

LISTEN

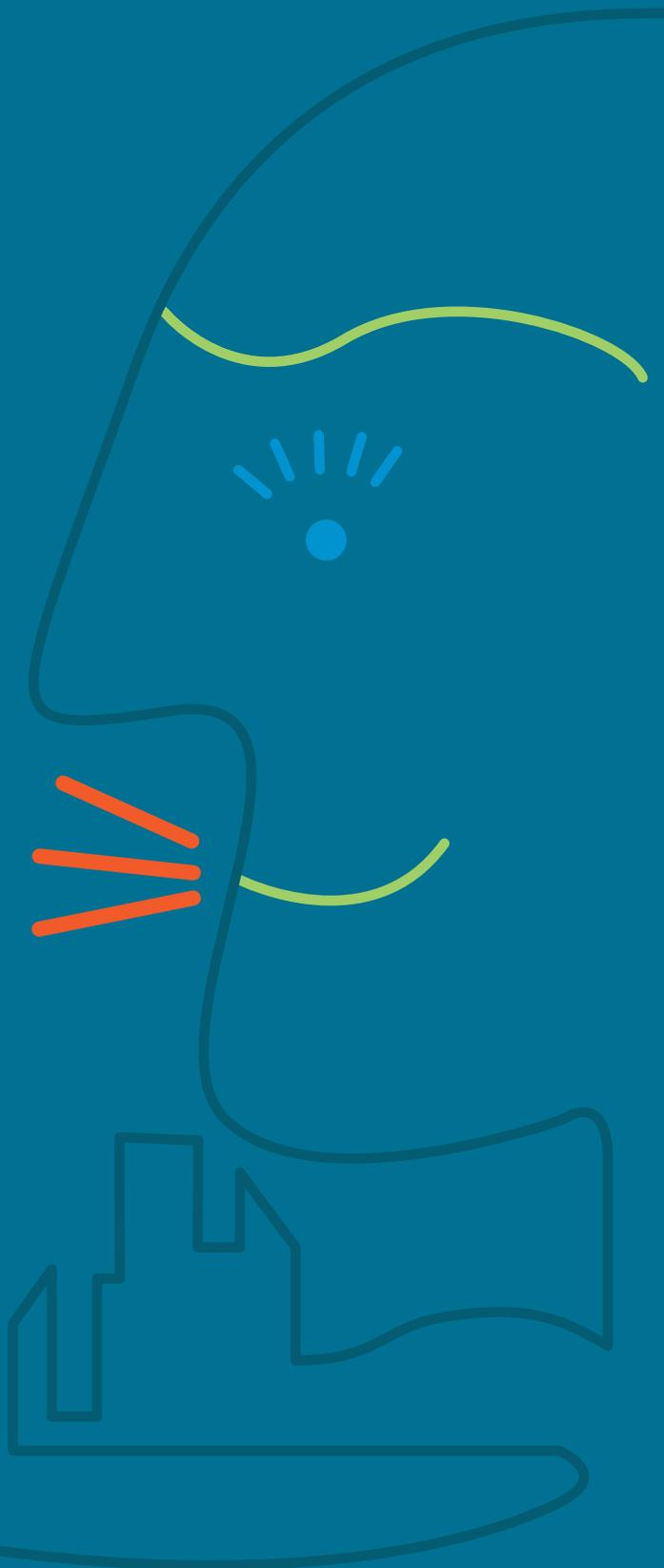


2014 ■ 2015 ANNUAL REPORT



TABLE OF CONTENTS

ABOUT THE HQCA	1
MESSAGE FROM THE CHAIR AND THE CEO	2
GOVERNANCE	4
DIGITAL STORIES	6
THE ETHICS LENS	8
A VOICE FOR SUPPORTIVE LIVING	10
PATIENT SAFETY AND QUALITY	12
CONTINUING CARE REVIEW	14
ACTIVITIES AND ACCOMPLISHMENTS	16
STATEMENT OF MANAGEMENT'S RESPONSIBILITY	23
INDEPENDENT AUDITOR'S REPORT	24
STATEMENT OF OPERATIONS	25
STATEMENT OF FINANCIAL POSITION	26
STATEMENT OF CASH FLOWS	27
NOTES TO THE FINANCIAL STATEMENTS	28
SCHEDULE 1 – EXPENSES – DETAILED BY OBJECT	37
SCHEDULE 2 – SALARY AND BENEFITS DISCLOSURE	37
SCHEDULE 3 – RELATED PARTY TRANSACTIONS	38



ABOUT THE HEALTH QUALITY COUNCIL OF ALBERTA

The Health Quality Council of Alberta (HQCA) gathers and analyzes information, monitors the healthcare system, and collaborates with Alberta Health, Alberta Health Services, health professions, academia, and other stakeholders to translate that knowledge into practical improvements to health service quality and patient safety in the healthcare system. The HQCA is a corporation under the *Health Quality Council of Alberta Act*.

OUR MANDATE

To promote and improve patient safety and health service quality on a province-wide basis.

– Section 3(1) *Health Quality Council of Alberta Act*

So that Albertans have a safer, higher quality and more responsive healthcare experience, the HQCA will:

- Measure, monitor, assess, and report
- Support a culture of quality and safety
- Build collaborative relationships
- Engage Albertans
- Stay relevant
- Empower our people to excel

VISION

Partnering to achieve world-class excellence in all dimensions of quality and safety across Alberta's health system.

MISSION

Promoting and improving patient safety and health service quality across Alberta's health system.

VALUES

- Partnerships, collaboration, and teamwork
- Population and patient-centred results
- Evidence-based decision making
- Effective communication
- Fairness, objectivity, and transparency

MESSAGE FROM THE CHAIR AND THE CEO: LISTENING MAKES A DIFFERENCE

Listening is at the core of everything we do.

We are committed to health system quality and patient safety, and listening is foundational to every aspect of our work. We value the relationships we build through our work, the information we glean, and the possibilities this brings for Albertans.

The HQCA listens to Albertans through the surveys and reviews we do, through our relationship with the Patient/Family Safety Advisory Panel, and through our support of various initiatives like digital storytelling that bring to life patient and family voices.



Andrew Neuner, Chief Executive Officer and Dr. Tony Fields, Board Chair

This year, we have focused our efforts on learning about Albertans' satisfaction and experience with healthcare services, as well as seeking greater understanding of resident and family experiences with long term care, supportive living, and home care.

We enjoy positive relationships with our stakeholders – to discuss issues of common interest, to bounce ideas off them, and to collaboratively develop projects. For example, the Health Quality Network has been a useful forum for communication and is a valuable partner for planning. As with every relationship, ours with our various stakeholder groups continue to evolve and we are excited to see what the future will bring.



As we listen to our stakeholders, we also hope they listen to our results and recommendations – based on what we learn from Albertans and through our research. We believe our work can help guide our various stakeholder groups in their efforts to improve the health and well-being of every resident of this province.

In this annual report, you will read about the initiatives we've undertaken over the past year. We've included highlights of our work, beginning on page 16.

Every person at the HQCA brings not only technical skills and expertise to their work, but also caring and commitment to do the best thing for the people of this province. We're encouraged that our work is used to guide improvements to Alberta's healthcare system.

Our deepest thanks to Patricia Pelton for her insightful and supportive leadership as acting CEO into last fall, and to our 30-strong HQCA team for their continued commitment to their fellow Albertans.

[Original signed by A.L.A. Fields]

A.L.A (Tony) Fields, CM, MA, MD, FRCPC, FACP
Board Chair

[Original signed by Andrew Neuner]

Andrew Neuner
Chief Executive Officer



GOVERNANCE

The Lieutenant Governor in Council appoints the Board of Directors, who represent a diverse group that includes health professionals, business leaders, academic representatives, and members of the public.

CHAIR

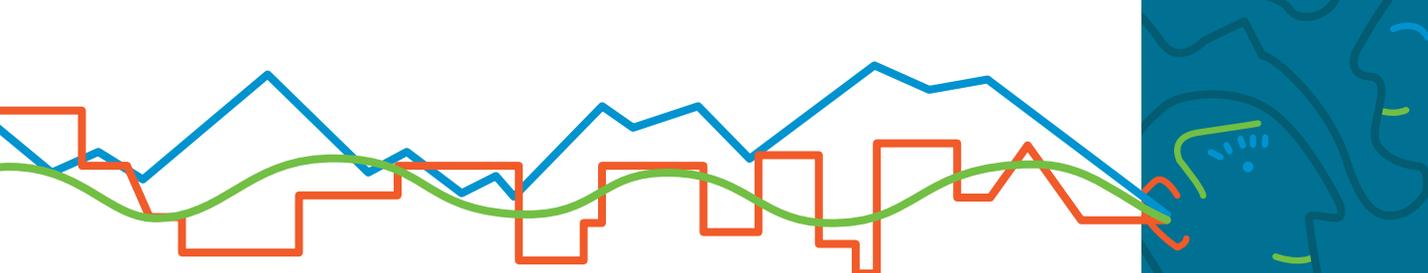
A.L.A. (Tony) Fields, CM, MA, MD, FRCPC, FACP, Edmonton

BOARD OF DIRECTORS

- Robin Cox, MD, Calgary
- Annamarie Fuchs, Blackfalds
- John Douglas Gilpin, Edmonton
- Bruce Harries, Edmonton
- Anthony Lam, Edmonton
- Irene Pfeiffer, Okotoks
- Christopher Skappak, Calgary

The Board, through the Chair Dr. Tony Fields, provides an annual report to the Speaker of the Legislative Assembly. The HQCA advises the Minister of Health and prepares and submits reports on the HQCA's activities as requested by the Minister, as well as reports directly to Albertans through public surveys and reports.

Patricia Pelton was acting chief executive officer from October 1, 2013 until the appointment by the Board of Directors of Andrew Neuner as chief executive officer effective September 8, 2014. Both were ex-officio members of the Board and were supported by Charlene McBrien-Morrison, executive director.



The work of the board is accomplished through the following committees:

EXECUTIVE COMMITTEE

The Executive Committee is responsible for facilitating effective communication between the Board and administration. The committee liaises with the chief executive officer and provides direction and support for carrying out the objects of the HQCA as set out in Section 3 of the *Health Quality Council of Alberta Act*.

RESEARCH & ANALYTICAL STUDIES COMMITTEE

This committee's role is to advise the HQCA on research and analytical studies it undertakes.

PATIENT SAFETY COMMITTEE

This committee is focused on strategy and activities related to health system reviews and studies, as well as education-related patient safety and health service quality. The Patient/Family Safety Advisory Panel reports through this committee to the Board.

AUDIT & FINANCE COMMITTEE

The Audit & Finance Committee's purpose is to monitor the HQCA's financial matters and risk management. It is responsible for presenting the HQCA budget and audited financial statements to the Board for approval and submission to the Ministry of Health.



A woman with shoulder-length brown hair, wearing a blue and white vertically striped button-down shirt, is looking off to the right. She is standing in a natural setting with a calm lake in the foreground, a dense forest of evergreen trees in the middle ground, and a large, forested mountain in the background under a clear sky. A green rectangular box is overlaid on the top right of the image, containing a quote and the name Anne Ewen.

“It’s the story of looking
after the love of my life.”
– Anne Ewen



DIGITAL STORIES OFFER VALUABLE PATIENT PERSPECTIVE

Revisiting her husband John's life and death by producing a video was cathartic for Anne Ewen. Distilled to three and a half minutes, Anne's digital story features photos she chose of her and John, their family life and activities. Anne narrates, recalling his deteriorating health and their experience with the healthcare system.

"It's the story of looking after the love of my life," she says.

Anne was one of seven participants in a digital storytelling workshop hosted by the HQCA in November 2014, in conjunction with the University of Calgary's faculty of social work. The objective: to create powerful stories that provide first-hand insight into the perspectives of both the patient/family and the healthcare provider. The result: five patient/family stories and two provider stories offering insight.

"Selecting the images I would use, deciding what to focus on in my story, and sharing during the workshop was very emotional," Anne recalls. She'd never talked about her experiences beyond friends and family, so she wasn't sure about opening up to a group of strangers.

"I'm not a person who cries in public, but during the workshop I got rid of lots of pent-up stuff; I cried like I'd never cried before," she says. "The weekend was phenomenal, and for me, the whole process was incredibly respectful."

She's a member of the HQCA's Patient/Family Safety Advisory Panel, a group we established in 2010 to advise us on patient safety from a citizen, patient and family perspective. The panel is one unique and important way we incorporate the patient voice and their shared experiences into the work we do. It was through the panel that Anne learned about the digital storytelling workshop and volunteered to participate.

The Ewen connection doesn't end there. Anne and John's daughter, Alex, also told her story – of life with a dad who had diabetes. "It was four years after his death, and I didn't think I had much more healing to do," says Alex, "but I felt like I'd had 10 bricks taken off my shoulders" after completing her digital story.

For mother and daughter, the healthcare system has opportunities to make a difference to healthcare quality and patient safety – by listening to the patient and family voice through these digital stories.

"One thing I would love is for people within the health system to watch them – at conferences, in classrooms, wherever they can," Anne suggests. "It helps them understand the patient point of view."

Alex adds, "These stories are a reminder that everyone's got a story – they're not just another patient."



THE ETHICS LENS: EXPANDING OUR FOCUS

Making sure we've considered all perspectives. Making sure we've listened to all views. Making sure we've thought about the economic, legal, moral and clinical aspects of our work. This is how the HQCA is working to integrate ethical decision-making into our everyday practices, thanks to the influence of Dr. Eric Wasylenko.

He brings a specific focus to our work, helping us identify and resolve ethical issues we might face. The palliative care physician is one of two medical consultants with the HQCA. In addition to general guidance interpreting the practice of medicine, Dr. Wasylenko's work raises the profile of end-of-life care and clinical and organizational ethics.

"Ethics is not about telling people whether they're right or wrong," he explains. "It's about applying an ethical lens to the work we do at the HQCA, including making sure we ask the right questions: Are we missing something or someone in this conversation? Does this recommendation help reduce inequity? What conflicting values should be considered?"

In our review work, Dr. Wasylenko encourages our team to not only focus on areas that need improvement, but also to shine a light on areas where the system is doing really well. That encourages patient confidence in the care they receive, and supports the good work of healthcare providers.

Dr. Wasylenko joined the HQCA team two years ago in a part-time role, seeing a great opportunity to apply the experience and benefits from ethics to system issues of quality and safety. As an example, promoting ethics principles – like transparency and inclusiveness – supports thinking about how to foster public involvement in setting priorities for healthcare system improvements.

"At the HQCA we want to stimulate the system to ask, 'How do we figure out, with the public, ways to apply limited health funding to best use?'" he says. "Health resources are limited, but they still eat up a substantial portion of provincial budgets. Needs are vast, and giving one program preferred treatment can mean trouble for other worthy programs, and for vulnerable people."

We also want to address how we best use healthcare data to improve the health system and the care of individuals. Partnering with Albertans in this necessary conversation will be key.

Another important area, Dr. Wasylenko says, involves decision-making in late-life care. As people live longer and with multiple chronic health conditions, we need to better understand their values around access to care and information, ideal choices for living location, and ways to designate and communicate care choices.

"The HQCA has great people – and has a terrific climate for generative work that will influence the system in service of better healthcare for Albertans," he says.



“The HQCA has great people – and has a terrific climate for generative work that will influence the system in service of better healthcare for Albertans.”

– Dr. Eric Wasylenko



FIRST-TIME SURVEYS GIVE VOICE TO SUPPORTIVE LIVING RESIDENTS AND FAMILIES

As our population ages, more of us could see a move to supportive living facilities when we can no longer live fully independent lives. So the timing was right for the HQCA to survey residents and family members from supportive living sites across the province. We released the results in January 2015.

What we learned about resident and family experience with healthcare services in Alberta facilities has proven helpful. Survey results provide a baseline measurement at 134 supportive living level 3 and level 4 facilities, including those of the Shepherd's Care Foundation. Maureen Kaczynski is director of care – supportive living and homecare for the foundation. For her organization, our reports offer the opportunity for thoughtful questioning.

"While there were no big surprises, the results reinforced many of the things we knew needed a second look," she says. "We use them, along with our key performance indicators and strategic directions, to see where we have hit our targets and where we have work to do."

Describing the results as value-added, Maureen says it's clear there was a lot of work involved to create the survey reports. In collaboration with Alberta Health and Alberta Health Services, the HQCA analyzed and reported on provincial, zone and site-level results, as well as provided qualitative analysis from resident and family comments.



"...always considering the voice of the resident – hearing what their best day would be like, and then working toward that."

– Maureen Kaczynski

“We’re committed to open conversation with our residents and families, sharing the survey results to say thank you for their input and asking how we can work to get better,” Maureen says. “We also bring the results to our employees and ask for their ideas on how we could improve. They know the residents, so are in the perfect place to identify possible strategies.”

Efforts are already underway at Shepherd’s Care to tackle some of her facilities’ lower-quartile results. For example, meals and dining are an important part of life for their residents.

“We’re dedicated to person-centered care, which means choice for our residents,” says Maureen. “The surveys point to places where we could involve them in ways that make our facilities feel more like home. It could be meaningful work where they’re interested and able, even something as small as helping set or clear the tables at mealtimes. Maybe they love to pour the coffee, or peel the potatoes.

“We know more staff is unlikely in our current funding reality so we have to work to find ways to do things differently, while always considering the voice of the resident – hearing what their best day would be like, and then working toward that.”



RESULTS DRIVE BEST PRACTICES AT ASCHA

“These surveys provide valuable benchmarks for our organization,” says Irene Martin-Lindsay.

The executive director of the Alberta Seniors Communities and Housing Association (ASCHA) says her organization is using results from our supportive living resident and family experience surveys to develop best practices and encourage continuous improvement at member facilities.

“The surveys showed areas where we’re strong, and areas where we need to improve,” Irene says. “For example, we learned that we need to be stronger at engaging family members, and we’re working on a variety of ways to do that.”

She is pleased that the HQCA was open to comments and suggestions from her association. “We’re thrilled we were able to be engaged, and we look forward to the next survey.

“We especially appreciate the HQCA referring to people in our care as residents, respecting our residential-based model.”



“It’s all about patient safety.
We want to be fast, but not in
a hurry.”

– Dr. Mark MacKenzie



FOLLOW-UP REVIEW ENSURES PATIENT SAFETY AND QUALITY ARE UPHELD

When Edmonton's City Centre Airport closed in 2013, air ambulance services relocated to the Edmonton International Airport (EIA). As the move was being planned, the Minister of Health requested the HQCA conduct a review of patient safety and quality issues that may need to be addressed as a result of the move.

We followed up on that review two years later with an independent chart review of the transport and care provided to medevac patients at EIA since the City Centre Airport closure. It focused on patients who were critically ill or had time-sensitive conditions or injuries. We released the *Chart Review of Fixed-Wing Medevac Patients Who Landed at the Edmonton International Airport* in January 2015.

Responsible for review and implementation of the report's recommendations is Dr. Mark MacKenzie, provincial medical director of air ambulance for Alberta Health Services Emergency Medical Services/STARS. He says our recommendations are sound.

"Recommendations coming out of the first review helped guide the transition of air ambulance from the City Centre Airport to Edmonton International. This current review provides feedback on the move to EIA but more important, gives us direction for the future of air ambulance in the province."

Dr. MacKenzie says our finding that the increased time interval didn't alter outcomes adversely was consistent with other studies. "It's all about patient safety. We want to be fast, but not in a hurry. The HQCA report provides reassurance to the northern public that their care is not compromised by the move."

Other recommendations coming out of the report include establishing critical care fixed wing teams, reviewing the geographic positioning of air ambulance resources and improving the co-ordination of emergent patient medevac. That co-ordination involves groups that fall outside air ambulance control, including rural physicians, a provincial call centre referred to as RAAPID (referral, access, advice, placement, information and destination), receiving and transport physicians, and dispatch.

"We agree with the HQCA report – co-ordination among all these groups could be improved. As a result, we now have rural physician representation on our inter-facility committee, and we would like to see more of their input," says Dr. MacKenzie.

Fully implemented is the electronic patient care record, or ePCR. This record travels virtually with a patient. "ePCR provides us an opportunity to improve documentation, patient record continuity and clinical performance every step of the way," he explains.

Summing up, Dr. MacKenzie says, "If you combined all five recommendations from the HQCA chart review, there is a vision of efficient and well-co-ordinated transport of emergent patients, with electronic care records to track metrics, resulting in the right resource for the right patient at the right time."



QUALITY AND SAFETY MANAGEMENT: RESPONSE TO THE HQCA'S CONTINUING CARE REVIEW

In 2014, we released findings and recommendations from two separate reviews that focused on the quality of continuing care in Alberta.

The first report examined the quality and patient safety implications of Alberta Health Services' (AHS) policy on continuing care transitions. The second looked at the structures and processes that support quality management in publicly funded continuing care services in Alberta, including home care, supportive living and long term care.

We asked Dr. Jim Silvius for an update on work resulting from our recommendations. He's AHS's medical director, Seniors Health, Community Seniors Addictions & Mental Health; and medical director, Pharmacy Services.

AHS had recently formed a cross-sector Continuing Care Quality Committee, and our recommendations helped shape the work of that committee. As co-chair of the committee, Dr. Silvius observes, "Quality is now much more exciting in Alberta."

Putting a face to quality has brought home the recommendations. Quality committee meetings now start with a personal story and end with a quality initiative update. "One such update identified that a site was not doing a good job of managing pain. They recognized that's a big issue," he says.

In addressing the issue, the site determined that they needed to ask two simple questions of staff: what is your interpretation if someone appears to express pain or does express pain; and what did you do about it – if anything?

This brought everyone to a common understanding of pain and what it means for a resident – and what tools are available to deal with it. The approach can now be shared with others across the province.

"The HQCA reports have done a couple of things very clearly: identify discrete areas where AHS needed to look at consistency; and inform our work, as much as it validates it," Dr. Silvius says.

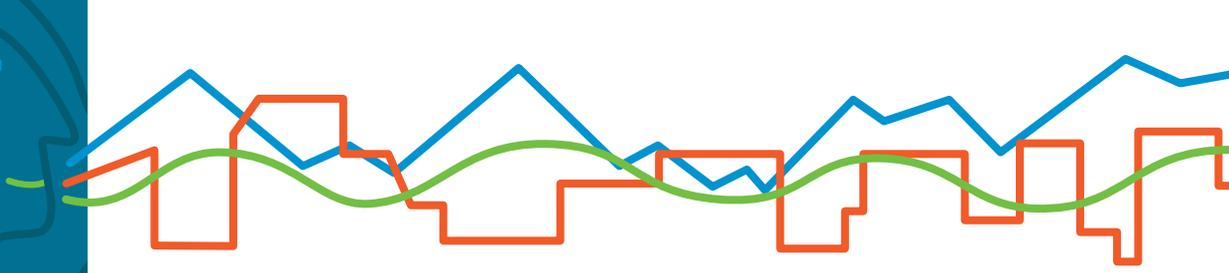
A key finding of the continuing care review involves standardizing contracts. Moving all legacy continuing care contracts to the standardized AHS Master Service Agreement is a huge quality assurance accomplishment that supports more consistent patient care. This work is progressing.

Development of a provincial policy for transitioning people to supportive living or long term care has just been completed. "You need to be person-centred when developing new policy," Dr. Silvius observes. "That takes time. The goal of all of our work is a consistent approach to quality across the province for continuing care. We've had a ton of foundational work to do to approach things in a similar fashion – it's not finished yet."



“The HQCA reports have done a couple of things very clearly: identify discrete areas where AHS needed to look at consistency; and inform our work, as much as it validates it.”

– Dr. Jim Silvius



ACTIVITIES & ACCOMPLISHMENTS

The following information highlights the HQCA's activities and accomplishments over the 2014-15 fiscal year.

MEASURE, MONITOR, ASSESS, AND REPORT

One of the HQCA's legislated activities is to survey Albertans on their experience and satisfaction with patient safety and health service quality.

SURVEYS

Satisfaction and experience with healthcare services survey

In early 2014, the HQCA surveyed a representative sample of 4,424 adult Albertans to examine their experiences and satisfaction with healthcare services in Alberta. We reported the 2014 survey results publicly in December 2014, which included comparative data, where possible, from six previous surveys that were conducted in 2003, 2004, 2006, 2008, 2010, and 2012.

Emergency department patient experience survey

In July 2013, the HQCA finished three years of data collection on patient experience of care in Alberta's 15 busiest urban and regional emergency departments (13 adult and two pediatric hospital emergency departments). Unlike the HQCA's 2007 and 2009 emergency department surveys, which sampled patients during a single two-week period, from 2010 to 2013 the HQCA collected data every two weeks using smaller samples to examine changes and trends over time.

We released the *Urban and Regional Emergency Department Patient Experience Report (2010-2013)* in December 2014 and presented survey results from the 13 adult emergency departments in the province. A variety of stakeholders in Alberta's healthcare system reviewed and used the results to further their quality improvement efforts.

We used a pediatric version of the survey to collect data from patients who visited the Alberta Children's Hospital and the Stollery Children's Hospital. Results from the pediatric survey were released in August 2015.

EQ-5D

The EQ-5D is a patient-reported outcome measure (PROM) that captures five dimensions of health-related quality of life: mobility, self-care, usual activities, pain/discomfort, and



anxiety/depression. In October 2014, the HQCA published the *2014 Alberta Population Norms for EQ-5D-5L* to establish baseline values for the province that can be used to monitor variations in health-related quality of life over time. We conducted this work in collaboration with the Institute of Health Economics, the University of Alberta, and Alberta Health Services. The HQCA will continue to support the use, analysis, and reporting of EQ-5D in Alberta.

Physician advocacy survey

In March 2011, the former Alberta Health and Wellness Minister requested an independent review of the role and process of physician advocacy in Alberta. The HQCA developed and conducted a survey to assess: the extent to which the advocacy role of Alberta physicians is supported or obstructed; factors which contribute to this; and how Alberta physicians see their training and experience in advocacy. Alberta Health Services took a number of actions in response to our 2011 report's recommendations. To assess the impact of these actions, Alberta Health Services requested the HQCA repeat the survey in 2014. The HQCA plans to release the survey findings in 2015.

Overweight and obesity in adult Albertans

Using data from the *Satisfaction and Experience with Healthcare Services: A Survey of Albertans 2014*, the HQCA assessed overweight and obesity in adult Albertans. This report provides an in-depth analysis of the prevalence, burden, and rates of use of a number of key healthcare services and provides a rationale for the role of primary healthcare in weight management for adult Albertans living with overweight and obesity. This report was released in the summer of 2015.

CONTINUING CARE SURVEYS

In 2014-15, the HQCA continued to measure and monitor resident and family experience across the spectrum of continuing care.

Supportive living resident and family experience survey

The HQCA, in partnership with Alberta Health Services, surveyed supportive living residents from sites across Alberta in 2013 and their family members from late 2013 to early 2014. These were the first provincial surveys to measure the experience of residents and families with the quality of care and services received at supportive living facilities in Alberta. In January 2015, the HQCA reported on provincial, zone, and site-level results to all participating facilities and supportive living stakeholders across the province.

Long term care family experience survey

In 2014-15, the HQCA began data collection for its third long term care family experience survey since 2008. We will release the results in the fall of 2015, and will also provide facility-level results to each participating facility.

CONTINUING CARE SURVEYS *(continued)*

Home care client experience survey

In 2014-15, the HQCA continued its work developing a home care client experience survey. In March 2015, in co-operation with Alberta Health Services, the HQCA began data collection across Alberta. Focusing on clients over the age of 65 who receive long term and maintenance home care services, the information gathered will be used to better understand the quality of care and services received. We plan to release the survey results in 2015.

ADDITIONAL MEASUREMENT ACTIVITIES

Primary care

The HQCA continued to collaborate with primary care stakeholders across the province in various ongoing measurement initiatives.

The HQCA continues to support patient panel identification efforts by providing primary care networks and physicians with patient panel reports. The HQCA has delivered more than 1,500 reports to date.

Continuity of care

The HQCA continues to explore continuity of care from the patient and provider perspectives. This work has included a literature review, environmental scans, and interviews. In addition, the HQCA has conducted a patient journey storyboarding exercise, and conducted structural equation modelling to assess the nature and importance of how different components of continuity drive and shape patient experience and outcomes. This work will be completed in 2015-16.

SUPPORT A CULTURE OF QUALITY AND SAFETY

ASSESSMENTS AND STUDIES

The HQCA assesses and studies topics concerning patient safety and health service quality to develop and facilitate quality improvement opportunities throughout Alberta's healthcare system.

Continuity of patient care study

Following the release of the HQCA's Continuity of Patient Care Study report in December 2013, the HQCA continued to present the detailed findings and recommendations with key stakeholders provincially, nationally, and internationally.

Quality assurance in continuing care health services in Alberta review

The Minister of Health requested the HQCA to examine the quality assurance processes with respect to home care services delivered directly by AHS and by providers under contract to AHS. The scope of the review was then

expanded to include all continuing care (home care, supportive living, and long term care). The HQCA's review focused on the structures and processes that support quality and safety management in the publicly funded continuing care system. The HQCA published the report in June 2014 and the Minister accepted the findings and nine recommendations. The HQCA continues to engage with the continuing care community and support the implementation of accepted recommendations.

Total parenteral nutrition review

Alberta Health Services (AHS) asked the HQCA in May 2013 to conduct an independent review of its processes related to preparation and administration of total parenteral nutrition in the Edmonton Zone. AHS requested the review after a calculation error occurred at the University of Alberta Hospital in the creation of a recipe that was used to prepare a nutrient additive, resulting in 186 neonatal and pediatric patients at three Edmonton hospitals receiving an incorrectly prepared admixture. The HQCA released the report in July 2014. The report included 10 recommendations for system-level improvements.

Chart review of fixed-wing medevac patients

The HQCA released a report in May 2011 that assessed safety issues to be addressed when medevac services were relocated to the Edmonton International Airport (EIA) from the Edmonton City Centre Airport. The review resulted in 18 recommendations.

On January 15, 2015, the HQCA released findings and recommendations from a follow-up review of the transport and care provided to critically ill and time-sensitive medevac patients since the March 2013 Edmonton City Centre Airport closure. The review of 232 patient charts showed the extended transport time from the EIA to an Edmonton acute care hospital did not cause any patient safety or quality issues. In addition to its findings, the review makes five recommendations to further enhance medevac services and recognizes the work Alberta Health Services has done to improve medevac services since the HQCA's 2011 medevac review.

Review of adverse events related to dry needling practices

The College of Physical Therapists of Alberta requested the HQCA complete an independent review of adverse outcomes, specifically pneumothorax, resulting from dry needling practices by physiotherapists in Alberta. The intent of the review was to improve the quality and safety of the practice of dry needling. Dry needling includes a range of approaches such as acupuncture, trigger point dry needling, intramuscular stimulation, or similar treatments used by various healthcare professionals. The HQCA publicly released a summary report in October 2014 that informs quality and safety in dry needling practices for all practitioners.

Global patient safety alerts

The HQCA submits summaries of its assessments and studies on an ongoing basis to the Canadian Patient Safety Institute's Global Patient Safety Alerts. This database facilitates shared learnings provincially, nationally, and internationally.

EDUCATION INITIATIVES

Patient safety review education

To provide a practical approach for the investigation of adverse events or close calls in healthcare, the HQCA delivered a two-phase certificate course in February and March 2015 in partnership with the University of Calgary's Cumming School of Medicine's Ward of the 21st Century (W21C). The course is titled *Introductory Investigating and Managing Patient Safety Events and Advanced Investigating and Managing Patient Safety Events*. Completion of both courses and a related project provides participants a certificate in Investigating and Managing Patient Safety Events from the Cumming School of Medicine's Office of Continuing Medical Education & Professional Development.

Patient safety and quality management education

The HQCA partnered for the fifth year with the University of Calgary's Cumming School of Medicine's W21C to provide a certificate course in patient safety and quality management. The course was designed for healthcare professionals who want to expand their working understanding of concepts in patient safety and quality management. Participants completed a combination of in-person classroom sessions and interactive online sessions that began in September 2014 and concluded with a presentation day in March 2015.

The candidates who successfully completed the course received a Certificate in Patient Safety and Quality Management from the HQCA, the University of Calgary's Office of Continuing Medical Education & Professional Development, and the W21C.

Treating patients with C.A.R.E.

As part of the HQCA's ongoing support for educational opportunities related to patient safety and quality education, the HQCA sponsored a Treating Patients with C.A.R.E. facilitator training course that was held in March 2015. This course provides evidence-based skills to enhance providers' abilities to communicate with patients and with one another and to work together more effectively as teams.

Digital storytelling

To better understand and promote the patient, family, and provider voice, the HQCA supported the development of seven digital stories through a digital storytelling workshop it hosted in November 2014. The digital stories are two- to three-minute videos that provide first-hand insights and perspectives on healthcare experiences. The stories about actual experiences of patients and providers can be a powerful way to connect with others, and allow individuals to learn about quality and patient safety concepts from their experiences.

QUALITY IMPROVEMENT INITIATIVES

Health ethics

The HQCA has made gains in embedding ethics deliberation in its internal work. We are developing an internal ethics framework and an ethics review of policies; reviewed our Code of Conduct and Conflict of Interest policies; consider ethics in the processes and content of quality and safety reviews, and in the secondary use of data for system and population health improvement; educated board and staff on organizational and clinical ethics topics; and research ethics considerations in our work.

Abbreviations initiative

The HQCA's work to spread key messages about the risks to patient safety posed by using abbreviations in medication communications is ongoing. Beginning in 2010, the HQCA led a comprehensive literature review of the patient safety risks of using abbreviations in medication ordering, and developed resource materials to encourage reducing abbreviations in communication about medications. In 2014-15, we began developing an interactive website, which will feature this content, to help healthcare providers plan and implement abbreviation reduction initiatives in their own workplace.

Medication reconciliation

The HQCA continues to partner with Alberta Health Services (AHS) in the public engagement component of the AHS provincial medication reconciliation campaign. The public campaign includes a variety of medication safety resources for Albertans, such as a user-friendly medication tracking list and a website focused on medication safety.

BUILD COLLABORATIVE RELATIONSHIPS

The HQCA continues to engage with patients, healthcare providers, administrators, and policy makers throughout the healthcare system, both provincially and nationally, to support the improvement of patient safety and health system quality.

Health Quality Network

The HQCA continues to support the activities of the Health Quality Network, a forum where administrators and healthcare providers from across the health system collaborate to promote, enable and facilitate the improvement of health service quality and patient safety for the citizens of Alberta.

Just culture

In a just culture, individuals are treated in a fair and just manner, and are held appropriately accountable for their actions when they are involved in situations where patients are harmed from the healthcare they receive. A just culture creates the conditions for willing participation by healthcare workers in reporting and learning from hazards, close calls, and patient safety events. The Health Quality Network sponsored a one-day think tank in

Just culture *(continued)*

October 2014 to gather ideas about how to spread a just culture within Alberta's health system. As a result of recommendations arising from the think tank, we will collaborate with stakeholders over the upcoming year to develop a suite of resources that can be used to support development and spread of a just culture within Alberta's health system.

Alberta Patient Concerns Resolution Network

The HQCA and the Alberta Patient Concerns Resolution Network once again worked together to develop and deliver an annual education and networking day in September 2014. The education day supported efforts to improve complaints management throughout Alberta's healthcare system. A variety of speakers focused on the successful management of concerns that are more challenging to resolve from both an organization and patient/client perspective.

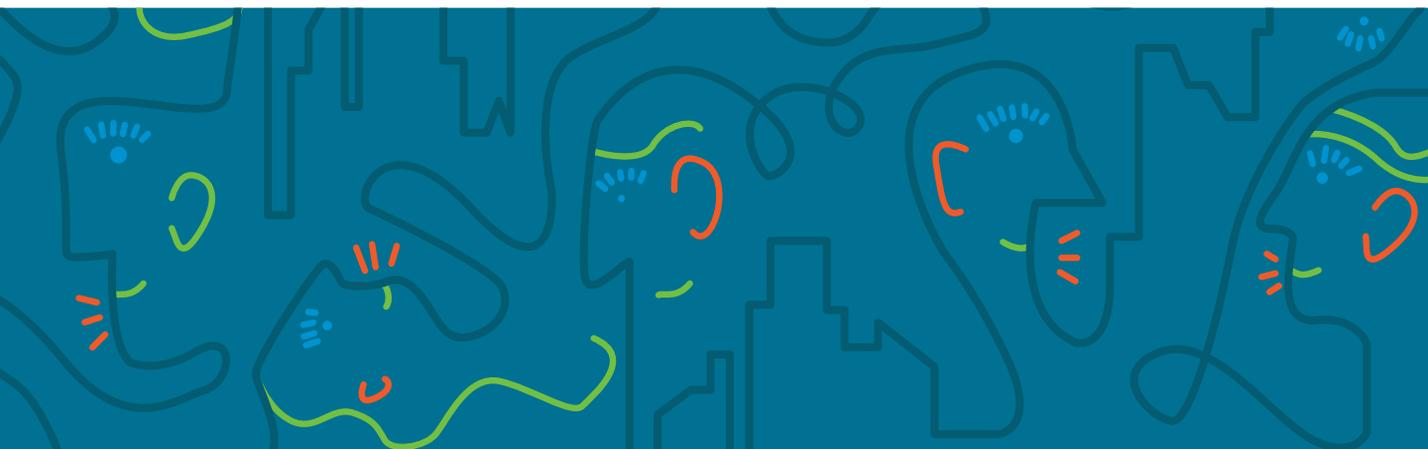
ENGAGE ALBERTANS

IMAGINE Project

The HQCA supports the IMAGINE Project because of its grassroots, citizen-led focus to enable citizen partnership and leadership in healthcare in Alberta.

Patient/Family Safety Advisory Panel

The HQCA's Patient/Family Safety Advisory Panel leverages the experiences and perspectives of patients and their families to improve and promote patient safety in Alberta's health system. The panel continues to provide valuable input to the HQCA's strategic direction and business plan. Panel members also provide the patient/family perspective to numerous initiatives both internal and external to the HQCA.



FINANCIAL STATEMENTS

HEALTH QUALITY COUNCIL OF ALBERTA MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS MARCH 31, 2015

The accompanying financial statements are the responsibility of management and have been reviewed and approved by Senior Management. The financial statements were prepared in accordance with Canadian Public Sector Accounting Standards, and of necessity, include some amounts that are based on estimates and judgment.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards and procedures, a formal authorization structure, and satisfactory processes for reviewing internal controls. This system provides management with reasonable assurance that transactions are in accordance with governing legislation and are properly authorized, reliable financial records are maintained, and assets are adequately safeguarded.

The Health Quality Council of Alberta's Board of Directors carries out their responsibility for the financial statements through the Audit and Finance Committee. The Committee meets with management and the Auditor General of Alberta to review financial matters, and recommends the financial statements to the Health Quality Council of Alberta Board of Directors for approval upon finalization of the audit. The Auditor General of Alberta has free access to the Audit and Finance Committee.

The Auditor General of Alberta provides an independent audit of the financial statements. His examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and procedures, which allow him to report on the fairness of the financial statements prepared by management.

On behalf of the Health Quality Council of Alberta.

[Original signed by Andrew Neuner]

Chief Executive Officer
Andrew Neuner
June 3, 2015

[Original signed by Jessica Wing]

Controller
Jessica Wing
June 3, 2015



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Health Quality Council of Alberta

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Health Quality Council of Alberta, which comprise the statement of financial position as at March 31, 2015, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Health Quality Council of Alberta as at March 31, 2015, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General
June 3, 2015
Edmonton, Alberta

HEALTH QUALITY COUNCIL OF ALBERTA
STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	2015		2014
	BUDGET	ACTUAL	ACTUAL
	(in thousands)		
REVENUES			
Government transfers			
Alberta Health - operating grant	\$ 6,959	\$ 6,959	\$ 6,959
Investment income	16	17	27
Other revenue	5	101	221
	6,980	7,077	7,207
EXPENSES			
Administration	2,746	2,419	2,351
Survey, measure and monitor initiatives	2,545	2,176	2,034
Quality initiatives	1,436	817	792
Patient safety initiatives	1,207	947	833
Communication	413	460	431
Ministerial assessment/study	–	22	117
Other assessment/study	–	27	164
	8,347	6,868	6,722
Annual operating (deficit) surplus	(1,367)	209	485
Accumulated operating surplus, beginning of year	2,386	2,386	1,901
Accumulated operating surplus, end of year	\$ 1,019	\$ 2,595	\$ 2,386

Contingent liabilities and contractual obligations (Note 11)

The accompanying notes and schedules are part of these financial statements.

HEALTH QUALITY COUNCIL OF ALBERTA
 STATEMENT OF FINANCIAL POSITION
 AS AT MARCH 31, 2015

	MARCH 31	
	2015	2014
	(in thousands)	
ASSETS		
Cash and cash equivalents (Note 4)	\$ 2,271	\$ 3,011
Accounts receivable (Note 5)	109	232
Prepaid expenses	39	35
Tangible capital assets (Note 7)	1,137	149
	<u>\$ 3,556</u>	<u>\$ 3,427</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 834	\$ 1,036
Employee future benefits (Note 8)	17	–
Deferred revenue (Note 9)	–	5
Deferred lease inducements (Note 10)	110	–
	<u>961</u>	<u>1,041</u>
NET ASSETS		
Accumulated operating surplus (Note 12)	2,595	2,386
	<u>\$ 3,556</u>	<u>\$ 3,427</u>

The accompanying notes and schedules are part of these financial statements.

HEALTH QUALITY COUNCIL OF ALBERTA
 STATEMENT OF CASH FLOWS
 YEAR ENDED MARCH 31

	2015	2014
	(in thousands)	
OPERATING TRANSACTIONS		
Annual operating surplus	\$ 209	\$ 485
Non-cash items:		
Amortization of tangible capital assets	19	109
Amortization of tenant inducements	(27)	–
Increase in employee future benefits	17	–
	<hr/> 218	<hr/> 594
Decrease in accounts receivable	123	75
(Increase) Decrease in prepaid expenses	(4)	171
(Decrease) Increase in accounts payable and accrued liabilities	(202)	225
(Decrease) in deferred revenue	(5)	(30)
Increase in deferred tenant inducements	137	–
Cash provided by operating transactions	<hr/> 267	<hr/> 1,035
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(1,007)	(106)
Cash applied to capital transactions	<hr/> (1,007)	<hr/> (106)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(740)	929
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<hr/> 3,011	<hr/> 2,082
CASH AND CASH EQUIVALENTS AT END OF YEAR	<hr/> \$ 2,271	<hr/> \$ 3,011

The accompanying notes and schedules are part of these financial statements.

HEALTH QUALITY COUNCIL OF ALBERTA NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 1 AUTHORITY

The Health Quality Council of Alberta (HQCA) is a corporation under the *Health Quality Council of Alberta Act* and a government not-for-profit organization.

Pursuant to the *Health Quality Council of Alberta Act*, the Health Quality Council of Alberta has a mandate to promote and improve patient safety and health service quality on a province-wide basis.

The Health Quality Council of Alberta is exempt from income taxes under the *Income Tax Act*.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

(a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses of the HQCA.

(b) Basis of Financial Reporting

Revenue

All revenues are reported on the accrual basis of accounting. Cash received, for which services have not been provided by year end is recorded as deferred revenue.

Government transfers

Transfers from the Government of Alberta, other governments and other government entities are referred to as government transfers.

Government transfers and the associated externally restricted investment income are recorded as deferred revenue if the terms for the use of the transfer, or the terms, along with the HQCA's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the HQCA complies with its communicated use of the transfer.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the HQCA is eligible to receive the funds.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Government transfers are recorded as expenses when the transfer is authorized and eligibility criteria, if any, have been met by the recipient.

Valuation of Financial Instruments

The HQCA's financial assets and liabilities are generally measured as follows:

<u>FINANCIAL STATEMENT COMPONENT</u>	<u>MEASUREMENT</u>
Cash and cash equivalents	Cost or Amortized cost
Accounts receivable	Cost or Amortized cost
Accounts payable and accrued liabilities	Cost or Amortized cost

The HQCA does not hold equities traded in an active market, nor engage in derivative contracts or foreign currency transactions. The HQCA is not exposed to remeasurement gains or losses and, consequently, a statement of remeasurement gains and losses is not presented.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Tangible Capital Assets

Work-in-progress, which includes leasehold improvement projects, is not amortized until after the project is complete and the asset is put into service.

The cost, less residual value, of the tangible capital assets, excluding land and work-in-progress, is amortized on a straight-line basis over their estimated useful lives as follows:

Computer hardware and software	5 years
Office equipment	10 years
Leasehold improvements	Over term of lease

Tangible capital assets are written down when conditions indicate that they no longer contribute to the HQCA'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 book value.

Deferred Tenant Inducements

Deferred tenant inducements, associated with the leased premise, are amortized on a straight-line basis over the term of the related lease and recognized as a reduction to rent expense.

Net Assets

Net assets represent the difference between the assets held by the HQCA and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The HQCA operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting (continued)

Employee Future Benefits

The HQCA Board has approved a defined contribution Supplementary Executive Retirement Plan (SERP) for certain of its executive staff. The SERP supplements the benefit under the HQCA registered plan that is limited by the *Income Tax Act (Canada)*. The HQCA contributes a certain percentage of an eligible employee's pensionable earnings in excess of the limits of the *Income Tax Act (Canada)*. This plan provides participants with an account balance at retirement based on the contributions made to the plan and investment income earned on the contributions based on investment decisions made by the participant.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The amounts recorded for amortization of tangible capital assets are based on estimates of the useful life of the related assets. Actual results could differ from estimates.

Funds and Reserves

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

NOTE 3 BUDGET

The HQCA's 2014-2015 business plan with a budgeted deficit of (\$1,367) was approved by the Board of Directors on December 18, 2013. The financial plan was submitted to the Ministry of Health.

The revenue categories disclosed in the Financial Statements agree with the board approved budget. The expense categories presented in the Financial Statements by function and by object differ from the board approved budget, however, the total expense disclosed by function and by object agrees with the total board approved expenses.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2015	2014
Cash	\$ 2,271	\$ 1,502
Cash equivalents	–	1,509
	\$ 2,271	\$ 3,011

NOTE 5 ACCOUNTS RECEIVABLE

	2015			2014	
	GROSS AMOUNT	ALLOWANCE FOR DOUBTFUL ACCOUNTS	NET REALIZABLE VALUE	NET REALIZABLE VALUE	
Due from Alberta Health Services	\$ 2	\$ –	\$ 2	\$	164
Other receivables	107	–	107		68
	\$ 109	\$ –	\$ 109	\$	232

NOTE 6 FINANCIAL RISK MANAGEMENT

The HQCA has the following financial instruments: accounts receivable, accounts payable and accrued liabilities.

The HQCA has exposure to the following risks from its use of financial instruments: interest rate risk, liquidity risk and other price risk.

(a) Interest rate risk

Interest rate risk is the risk that the rate of return and future cash flows on the HQCA's short-term investments will fluctuate because of changes in market interest rates. As the HQCA invests in short term deposits of ninety (90) days or less and accounts payable are non-interest bearing, the HQCA is not exposed to significant interest rate risk relating to its financial assets and liabilities.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 6 FINANCIAL RISK MANAGEMENT *(continued)*

(b) Liquidity risk

Liquidity risk is the risk that the HQCA will encounter difficulty in meeting obligations associated with financial liabilities. The HQCA enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing the HQCA's future net cash flows for the possibility of negative net cash flow. The HQCA manages the liquidity risk resulting from its accounts payable obligations by maintaining cash resources and investing in short-term deposits of ninety (90) days or less.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Price risk is managed by holding short-term deposits for ninety (90) days or less.

(d) Credit risk

The HQCA is exposed to credit risk from potential non-payment of accounts receivable. During the fiscal year most of the HQCA's receivables are from provincial agencies; therefore the credit risk is minimized.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 7 TANGIBLE CAPITAL ASSETS

	2015				2014	
	WORK-IN-PROGRESS	EQUIPMENT	COMPUTER HARDWARE & SOFTWARE	OTHER ^(a)	TOTAL	TOTAL
Estimated useful life		10 yrs	5 yrs	5 – 10 yrs		
Historical Cost						
Beginning of year	\$ 61	\$ 133	\$ 440	\$ 45	\$ 679	\$ 573
Additions	968	–	39	–	1,007	106
Disposals	–	–	(108)	–	(108)	–
	<u>1,029</u>	<u>133</u>	<u>371</u>	<u>45</u>	<u>1,578</u>	<u>679</u>
Accumulated Amortization						
Beginning of year	–	90	408	32	530	421
Amortization expense	–	5	12	2	19	109
Effect of disposals	–	–	(108)	–	(108)	–
	<u>–</u>	<u>95</u>	<u>312</u>	<u>34</u>	<u>441</u>	<u>530</u>
Net book value at						
March 31, 2015	<u>\$ 1,029</u>	<u>\$ 38</u>	<u>\$ 59</u>	<u>\$ 11</u>	<u>\$ 1,137</u>	
Net book value at						
March 31, 2014	<u>\$ 61</u>	<u>\$ 43</u>	<u>\$ 32</u>	<u>\$ 13</u>		<u>\$ 149</u>

(a) Other capital assets include leasehold improvements.

NOTE 8 BENEFIT PLAN

The HQCA participates in the Local Authorities Pension Plan (LAPP), a multi- employer defined benefit pension plan.

The HQCA accounts for this multi-employer pension plan on a defined contribution basis. The HQCA is not responsible for future funding of the plan deficit other than through contribution increases. Pension expense recorded in the financial statements is equivalent to HQCA's annual contributions of \$330 for the year ended March 31, 2015 (2014 - \$234).

At December 31, 2014, the Local Authorities Pension Plan reported a deficiency of \$2,454,636 (2013 deficiency of \$4,861,516).

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 8 BENEFIT PLAN (continued)

The Supplementary Executive Retirement Plan (SERP) expense for the year ended March 31, 2015 is \$17 (2014 - \$0).

NOTE 9 DEFERRED REVENUE

Deferred revenue represents unspent externally restricted resources. Changes in the balance are as follows:

	2015	2014
Balance, beginning of the year	\$ 5	\$ 35
Amount recognized in revenue	–	(30)
Amount repaid	(5)	–
Balance, end of year	<u>\$ –</u>	<u>\$ 5</u>

NOTE 10 DEFERRED LEASE INDUCEMENTS

	2015	2014
Tenant inducements	\$ 137	\$ –
Less accumulated amortization	(27)	–
	<u>\$ 110</u>	<u>\$ –</u>

NOTE 11 CONTRACTUAL OBLIGATIONS

Contractual obligations are obligations of the HQCA to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2015	2014
Obligations under operating leases, contracts and programs	<u>\$ 3,604</u>	<u>\$ 982</u>

The HQCA has entered into a lease agreement for its office premises, expiring March 31, 2023. The minimum annual lease payments are as follows:

2015-16	\$ 421
2016-17	421
2017-18	376
2018-19	392
2019-20	486
Thereafter	1,508
	<u>\$ 3,604</u>

HEALTH QUALITY COUNCIL OF ALBERTA
 NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 (in thousands)

NOTE 12 ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus is comprised of the following:

	INVESTMENT IN TANGIBLE CAPITAL ASSETS ^(a)	INTERNALLY RESTRICTED SURPLUS ^(b)	UNRESTRICTED SURPLUS	TOTAL
Accumulated operating surplus, April 1, 2014	\$ 149	\$ 743	\$ 1,494	\$ 2,386
Annual operating surplus	–	–	209	209
Net investment in capital assets	877	–	(877)	–
Net transfers	–	(672)	672	–
Accumulated operating surplus, March 31, 2015	\$ 1,026	\$ 71	\$ 1,498	\$ 2,595

(a) Net assets equal to the net book value of internally funded tangible capital assets are restricted as these net assets are not available for any other purpose.

(b) The internally restricted net transfer of \$672 includes \$649 related to leasehold improvements and \$23 related to the ministerial review. The remaining \$71 is restricted for ministerial reviews.

NOTE 13 COMPARATIVE FIGURES

Certain 2014 figures have been reclassified to conform to the 2015 presentation.

NOTE 14 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the HQCA Board of Directors on June 3, 2015.

SCHEDULE 1

HEALTH QUALITY COUNCIL OF ALBERTA EXPENSES – DETAILED BY OBJECT

FOR THE YEAR ENDED MARCH 31, 2015

	2015		2014
	BUDGET	ACTUAL	ACTUAL
	(in thousands)		
Salaries and benefits	\$ 4,055	\$ 3,755	\$ 3,197
Supplies, services and other	4,168	3,094	3,416
Amortization of tangible capital assets	124	19	109
	<u>\$ 8,347</u>	<u>\$ 6,868</u>	<u>\$ 6,722</u>

SCHEDULE 2

HEALTH QUALITY COUNCIL OF ALBERTA SALARY AND BENEFITS DISCLOSURE

FOR THE YEAR ENDED MARCH 31, 2015

	2015			2014	
	BASE SALARY ⁽¹⁾	OTHER CASH BENEFITS ⁽²⁾	OTHER NON-CASH BENEFITS ⁽³⁾	TOTAL	TOTAL
	(in thousands)				
Board of Directors-Chair	\$ –	\$ 13	\$ –	\$ 13	\$ 11
Board of Directors-Members	–	48	–	48	44
Chief Executive Officer ⁽⁴⁾	198	–	36	234	227
Acting Chief Executive Officer ⁽⁴⁾	223	28	–	251	245
Executive Director	188	–	36	224	199

- (1) Base salary includes pensionable base pay except for the Acting Chief Executive Officer (CEO). A retroactive adjustment of \$8 for the Executive Director for the fiscal year 2014 is reflected in the current year's base salary amount.
- (2) Other cash benefits include honoraria and payment in lieu of benefits for the Acting CEO.
- (3) Other non-cash benefits include: employer's portion of all employee benefits and contributions or payments made on behalf of employees, including pension, SERP, health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, employee assistance program, employment insurance and parking.
- (4) The Acting Chief Executive Officer held the position from October 1, 2013 to September 5, 2014. The current CEO held the position effective September 8, 2014.

SCHEDULE 3

HEALTH QUALITY COUNCIL OF ALBERTA RELATED PARTY TRANSACTIONS

FOR THE YEAR ENDED MARCH 31, 2015

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include key management personnel in the HQCA.

The Health Quality Council of Alberta had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	2015	2014
	(in thousands)	
REVENUES		
Grants	\$ 6,959	\$ 6,959
Other	99	194
	<u>\$ 7,058</u>	<u>\$ 7,153</u>
EXPENSES		
Other services	\$ 465	\$ 722
Grants	20	1
	<u>\$ 485</u>	<u>\$ 723</u>
RECEIVABLE FROM RELATED PARTIES	<u>\$ 2</u>	<u>\$ 164</u>
PAYABLE TO RELATED PARTIES	<u>\$ 79</u>	<u>\$ 199</u>
DEFERRED REVENUE	<u>\$ –</u>	<u>\$ 5</u>



“Listening is at the core
of everything we do.”



210, 811 - 14 Street NW
Calgary, Alberta
Canada T2N 2A4

www.hqca.ca

 @HQCA

