lease payments – vehicles | 126,165 | 123,072 | 120,027 | 103,694 | 37,270 |
| Future operating lease payments – equipment service | 1,141,192 | 144,958 | 144,958 | 44,014 | 44,014 |
| | <u>2,425,182</u> | <u>1,074,560</u> | <u>1,070,415</u> | <u>925,238</u> | <u>418,184</u> |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

14. Contingencies

A number of legal claims have been filed against the Authority. An estimate of loss, if any, relative to these matters is not determinable at this time and no provision has been recorded in the accounts for these matters. In the view of management, the Authority's insurance program adequately addresses the risk of loss in these matters.

15. Net change in non-cash assets and liabilities related to operations

The net change in non-cash assets and liabilities related to operations consists of the following:

| | 2022 | 2021 |
|--|--------------------|------------------|
| | \$ | \$ |
| Accounts receivable | (231,256) | (528,199) |
| Inventories for resale and supplies inventory | 245,846 | (575,178) |
| Prepaid expenses | 579,105 | (360,682) |
| Accounts payable and accrued liabilities | (4,916,956) | 2,710,038 |
| Accrued vacation pay and other accrued benefits | 337,069 | 728,546 |
| Deferred contributions – operating contributions and NCB initiatives | 675,169 | 1,947,484 |
| Deferred contributions – special purpose funds | 66,359 | 319,192 |
| Due from/to Government/other Government entities | (3,600,752) | (926,468) |
| | (6,845,416) | 3,314,733 |

16. Expenses by object

This disclosure supports the functional display of expenses provided in the consolidated statement of operations and accumulated deficit by offering a different perspective of the expenses for the year. The following presents expenses by object, which outlines the major types of expenses incurred by the Authority during the year:

| | 2022 | 2021 |
|---|--------------------|--------------------|
| | \$ | \$ |
| Salaries and benefits | 136,074,814 | 127,198,093 |
| Direct client costs | 14,723,237 | 14,744,012 |
| Other supplies | 13,730,128 | 9,413,422 |
| Medical and surgical supplies | 8,917,734 | 8,651,274 |
| Amortization of tangible capital assets <i>[note 6]</i> | 4,738,981 | 4,917,853 |
| Patient and staff travel | 10,101,124 | 8,083,191 |
| Equipment expenses | 4,168,096 | 3,401,057 |
| Grants | 1,349,044 | 1,496,503 |
| Referred out services | 4,242,431 | 4,059,272 |
| Insurance | 1,068,457 | 1,039,960 |
| Other | 7,906,730 | 7,562,335 |
| | 207,020,776 | 190,566,972 |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

17. Trusts under administration

Trusts administered by the Authority have not been included in these consolidated financial statements as they are excluded from the Government reporting entity. As at March 31, 2022, the balance of funds held in trust for long-term care residents was \$531,381 [2021 – \$482,102]. These trust funds consist of a monthly comfort allowance provided to residents who qualify for subsidization of their boarding and lodging fees.

18. Budget

The Authority prepares an initial budget for a fiscal period that is approved by the Board of Trustees and the Government [the "Original Budget"]. The Original Budget may change significantly throughout the year as it is updated to reflect the impact of all known service and program changes approved by the Government. Additional changes to services and programs that are initiated throughout the year would be funded through amendments to the Original Budget and an updated budget is prepared by the Authority. The updated budget shown below is the updated budget after all amendments that have been processed. These final updated budget amounts are reflected in the budget column as presented in the consolidated statement of operations and accumulated deficit [the "Budget"].

In addition to the impact of such service and program changes, the Original Budget and the Budget prepared by the Authority do not include a budget for the operations of the 12-unit, 20-unit and Foundation, as such amounts are not considered by the Authority to significantly impact decisions or the allocation of resources.

The following presents a reconciliation between the Original Budget and the Budget as presented in the consolidated statement of operations and accumulated surplus for the year ended March 31, 2022:

| | Revenue | Expenses | Annual deficit |
|--|-------------|-------------|----------------|
| | \$ | \$ | \$ |
| Original budget | 190,403,003 | 195,543,600 | 5,140,597 |
| Adjustments during the year for service and program changes, net | 7,457,926 | 7,457,926 | - |
| Revised Budget | 197,860,929 | 203,001,526 | 5,140,597 |

Labrador-Grenfell Regional Health Authority

Notes to consolidated financial statements

March 31, 2022

19. Related party transactions

The Authority's related party transactions occur between the Government and other Government entities. Other Government entities are those who report financial information to the Government. Transactions between the Authority and related parties are conducted at the carrying amount.

The Authority handles payments for other Government entities. As a result of these transactions, the Authority has a net asset of \$90,285 as at March 31, 2022 [2021 – \$90,285].

Transfers from the Government consist of funding payments made to the Authority for both operating and capital expenditures. Transfers from other related Government entities are payments made to the Authority from the MCP and the Department of Transportation and Works. Transactions are settled at prevailing market prices under normal trade terms.

The Authority had the following transfers from the Government and other Government controlled entities:

| | 2022 | 2021 |
|--|--------------------|-------------|
| | \$ | \$ |
| Transfers from the Government | 170,658,034 | 150,829,312 |
| Transfers from other Government entities | 20,017,442 | 20,598,318 |
| | 190,675,476 | 171,427,630 |

Transfers to other Government entities include PSPP and Government Money Purchase Pension Plan contributions of \$6,261,767 for the year ended March 31, 2022 [2021 – \$6,133,283].

20. COVID-19

During the year, the Authority has been responding to the COVID-19 global health pandemic. The impact of COVID-19 has led to reduced government funding, restrictions placed for outpatient services and staff travel, vaccination rollouts, amongst others, and it is uncertain how long these will continue. As the COVID-19 pandemic continues, the potential impacts and their duration, remain uncertain and difficult to assess. Management considered the impact of COVID-19 in its assessment of the Authority's assets and liabilities and its ability to continue providing all services in the normal course. Although COVID-19 has had an impact on funding and operations, mechanisms are in place to ensure that the Authority is still able to maintain its core operations.

21. Restructuring

The Provincial Government has confirmed that it is moving forward with plans to establish a single health authority to create more consistency in health care throughout Newfoundland and Labrador. The four existing health authorities, including Labrador-Grenfell Health, will be maintained during transition planning, and operations will continue with the status quo. As of the report date, there was no set timeline for this restructuring to be completed.

Appendix II

Service Delivery Data



Allied Health
Acute Care
Outpatient Departments
Health Centres
Community Clinics
Community Health and Wellness
Long-Term Care
Tele-Health

Appendix II

Service Delivery Data

CLIENT VISITS – ALLIED HEALTH

| Service | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-2021 |
|---------------------------------------|---------|--|--|--|
| Mental Health and Addictions Services | 19,863 | 24,277 | 26,636 | +9.7 |
| Diabetes Nurse Education | 9,327 | 9,139 | 11,454 | + 25.33 |
| Occupational Therapy | 4,818 | 4,746 | 3,809 | -19.74 |
| Speech Language Pathology | 842 | 2,301 | 2,484 | +7.95 |
| Physiotherapy | 9,974 | 10,799 (including contracted services-762 visits) | 11,739 (including contracted services – 653 visits) | +8.70 |

NOTES

* Includes holding beds for observation.

** In-person

*** Virtual

Appendix II

Service Delivery Data

Acute Care Statistics - Regional Statistics

| | Regional Total/Figure 2019-20 | Regional Total/Figure 2020-21 | Regional Total/Figure 2021-22 | Percentage increase or decrease from 2020-2021 |
|--|-------------------------------|-------------------------------|-------------------------------|--|
| Number of Acute Care Beds | 82 | 82 | 82 | - |
| Number of Admissions (including newborn) | 3,267 | 3,107 | 2,842 | -8.53 |
| Patient Days | 26,180 | 24,074 | 25,892 | +7.55 |
| Average Length of Stay | 6.2 days | 6.3 days | 7.1 days | +13 |
| Operating Room Procedures | 3,968 | 2,750 | 3,262 | +18.61 |
| Number of Births | 301 | 264 | 272 | +3.03 |
| Number of Emergency Room Visits (Registered to ER) | 49,383 | 40,245 | 51,096 | +26.96 |

18.61%

Increase in operating room procedures.

3.03%

Increase in birth rate.

26.96%

Increase in emergency room visits (registered to ER).

Appendix II

Service Delivery Data

Acute Care Statistics - Totals by Site

| Labrador West Health Centre | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|--|------------|---------|---------|--|
| Acute Care Beds | 15 | 15 | 15 | - |
| Admissions (including newborns) | 856 | 642 | 517 | -19.47 |
| Patient Days | 4,606 | 4,126 | 4,645 | +12.58 |
| Average Length of Stay | 5.4 | 5.8 | 6.8 | +17.24 |
| Operating Room Procedures | 775 | 559 | 873 | +56.17 |
| Births | 72 | 69 | 78 | +13.04 |
| Emergency Room Visits (registered to ER) | 18,513,642 | 13,116 | 14,840 | +13.14 |

56.17%

Increase in operating room procedures at LWHC.

13.04%

Increase in births at LWHC.

13.14%

Increase in emergency room visits (registered to ER) at LWHC.

Appendix II Service Delivery Data

Acute Care Statistics - Totals by Site

| Labrador Health Centre | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|--|---------|---------|---------|--|
| Acute Care Beds | 25 | 25 | 25 | - |
| Admissions (including newborns) | 1,574 | 1,514 | 1,403 | -7.33 |
| Patient Days | 8,848 | 8,513 | 9,127 | +7.21 |
| Average Length of Stay | 5.4 | 5.0 | 7.0 | +40.00 |
| Operating Room Procedures | 842 | 523 | 565 | +8.03 |
| Births | 161 | 155 | 162 | +4.52 |
| Emergency Room Visits (registered to ER) | 22,306 | 18,765 | 24,709 | +31.68 |

8.03%

Increase in operating room procedures at LHC.

4.52%

Increase in births at LHC.

31.68%

Increase in emergency room visits (registered to ER) at LHC.

Appendix II

Service Delivery Data

Acute Care Statistics - Totals by Site

| Charles S. Curtis Memorial Hospital | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|--|---------|---------|---------|--|
| Acute Care Beds | 42 | 42 | 42 | - |
| Admissions (including newborns) | 1,186 | 951 | 922 | -3.05 |
| Patient Days | 12,726 | 11,435 | 12,120 | +5.99 |
| Average Length of Stay | 7.6 | 9.1 | 7.4 | +18.68 |
| Operating Room Procedures | 2,099 | 1,668 | 1,824 | +9.35 |
| Births | 49 | 40 | 32 | -20.00 |
| Emergency Room Visits (registered to ER) | 10,152 | 8,364 | 11,547 | +38.06 |

Outpatient Department Statistics

| Number of Appointments Attended | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|-------------------------------------|---------|---------|---------|--|
| Labrador Health Centre | 18,161 | 24,420 | 19,416 | -20.49 |
| Charles S. Curtis Memorial Hospital | 9,133 | 10,005 | 11,429 | +14.23 |

Appendix II Service Delivery Data

Health Centre Statistics

| Labrador South Health Centre | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|--------------------------------|---------|---------|---------------------|--|
| Client Visits | 7,141 | 8,454 | 4,835** 3,861*** | +2.86 |
| Admissions | 152 | 142 | 159 | +11.9 |
| Clients Seen by Regional Nurse | 3,674 | 3,007 | 1,986** 1,178*** | +5.2 |
| Clients Seen by Physician | 3,467 | 5,447 | 1,513** 1,607*** | -42.7 |

| Strait of Belle Isle Health Centre | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|------------------------------------|---------|---------|---------------------|--|
| Client Visits | 11,405 | 16,372 | 6,708** 7,980*** | -10.29 |
| Admissions | 51 | 68 | 56 | -17.65 |
| Clients Seen by Regional Nurse | 8,932 | 8,964 | 5,865** 6,898*** | +42.38 |
| Clients Seen by Physician | 2,473 | 3,322 | 766** 119*** | -73.36 |

Appendix II Service Delivery Data

Health Centre Statistics

| White Bay Central Health Centre | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|---------------------------------|---------|---------|---------------------|--|
| Client Visits | 9,135 | 11,773 | 3,657** 7,663*** | -3.85 |
| Admissions | 51 | 61 | 126 | +106.6 |
| Clients Seen by Regional Nurse | 7,053 | 8,269 | 2,690** 6,518*** | +11.35 |
| Clients Seen by Physician | 2,082 | 1,272 | 646** 350*** | -21.7 |

Community Clinics Statistics

| | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|--------------------------------|---------|---------|----------------------|--|
| Clients Seen by Regional Nurse | 34,148 | 25,388 | 20,227** 4,617*** | -2.14 |
| Clients Seen by Physician | 7,359 | 3,567 | 2,851** 647*** | -1.9 |

Appendix II

Service Delivery Data

Community Health and Wellness Statistics

| | 2019-20 | 2020-21 | 2021-22 | Percentage increase or decrease from 2020-21 |
|---|---------|---------|---------|--|
| Continuing Care Visits (includes both clinic and home visits) | 23,942 | 18,315 | 17,882 | -2 |
| Home Support Hours – Developmental Disabilities | 317,697 | 318,723 | 342,940 | +8 |
| Home Support Hours – Seniors and Under 65 Physical Disabilities | 317,697 | 212,160 | | |
| Number of Children Attending Child Health Clinics | 1,727 | 2,505 | | |
| Number of Clients Receiving Home Support Programs (provincial only) Does not include clients receiving home supports under the End of Life or Short-term Acute Care programs. | 345 | 294 | 309 | +5 |

Appendix II Service Delivery Data

Long Term Care Statistics

| | Regional Total 2019-20 | Regional Total 2020-21 | Regional Total 2021-22 | Percentage increase or decrease from 2020-21 |
|-------------------------|---------------------------|---------------------------|---------------------------|---|
| Number of Beds | 140 | 143 | 143 | - |
| Resident Days | 47,669 | 50,675 | 51,788 | +2.20 |
| Number of Admissions | 57 | 62 | 64 | +3.23 |

Tele-Health Statistics

| | Regional Total 2019-20 | Regional Total 2020-21 | Regional Total 2021-22 | Percentage increase or decrease from 2020-21 |
|-------------------------|------------------------------|------------------------------|------------------------------|---|
| Number of Beds | 140 | 143 | 143 | - |
| Resident Days | 47,669 | 50,675 | 51,788 | +2.20 |
| Number of Admissions | 57 | 62 | 64 | +3.23 |



Labrador - Grenfell Health

CONTACT INFORMATION

Box 7000 Station C
Happy Valley-Goose Bay, NL A0P 1C0

1 855.897.2267

Client Relations
1 833.505.1178

www.lghealth.ca



@LGHealthNL



Labrador-Grenfell Health