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2019/20 Consolidated Local Health Integration Network Annual Report

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Consolidated Local Health Integration Network Annual Report 2019/2020 Ontario Health
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Message from the Local Health Integration Networks' Board Chair

On behalf of the Board of Directors, I am very pleased to share the Consolidated Local Health Integration Network Annual Report for 2019/20.

This year, in partnership with the provincial government, Ontario Health mapped the province's 14 Local Health Integration Networks (LHINs) into five geographic regions (North, East, West, Toronto and Central). At the same time, five transitional regional leaders were appointed as the LHIN CEOs in their respective regions. This created the foundation for a new way of working together to consistently meet the long-term health care needs of all Ontarians.

LHINs continued to demonstrate strong community relationships and local health system expertise by working with health service providers, patients, families and caregivers to deliver uninterrupted, high-quality care and to support Ontarians throughout their care journey. In their newly formed regions, LHINs also acted as Ontario Health's front doors to the people, communities and organizations they serve across Ontario. In addition to maintaining continuity of care, the work began to support the eventual transition of LHIN functions into Ontario Health or Ontario Health Teams and other integrated models of care. The pages of this report detail the support and coordination of innovative and collaborative solutions provided by the LHINs in their regions and with their incredible health system partners.

Additionally, in 2019/20, the Board of Directors (which is also the Board of Directors of Ontario Health) appointed Matthew Anderson as the permanent President and CEO at Ontario Health, to which the regional leaders / LHIN CEOs reported. He brings extensive team-building, system change and health care experience, including as a CEO of two hospitals and a LHIN.

The Board also provided $133.6 million back to the Ministry of Health, targeted for re-distribution to the frontlines of health care.

The 2019/20 fiscal year ended with the arrival of COVID-19. This pandemic created an unprecedented challenge for our health care system and Ontarians. The LHINs (working as regions) played an integral role in activating the system's response, including an early and critical rapid response through frontline care delivery, as well as capacity planning and stabilization supports for health system partners to meet the urgent, complex and growing health needs of Ontarians and to reduce the spread of COVID-19.

The Board of Directors would like to extend our deep appreciation to the tremendously hard working and dedicated professionals throughout the LHINs / regions, as well as to the heroic health care providers and community partners they serve. We would also like to express our sincere appreciation to Matthew Anderson for his leadership and to the provincial government for their leadership and support over the last year.

In addition, I want to offer a very special thank you to our Board of Directors for their governance and leadership of Ontario Health, LHINs and all of the organizations who are part of the Ontario Health family, amalgamating all 21 boards into one, united by a single vision.

Bill Hatanaka
Board Chair, Local Health Integration Networks

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Introduction

In 2019/20, the province's 14 Local Health Integration Networks (LHINs) continued to build strong local health care systems, centred around the patient and in collaboration with health care and community partners. This work was guided by the health care system's Quadruple Aim, an invaluable compass for informing decisions and optimizing health care performance, which calls for improving population health outcomes, improving patient experience, improving frontline and provider experience, and achieving better value.

Throughout the year, LHINs supported the planning, implementation and ongoing operation of countless initiatives across the province in sectors including (but not limited to) home and community care, long-term care, hospitals, primary care, mental health and addictions, rehabilitation, occupational therapy and palliative care. Much of this work was guided by three key priorities: maintaining continuity of care while improving access and quality, supporting better connected care and supporting communities through the introduction of COVID-19.

Maintaining Continuity of Care

The LHINs continued to plan, fund and integrate local health care and to manage and deliver high-quality home and community care, under the *Local Health System Integration Act, 2006* (LHSIA). This was demonstrated by supporting more than 700,000 Ontarians at home, at school and in community settings. Additionally, LHINs supported the transition of more than 25,000 residents into long-term care and partnered with mental health and addictions service providers to establish more than 50 Rapid Access Addiction Medicine (RAAM) clinics across the province.

LHINs were successful in meeting, or nearly meeting, many annual provincial performance targets while taking on the additional priorities of supporting the government's plan for health system transformation and Ontario's response to COVID-19.

Supporting Better Connected Care

The *Connecting Care Act*, *2019* laid the foundation for the continued implementation of Ontario's phased strategy to transform and strengthen the public health care system.

To support this, on November 13, 2019, Ontario's 14 LHINs were mapped into five Ontario Health regions – North, East, West, Toronto and Central – with a Transitional Regional Lead appointed to act as a single point of oversight for each region, ensuring cohesion across the province while serving as the CEO for the LHINs within their region. On December 2, the non-home and community care vice presidents and directors at each of the 14 LHINs were transferred into Ontario Health to support their leads in the continued coordination of local care, as well as the eventual transfer of LHIN functions into Ontario Health or Ontario Health Teams and other integrated models of care. Home and community care teams continued to operate in their current structures to maintain continuity of care for patients during this transition. Below are the five Ontario Health regions:

Ontario Health (North)

Ontario Health (East)

North East LHIN
North West LHIN

Ontario Health (West)
Erie St. Clair LHIN
Hamilton Niagara Haldimand Brant LHIN
South West LHIN
Waterloo Wellington LHIN

Ontario Health (Toronto)
Toronto Central LHIN

Central East LHIN
Champlain LHIN
South East LHIN

Ontario Health (Central)
Central LHIN
Central West LHIN
Mississauga Halton LHIN
North Simcoe Muskoka LHIN

Supporting Communities During COVID-19

In March 2020, LHINs found themselves in the midst of an unprecedented era in health care, supporting the provincial response to COVID-19.

Through their regions, LHINs played an early and important role in supporting many health care sectors. This included work in capacity planning, obtaining and allocating personal protective equipment, stabilizing long-term care homes and other congregate care settings – which were among the hardest hit by COVID-19 outbreaks – and supporting health human resources efforts through recruitment and staff redeployment, to name a few.

And through it all, home and community care continued to be delivered to Ontarians who needed it most through a robust delivery model that included in-home nursing and personal supports, while further leveraging virtual care platforms.

At the time of writing this report, the LHINs / regions continue to play an integral role in the ongoing provincial response to COVID-19. Through well-established relationships with system partners, LHINs are supporting increased testing capacity and turnaround time for results, ongoing personal protective equipment procurement and distribution planning with local supply chain organizations, capacity planning to reduce the risk of hospital overcrowding and added health human resources and expertise for long-term care to protect those most vulnerable to COVID-19.

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Population Profile

Below is a population profile of Ontario, which includes information on the number and type of health service providers across the province. Individual LHIN population profiles can be found in Appendix One.

Area (km2)	908,699 km2	**Health Service Providers:** • 149 Hospitals • 600 Long-Term Care Homes • 573 Community Services • 370 Mental Health Agencies • 61 Residential Hospices • 77 Community Health Centres
Total Population	13,448,494	
Population Age 65+	16.7%	
Population Growth Rate	4.6%	
Population Density	14.8/km2	
Rural Population	17.2%	
Indigenous Population	2.8%	
Francophone Population	4.7%	
Low Income Population	14.4%	

Sources:

- Statistics Canada. Canada, Provinces, Territories, Census Divisions, Census Subdivisions and Dissemination Areas tables. Census Profile. 2016 Census. Statistics Canada Catalogue no. 98-316-X2016001.
- Land area and population density: 2016 Census Geographic Attribute File. Statistics Canada.
- Special Tabulations: Statistics Canada. 2016 Census. Detailed age and sex; Inclusive Definition of Francophone; Seniors living alone. Prepared by Health Analytics and Insight Branch (HAIB), March 2019.
- Population Health/Select Highlights from the LHINs' 2019-22 IHSPs and the 2019-22 Integrated Health Service Plan (IHSP) Environmental Scan document.

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Description of Activities over the Year

In 2019/20, LHINs focused on advancing government priorities such as:

- Hospital overcrowding
- Mental health and addictions
- Long-term care
- Home care
- Capacity planning

In addition, LHINs looked for ways to deliver services more efficiently and effectively, with the ultimate goal of improving health outcomes for Ontarians. Through the development of new and innovative models of care that reflect the health needs of their diverse populations, LHINs continued to support health system transformation at the local level.

Reducing Hospital Overcrowding

Increasing capacity in acute care and hospitals is one of the highest health priorities in the province. To address the many factors contributing to hospital overcrowding, LHINs across Ontario worked in collaboration with health service providers to support improved patient transitions across the health care system, enabling better access to acute care.

Alternate Level of Care

Alternate Level of Care (ALC) is a designation assigned to a hospitalized patient who no longer requires acute medical services, however, remains in hospital. Across the LHINs, strategies for ALC avoidance and management continued to be coordinated and optimized across all hospital and home and community care partners. The approaches involved strong collaborative partnerships to develop and implement solution-focused initiatives.

In North Simcoe Muskoka LHIN, for example, home and community care directly participated with multidisciplinary teams in palliative care rounds to produce a Daily Regional Capacity Report. Similarly, South East LHIN established a home and community care, hospitals and clinical forum to align efforts among the hospital Chief of Staff, Chief of Nursing and LHIN leadership – developing timely resolutions to emerging challenges. Waterloo Wellington LHIN focused on a one-team approach to maximize surge plans with system partners. This involved sharing timely, critical information to optimize existing programs, such as transitional care and rehabilitation service, ultimately meeting the needs of patients and reducing hospital overcrowding.

Several programs across the LHINs helped create capacity in acute care by transitioning patients out of hospitals and into community settings. These included the following:

Reactivation Care Centres

ALC and rehabilitation patients were supported in reactivation care centres (which are facilities designed to help patients who no longer need acute care services), through a partnership between multiple LHINs, spearheaded by Central LHIN. Patients from nine hospitals across Central, Central West, Mississauga Halton and Toronto Central LHINs were admitted to one of two reactivation care centres providing more than 400 beds combined. In 2019/20, with the support of home and community care,

nearly 1,000 patients transitioned out of the reactivation care centres, including 515 individuals who moved to long-term care and 480 patients who returned home or to other community settings supported by home and community care.

Another example of work to increase hospital capacity includes collaboration between Toronto Central LHIN, Bellwoods Centres for Community Living and Woodgreen Community Services as they identified and provided access to supportive housing units. In total, 19 ALC patients were moved from Greater Toronto Area hospitals to high-quality, affordable and supportive housing, meeting the needs of patients with accessibility limitations.

Short-Term Transitional Care

Short-term transitional care projects were in operation across the province this year and placed patients in transitional settings while they awaited permanent homes and care solutions. These opportunities provided patients the chance to be active and socialize with others, while reducing the risk of hospital infections and increasing hospital capacity.

In North West LHIN, 64 transitional care beds were used to address acute care capacity. A successful program in South East LHIN reduced hospital readmission rates and frequent emergency department visits by admitting patients directly. In Mississauga Halton LHIN, 38 ALC patients were supported through the *Bridges to Care* program. Of those, 10 benefitted from an enhanced care model to meet their needs with a higher intensity of care and a focus on working with them and their families toward a timely transition. Another highly successful program operated in Central West LHIN where 350 patients were supported through collaborations with community partners in five short-term transitional care models. The result was a five per cent reduction in ALC rates in Central West LHIN's busiest acute care site by the middle of the fiscal year.

Intensive Home Care

Many ALC patients also benefited from hospital-to-home programs that offered short-term intensive home care and community support services. These targeted programs leveraged capacity within the community support sector to assist patients with customized care who would otherwise be unable to transition out of hospital.

An effective example is the Intensive Hospital to Home program in Erie St. Clair LHIN where approximately 400 complex patients were transitioned safely from hospital to community. Similarly, Central West, Hamilton Niagara Haldimand Brant and Toronto Central LHINs provided short-term intensive 24-hour wraparound services to complex patients to facilitate patient discharge and transition back to the community. Mississauga Halton LHIN offered the Enhanced Intensive Home and Community Care program to help patients transition back home or into community care. A Rapid Response Nurse/Care Coordinator from the hospital worked with partners to ensure patient care needs related to nursing, personal support, rehab, respite, adult day services, behavioural support and transportation continued to be met at home or in the community. Of the first three patients served through the program, 201 ALC days were avoided, enabling 31 patients with access to acute care.

Community Paramedicine

This year, community paramedicine emerged as an effective health care model to help divert patients from emergency departments. These programs expanded the roles of paramedics by assisting in

underserved populations and communities. Community paramedics offered assistance with preventive and primary health care. Programs operated in communities across the province in areas such as Waterloo Wellington and Erie St. Clair, where LHINs worked with partners to establish common standards and practices. In Erie St. Clair, offload times improved by three per cent from the previous fiscal year.

Improving Mental Health & Addictions Services

LHINs continued to expand mental health and addictions services to ensure easier access to higher quality care and support in communities across the province. Through collaborations with health system, justice system and municipal partners, as well as with patients, families and caregivers and other Ontarians, LHINs aimed to effectively respond to community needs through projects and investments, including:

Rapid Access Addiction Medicine (RAAM) Clinics

In 2019/20, LHINs continued to respond to the opioid crisis by addressing the urgent and ongoing health needs of Ontarians with opioid use disorders. There are 54 Rapid Access Addiction Medicine (RAAM) clinics across the province that support improved access to services and quality of care. This includes providing immediate and ongoing addiction treatment, counseling and other mental health supports, such as triaging patients to the most appropriate ongoing care provider and reducing hospital emergency department visits and inpatient stays.

Erie St. Clair LHIN supported the development and implementation of minimum specifications for the clinics in its region to provide a best practice client experience and establish common standards throughout the region. The Chatham-Kent clinic opened in July 2019, and as a result of strong collaboration between many primary care and community partners, there were over 200 visits to the clinic in its first seven months.

Based on the provincially supported Mentoring, Education and Clinical Tools for Addiction: Primary Care-Hospital Integration (META:PHI) model, Mississauga Halton LHIN supported the first Rapid Access Addiction Medicine clinic in Mississauga. The Mississauga clinic provides patients with immediate access to short-term addictions treatment until they are stable and can be linked with primary care for ongoing support. Over the year, the clinic provided 105 clients with 688 visits, representing an increase in the number of clients who received treatment on the same day they accessed services.

North Simcoe Muskoka LHIN was able to expand the clinic model to open others in Wasaga Beach and Muskoka through targeted Ministry of Health investments. These additional clinics enabled the support of an additional 380 individuals in 2019/20.

The Central East LHIN Opioid Strategy (2018) continued to support enhanced access to services for individuals with opioid misuse issues through Rapid Access Addiction Medicine clinics. In 2019/20 specifically, the region's three clinics collectively supported 2,060 clinic referrals, serving more than 3,100 patients and approximately 5,650 appointments. Over 60 referrals were made to primary care providers and 300 to community addiction treatment services. In addition, clinics continued to report

high rates of patient satisfaction. Scarborough Health Network consistently reported that 100 per cent of patients would recommend the service to a friend.

Mobile Crisis Response Teams and Safe Beds Programs
Mobile Crisis Response Teams help connect people to the mental health services they need when they need them. Integrated with safe beds programs, and working in partnership with police and first responders, Mobile Crisis Response Teams engage individuals in crisis, de-escalate the situation, and help connect people with appropriate services in the community. The goal of Mobile Crisis Response Teams is to divert individuals experiencing a mental health or addictions crisis from incarceration, the justice system and/or unnecessary hospitalization.

In North West LHIN, the Thunder Bay branch of the Canadian Mental Health Association received base funding to operate its second existing Joint Mobile Crisis Team. The team, which includes police, is the first to respond to calls for individuals in crisis. The service supported people with mental disorders/mental illness to enhance their well-being and minimize their interaction with the criminal justice system. The two teams worked with the Thunder Bay Police Service to implement a coordinated response for individuals experiencing mental health crises with the aim of providing the right care in the right place for 2,103 individuals with 8,155 total interactions.

In 2019/20, the ministry provided funding to Champlain LHIN to improve mental health supports for the justice sector. The LHIN used the investment to expand the Mobile Crisis Response Team at Pembroke Regional Hospital and Lanark Renfrew Health & Community Services, as well as an integrated, new Safe Beds program at Pembroke Regional Hospital serving Western Champlain. The team worked with transitional case managers to help local police divert people away from unnecessary incarceration and hospital emergency departments and connect them to the mental health and addictions services they needed. This team helped stabilize 114 individuals and continued to support them in their community.

Hamilton Niagara Haldimand Brant LHIN's Enhanced Safe Beds programs and clinical expertise helped divert individuals in a mental health and/or addictions crisis from incarceration, the justice system, and/or unnecessary hospitalization. In 2019/20, this supportive housing initiative benefitted 870 people living with mental health issues who have experienced homelessness or are at risk of being homeless across the region.

Leveraging best practices in crisis response, Mississauga Halton and Central West LHINs facilitated focus groups with key partners to design and develop a first response crisis model to address the gap of crisis services in Peel Region. The Peel Dufferin branch of the Canadian Mental Health Association led the work, in partnership with Peel Police, Trillium Health Partners, Peel Children's Centre and other community stakeholders. The group implemented a culturally safe and responsive program to support individuals with mental health or concurrent disorders and/or substance use crisis with rapid referral to a mental health worker on emergency service calls. The program was successful in supporting individuals in mental health crisis with referrals to appropriate, community-based mental health and addictions services. Since the program's official launch in January 2020, these efforts reduced unnecessary apprehensions and increased the reporting of improved rates of satisfaction among

patients and police. Approximately 1,488 individuals were served with 3,505 Mobile Crisis Rapid Response Team visits over the course of the year.

Central LHIN provided funding to expand mobile mental health and addictions programs, such as peer support, Safe Beds programs and supports for priority populations. For example, the Lance Krasman Centre increased peer support capacity for their drop-in programs, expanded mobile peer support outreach for the most vulnerable and increased peer support within hospitals. The Across Boundaries program, which supports racialized youth and young adults within LGBTQ2+ communities living with mental health and addictions issues, enhanced sector knowledge by developing a mobile team providing counseling, peer support, system navigation, advocacy, education (mental health and addictions awareness, anti-homophobia, etc.), family supports/intervention and youth-directed support groups. Through these and other examples of expanded mobile supports in Central LHIN, as well as through enhanced first responder capacity to provide timely, high quality, integrated support and care, over 1,200 more Ontarians in mental health and/or addictions crises received mobile support in 2019/20.

Augmented Early Psychosis Intervention Services

The early identification and treatment of psychosis, a disorder that affects the brain, causing a distortion of reality or some loss of contact with reality, can shorten the duration of the illness, reduce possible hospitalizations and reduce the need for medication.

Toronto Central, Central West and Mississauga Halton LHINs' early psychosis intervention working group, along with the Early Psychosis Intervention Ontario Network, health service providers, clinicians and people with lived experience, developed a report that guides the implementation of an innovative model of care for early psychosis intervention. In partnership with Trillium Health Partners, the new program includes individualized psychosocial interventions (including the use of psychotherapies such as Cognitive Behavioural Therapy and specialized Cognitive Behavioural Therapy for psychosis), family education and intervention, supported education and employment, and comprehensive care planning and monitoring. In 2019/20, 6.35 full-time employees were recruited to improve access for approximately 50 individuals and provide 1,800 visits as well as 52 group sessions. In total, 157 individuals received psychosocial interventions, with 1,852 visits for supports related to family education and intervention, education and/or employment.

As part of Central East LHIN's 2019/20 Mental Health and Addictions investments, peer support services for people with lived experience were greatly expanded in the North East part of the region through the Haliburton, Kawartha, Pine Ridge branch of the Canadian Mental Health Association's early psychosis intervention programming. The Lynx program is recognized provincially as a best practice. This collaboration between several organizations serves youth between the ages of 14 - 35 who live in the Kawartha Lakes, Peterborough, Haliburton and Northumberland areas. Through early identification, rapid response and screening, psychiatric and nursing services, case management, family support and education, 203 patients benefitted from this program, with each individual receiving an average of 14 visits. The program also conducted 159 group sessions for 834 participants.

Enhanced Peer Support Services and System Navigation Initiatives

As part of the North East LHIN's Strategy for Peer Support Services and Programs for Priority Populations, funding was allocated towards the development of a peer support service in the emergency department at North Bay Regional Health Centre. This ensured that individuals with mental health and addictions issues presenting to the emergency department were supported by someone with lived experience, providing a safe and compassionate response to their crisis. This program also assisted with appropriate referrals to outpatient treatment, decreasing crisis situations within the emergency department and promoting a sense of respect and empowerment for individuals living with mental health and addictions issues. Following the success of the first phase of this initiative, North East LHIN expanded the Peer Support in the Emergency Department program to each of Northeastern Ontario's three other designated psychiatric facilities (hospitals), forming a strong partnership between hospitals and peer support organizations in the respective urban areas. Additionally, the program has improved the manner in which people who live with mental health and addiction issues are treated in the emergency department.

Waterloo Wellington LHIN focused on reducing emergency department length of stay and inpatient admissions for children and youth through a number of programs and initiatives, including the expansion of the Child and Adolescent Inpatient Unit/ED Diversion Team to include a System Navigation position. This role interacted with over 400 children and youth in emergency departments across the Waterloo Wellington LHIN, making connections to community services and preventing admissions to the Child and Adolescent Inpatient Unit at Grand River Hospital.

South West LHIN supported the implementation of the Level of Care Utilization System assessment tool across the region. The tool assesses and supports accurate level of care recommendations and ensures that patients receive the right level of care. Training was provided to all community mental health and addictions health service providers and hospital outpatient/ambulatory programs. The tool was actively used across all community case management programs and hospital-based outpatient programs as a result. The implementation of this new system has contributed to more appropriate use of clinical resources and matching of patients/clients to impactful supports and services.

Central West LHIN developed a multi-disciplinary team-based approach to address a service gap for clients living with significant mental health challenges in the community by reorganizing services using existing funding. A modified Flexible Assertive Community Treatment Team was established to rapidly respond and support priority populations by offering intensive case management to address fluctuating needs. Within the six-month pilot, 17 staff from five community mental health and addictions agencies supported 29 clients. Outcomes of the multi-disciplinary team included the integration of a psychiatrist on the team from the Canadian Mental Health Association; support for complex mental health needs through 483 face-to-face patient interactions and 1,090 service interactions; improved patient navigation and access to services; a significant reduction in unmet needs and level of care utilization; as well as improvement in symptoms of anxiety and depression. Staff reported several benefits that included having multiple perspectives for each client and more robust decision-making by care providers.

Enhanced Programming for Priority Populations

Addiction to opioids, especially the increased use of fentanyl, is an urgent public health situation in the

North Simcoe Muskoka region. In response, a wide range of sectors collaborated to develop an Indigenous Opioid Strategy. In 2019/20, 25 Indigenous youth attended a day-long event to learn about opioid misuse. They were engaged firsthand by contributing and collaborating on the creation of a social media campaign around opioid addiction. *Not Our Medicine* is an opioid awareness campaign created by Indigenous youth in North Simcoe Muskoka as part of the Indigenous Opioid Strategy. #NotOurMedicine launched July 3, 2019 at Lakehead University in Orillia.

In partnership with the City of Toronto and the Inner City Health Associates, Toronto Central LHIN designed and implemented a health care delivery model for the homeless/shelter population. Historically, health services provided to shelter populations in Toronto were a poorly coordinated collection of programs spread across different provider groups and settings. Toronto Central LHIN and the City of Toronto sought to ensure client needs were met through seamless collaboration between health and shelter providers. The Inner City Health Associates proposed a regional shelter and health care model using the Toronto Health Services Framework to drive integration and system efficiency. This work focused on super-utilizers of the health system to ensure they were receiving the right care at the right time and in the right place. At the end of the fiscal year, Toronto Central LHIN was able to leverage this partnership to begin development of a COVID-19 recovery site provided shelter as well as community and health supports to more than 150 people at any given time.

South East LHIN developed coordinated access for seniors' mental health utilizing Providence Care's Central Access Registered Nurses as an integrated team in mental health and behavioural support services. Processes continued to be refined in the community with implementation in two of three regions, with plans and resources to expand to the third region in 2020/21. System benefits for this single point of access included enhanced capacity and strong partnerships with referral sources and partners; coordination of early intervention and community supports; collaboration with partners including Alzheimer Society First Link Navigators, ensuring early support and education for clients/caregivers; central waitlist management and seniors' mental health clinics; as well as navigation to appropriate tertiary inpatient or behavioural support transition units.

Improving Long-Term Care

LHINs continued to collaborate with the long-term care (LTC) sector, including administrators, operators, health service providers and community stakeholders to support the placement of more than 25,000 Ontarians into long-term care and planning for future capacity across the province.

Improving Access to Long-Term Care and Planning for Future Capacity

The Ministry of Long-Term Care announced a transformational strategy in October 2019 to build 15,000 additional long-term care beds within five years and modernize an additional 15,000 older long-term care beds as well. In support of this strategy, LHINs conducted reviews of local long-term care sector needs in order to help inform the development of future long-term care capacity. For example:

Nine additional long-term care beds were added in the Waterloo Wellington region at Strathcona Long-Term Care in Mount Forest, bringing up the home's bed total to 96. An additional 177 long-term care beds were also announced for communities in Kitchener, Cambridge and Wellington with construction to be completed within the next 24 - 36 months.

North West LHIN completed an analysis and service projections for long-term care, assisted living services for high-risk seniors, as well as a specific set of community support services that meet the needs of seniors. The results also have been used to respond to ministry requests for information related to long-term care licensing transactions and to support planning for community services for seniors. Health service providers also used the data to review available services and gaps, supporting the development of proposals to add/expand specific community services for seniors.

As part of Champlain LHIN's sub-acute capacity planning efforts, long-term care needs were reviewed by analyzing existing capacity and projected future demand. Based on the analysis, the Champlain Sub-Acute Network identified local objectives to inform the development of future long-term care capacity, including geographic areas of greatest need, areas requiring increased access to French language services in long-term care and areas requiring increased long-term care capacity that promote Indigenous cultural safety.

Behavioural Support Services in Long-Term Care Homes

Behavioural Supports Ontario provides enhanced services for individuals with complex responsive behaviours associated with dementia, mental health, addictions and other neurological disorders, as well as supports for families and caregivers. Staff are specially trained to identify and reduce triggers, provide non-pharmacological interventions and improve engagement and quality of life for these individuals.

Through continued support and involvement with Behavioural Supports Ontario in 2019/20, Hamilton Niagara Haldimand Brant LHIN ensured continued work with Behavioural Response Teams in long-term care. These teams enable support, education and consultation for residents, caregivers and staff to meet the needs of those experiencing the symptoms of dementia.

In Waterloo Wellington LHIN, additional investments in Behavioural Response Teams in long-term care in 2019/20 enabled 2,056 residents, caregivers and staff to be provided with support, education and consultation to meet the needs of residents with symptoms of dementia.

Long-Term Care Behavioural Specialized Units

In December 2019, the Ministry of Long-Term Care announced funding for specialized long-term care support for residents with complex needs through its Behavioural Specialized Unit pilot program. The pilot program was developed with the goal of helping relieve hospital capacity pressures by assisting patients with complex behaviours move from hospitals to long-term care homes more quickly.

Central East LHIN supported the opening of a 26-bed Behavioural Specialized Unit at Fairview Lodge, the first in the region. The unit serves patients who have a primary diagnosis of dementia and/or significant behavioural disturbances that cannot be managed in the community or a standard long-term care home. It has facilitated the transition of Alternate Level of Care (ALC) patients from hospital to long-term care homes, improved long-term care acceptance rates and provided specialized patient care. The unit has had 95 per cent average occupancy since it opened.

South West LHIN completed an evaluation of the McGarrell Place Behavioural Supports Transitional Unit, resulting in a five-year extension of this 29-bed unit pilot program.

Nurse Practitioners Supporting Teams Averting Transfers & Nurse Led Outreach Teams
Two teams supported residents in long-term care by responding to acute health concerns that might otherwise result in an emergency transfer to hospital: Nurse Practitioners Supporting Teams Averting Transfers and Nurse Led Outreach Teams.

In South East LHIN, all nurse practitioners were trained on proper cast and splint interventions to provide needed care to residents in their long-term care home, avoiding unnecessary trips to the emergency department. The Nurse Led Outreach Team also communicated with hospital orthopedic departments to ensure smooth transitions to more advanced care if necessary, once initial situations were stabilized.

The Waterloo Wellington LHIN Nurse Led Outreach Team developed clinical pathways and implemented education, coaching, mentoring and direct nurse practitioner support to reduce unnecessary emergency department transfers, hospital admissions as well as facilitate early repatriation from acute care.

Improving Onsite Care for Long-Term Care Residents
As part of its ongoing effort to better support residents in their long-term care homes and reduce unnecessary transfers to the hospital, Central LHIN initiated a review of the 10 long-term care homes with the highest number of transfers to the emergency department. This review supported the development of action plans to proactively address the most common reasons for transfer. With this in mind, a multi-organizational team was established to scale and spread learnings and outcomes. The working group focused on the top three reasons for emergency department visits: falls, pneumonia and chronic obstructive pulmonary disorder/congestive heart failure (COPD/CHF). As a result of this work, a number of new initiatives were implemented, including: increased patient, family and clinical engagement with Nurse Practitioner Led Outreach Teams; enhanced staff education on pneumonia symptoms and treatment; enhanced palliative care training; onboarding of additional nurse practitioner staff; and, adoption of equipment such as a mobile x-ray machine and hip protectors for identified at-risk residents. Within three months of implementation, one home reported a 50 per cent reduction in transfers and all 10 long-term care homes saw a reduction in the number of emergency department visits.

Palliative Care in Long-Term Care
Central LHIN piloted a new Palliative Resource Package at seven long-term care homes. The purpose of the new toolkit was to support long-term care home staff providing standardized and sustainable palliative/end-of-life care to residents and reducing unnecessary transfers to the hospital. The toolkit provided information on the early identification of palliative care needs, decision trees and care management advice to distinguish palliative and end-of-life care, and links to additional resources. Preliminary survey results from both staff and patients indicated a very high level of satisfaction, averaging over 80 per cent positivity. As part of its program measures, Central LHIN is monitoring and reporting on avoidable emergency room transfers. The Palliative Resource Package will be rolled out to the remaining 39 long-term care homes in Central LHIN in 2020/21.

In Toronto Central LHIN, the Palliative Approach to Care in Long-Term Care initiative entered its second year in 2019/20 with an expansion into an additional 12 long-term care homes. The initiative's goal is to improve the quality of life of long-term care residents by strengthening palliative care through capacity building. Through this initiative, each home undertook an internal, home-specific palliative care assessment and an individualized quality improvement project. Examples of these projects include implementation of the Palliative Performance Scale, widespread education about palliative care, development and use of new documentation tools for detailing residents' end-of-life wishes, incorporation of comfort rituals to support loved ones and new methods to memorialize deceased residents. This initiative helped residents and their families by increasing communication and understanding of a palliative approach to care and improving access to enhanced palliative care services. Patients reported increased satisfaction with their care experience, and the initiative resulted in fewer unnecessary hospital transfers. As an example, in the first six months of implementation of the initiative, Harmony Hills long-term care home saw a 25 per cent reduction in the number of resident transfers to the emergency department.

Improving the Delivery of Home Care

The LHINs delivered home and community care services to more than 700,000 people across the province in 2019/20. This work involved partnerships among care coordinators, physicians, nursing professionals, physiotherapists, occupational therapists, speech language pathologists, rehabilitation assistants, social workers, dieticians and others. As a result, LHINs continued to develop innovative and collaborative initiatives to safely transition patients along their care journey.

Addressing Personal Support Service Human Resource Challenges and Advancing Home Care Capacity and Consistency

In order to address previously identified challenges related to recruiting and retaining personal support workers (PSWs) in their regions, LHINs, in collaboration with local partners, have implemented a range of strategies and initiatives to support PSW job satisfaction and retention. Additionally, these initiatives also supported improved consistency in service delivery and patient satisfaction.

To better meet the needs of people requiring complex care while living in retirement homes, Central LHIN continued to build on a collaborative care model that enables a single contracted service provider's PSW staff to work alongside the retirement home's staff. In 2019/20, this model was expanded from a single home to six more long-term care homes in the region, along with five service providers. This resulted in enabling more than 2,300 hours of weekly shift care in these homes. By providing single-site, full-time employment, the model also aimed to increase PSW job satisfaction and retention.

Hamilton Niagara Haldimand Brant LHIN implemented revised PSW utilization guidelines based on a levels of care framework including the introduction of windows of time, otherwise known as client partnered scheduling, to build PSW capacity in the community and facilitate a more patient-centred approach to care planning. Client partnered scheduling involves the service provider and the patient or caregiver working together to arrange a visit. This approach to scheduling personal support services increases PSW capacity for care in the system, improves the consistency of care providers for individual clients, contributes to reduced missed visits and promotes stronger relationships.

In Central West LHIN, enhanced cluster care models within congregate settings increased consistent team-based care, improved the patient experience and resulted in an annualized savings of $50,000. The cluster care model improves efficiency in the delivery of home care services and patient satisfaction by increasing the availability of PSWs. Using a cluster care rate improves cost management, and increased flexibility in scheduling services results in higher job satisfaction for PSWs through the availability of full-time shifts with multiple patients in one geographic location.

Care Coordination Initiatives

In the spring of 2019, the North East LHIN Cochrane District Home and Community Care team recognized gaps in service in rural districts for patients requiring intravenous (IV) medication infusions. A working group was assembled with staff from home and community care, hospitals, nursing and pharmacy to brainstorm opportunities for improving the patient experience and reducing emergency department visits for initial and ongoing doses of IV medication. A process was designed to allow the nursing agency to establish stock cupboards and dispense enough medication until the pharmacy could deliver to a patient's home. In June 2019, Victorian Order of Nurses (VON) clinics in Hearst, Kapuskasing, Cochrane, Iroquois Falls, Matheson, and Kirkland Lake Branch North, along with the Chapleau Family Health Team, went live with Delegation of Dispensing and IV Medication and Supply Cupboard in the clinics/depot with various medications. After going live with this initiative, participating hospitals realized a drastic decrease in the number of clients presenting to the emergency department for IV antibiotics.

Mississauga Halton LHIN worked in collaboration with local health system partners and other stakeholders to create the Hospital and Emergency Avoidance Resolution Table (HEART). This team mobilized community supports, resources, creative solutions and collaborative plans around marginalized patients in the community to support their treatment and prevent emergency department visits and hospitalizations. HEART was launched in the last quarter of 2019/20 and came together to help four patients avoid hospitalization. This collaborative, creative response to caring for complex patients was also leveraged during COVID-19, enhancing communication and collaborative care planning among service providers, community support services, mental health and addictions and other system partners in the height of the pandemic.

Palliative Care Initiatives

The Champlain LHIN Regional Medical Assistance in Dying Network is a partnership between LHIN Home and Community Care and The Ottawa Hospital. The network was launched in 2019 and uses an integrated service model to create a seamless experience for patients, families and health care providers. The network's vision is to serve as a centralized support, across all health sectors, for patients and families who request medical assistance in dying and develop the capacity of organizations and providers to deliver high-quality, patient-centred care. Key attributes of this partnership include implementation of a central-intake process, development of standardized clinical and educational resources and improved program monitoring.

Using Digital Health Technology to Deliver High Quality, Innovative and Accessible Health Care

Digital health technology is changing the way health care is delivered. Across the province, LHINs have worked with patients, caregivers, clinicians and other organizations to implement new tools to enhance connectivity between providers and patients.

Central East LHIN developed an inter-professional wound care team, including care coordination teams, a wound resource specialist, contracted service provider wound champions and hospital-based wound consultants and physicians. The goal was to provide a seamless virtual consultation to address complex wound pathways that work collaboratively to provide efficient and effective virtual wound care consultations across the system.

As a provincial first, Erie St. Clair LHIN expanded its eRehab program to also support seniors with complex needs at Erie Shores Health Care. eRehab had already been an innovative and efficient rehabilitation model for patients who have experienced a stroke or hip and/or knee joint replacement. A LHIN Clinical Care Coordinator assesses patients in hospital and follows up with them directly in the community. Specially trained therapy assistants provide care in the home under the guidance of a regulated directing therapist from a remote location using virtual tools. This model of care supports increased hospital bed capacity and improved system flow.

Waterloo Wellington LHIN launched Hypercare, a secure, mobile-first platform enabling communication and collaboration among members of palliative care community teams with a goal of improving patient outcomes. It features encrypted instant messaging, secure image and video sharing and group chat functions. Launched in March 2020, as COVID-19 arrived, it quickly became a key tool to strengthen team-based care and reduce foot traffic through patients' homes.

Embedding Care Coordinators in Primary Care

Embedding care coordination in primary care settings continued to be a priority for LHINs in 2019/20. The goal of this work is to provide care that is more integrated and responsive to local needs.

This past year, Erie St. Clair LHIN expanded the Clinical Care Coordination model by integrating more home and community care staff within primary care settings across the region. The model follows patients and caregivers through their health journey including hospital admissions, discharges and/or moving to a new care setting. Patients and caregivers feel better supported by receiving care from a multidisciplinary team that ensures resources are efficiently and specifically targeted to the patient's goals and needs.

Hamilton Niagara Haldimand Brant continued to embed care coordinators in family practice groups at the Hamilton Family Health Team with the addition of a care coordinator at King West. Additionally, a second care coordinator was added at the McMaster Family Health Team. This expansion supports working as one integrated care team to serve patients.

Capacity Planning

Capacity planning efforts involved the alignment of health system resources to meet the current and future needs of patients and families. LHINs worked with the Ministry of Health, Ministry of Long-Term

Care and broader system partners to anticipate and respond to impending needs, such as those of a rapidly growing senior population.

Surge Planning
As in previous years, LHINs participated with acute care and community partners to plan and respond to higher than normal service demands, particularly during influenza season. These plans included solutions to expand beyond normal services to meet the increased demand for qualified personnel, medical care and public health to support surge planning.

As examples, Erie St. Clair LHIN provided a coordinated response to influenza and related hospital volume pressures that reflected a cohesive state of preparedness by all partners and included a surge response framework. Likewise, South West LHIN produced a surge plan and protocol that was used during the 2019/20 holiday season to ensure access to appropriate care was maintained, based on predictable peaks in volume.

In North Simcoe Muskoka, the LHIN coordinated a Regional Surge Steering Committee in the fall along with the home and community care sector, acute and primary care, long-term care homes, community support services, the district health unit and Simcoe County and District of Muskoka. The committee designed and implemented a comprehensive plan for surge capacity and management across various health care sectors. In concert with the committee, daily reports on key measures of influenza-related activity were shared with planning teams as a consistent source of data to inform their respective roles in surge management. As the fiscal year concluded, this group was able to easily evolve into a LHIN-level response team for COVID-19.

Family-Managed Home Care
As part of a province-wide initiative launched in 2018/19, all 14 Ontario LHINs continued to offer the Family-Managed Home Care program. The program served eligible patients in four distinct cohorts: children with complex medical needs, home-schooled children with qualifying health care needs, adults with acquired brain injury, and other individuals in extraordinary circumstances. Through this program, families received direct funding to find, hire and pay for home care services. It provided patients and families with greater flexibility and choice while requiring financial reporting accountabilities to the LHIN. Between 2018/19 and 2019/20, Central LHIN supported 50 patients and their family members/substitute decision-makers. Enrollment continued to increase with positive feedback from patients and families. While recognizing the administration requirements, patients and families have said the program achieves the goals of enabling choice and flexibility on who provides their care and has strengthened opportunities to create long-standing connections with their care providers to support consistency.

Addressing Personal Support Worker (PSW) Human Resource Challenges
LHINs continued to work with service provider organizations to address challenges in recruiting and retaining PSWs, while maintaining and improving access to care, particularly in the long-term care and home care sectors.

For instance, North East LHIN established a Regional PSW Workforce Steering Committee to help mitigate some of the challenges facing this vital workforce. The committee identified priority areas including:

- Providing more PSWs in the health care system through education, specialized training and incorporating team members from other jurisdictions
- Career promotion and awareness building
- Improving workplace conditions
- PSW capacity planning

In support of these priorities, 25 projects were identified, with 13 being completed by the end of 2019/20.

In Waterloo Wellington LHIN, PSW capacity mitigating strategies embraced training programs that allowed candidates to learn while working and establishing temporary "off-contract" tripartite agreements.

Musculoskeletal (MSK) Initiatives and Rapid Access Clinics

Rapid Access Clinics have expanded across Ontario to help people with musculoskeletal conditions quickly access care. The clinics focused on hip and knee arthritis and certain types of low back pain. This model of care involves building frontline capacity and standardized supports to improve access to high quality care.

Across Mississauga Halton LHIN, central intake and assessment clinics for hips/knees and lower back pain management improved access to care for patients, with shorter wait times for comprehensive assessment and consultations. In 2019/20, there were 2,282 referrals for low back pain and 2,007 for hip and knee received by central intake. Additionally, the number of primary care providers that completed the onboarding process for the low back pain Rapid Access Clinics increased month over month, with over 400 primary care providers registered by the end of the year. Both programs have received positive patient experience feedback, with an average satisfaction rate of 98 per cent for low back pain and 97 per cent for hip and knee.

In Central East LHIN, a collaborative initiative was led by the Musculoskeletal Care Steering Committee, which included orthopedic surgeons, primary care providers and patients. With their support, orthopedic surgeon champions travelled the region to educate and answer questions from colleagues about the Central Intake and Rapid Access Clinic model.

In total, more than 180 Rapid Access Clinics are now streamlining the surgical referral process across the province for moderate to severe hip and knee arthritis and low back pain.

Quality-Based Procedures Reallocation

Under the *Local Health System Integration Act, 2006* and the Ministry-LHIN Accountability Agreement, LHINs have the authority to allocate and reallocate certain funding. To maximize patient access and resources for procedures such as hip and knee replacements, quality-based procedure reallocations were shared by Erie St. Clair, Hamilton Niagara Haldimand Brant, South West and Waterloo Wellington

LHINs. The goal of the cross-LHIN reallocations is to promote quality, improve outcomes and ensure the equitable allocation of resources across communities.

Adult Day Programs
Adult Day Programs provided critical support in enabling seniors to remain at home for as long as possible by providing care in social and therapeutic recreation environments. These programs were often an alternative to long-term care and offered much-needed respite for caregivers.

Central LHIN expanded targeted adult day programs and associated transportation, decreasing wait lists for frail elderly clients in high demand areas. With this expansion, up to 43 additional individuals benefitted from these programs. Similarly, a new adult day program was funded in North West LHIN and provided services to 36 additional seniors.

South West LHIN carried out a second annual capacity survey for all adult day programs to understand current state, inform investments, and initiate discussions on changes in program models to meet the needs of clients.

Assisted Living in Supportive Housing
Assisted living in supportive housing provided support to patients who required services at a greater frequency or intensity than home care, but without the medical monitoring or supervision provided in long-term care. Programs promoted the health and wellness of residents to live in the community with a high level of independence.

In North West LHIN, new base community funding was allocated to initiate new assisted living services for high-risk seniors in Fort William First Nation, Terrace Bay/Schreiber, Manitouwadge and Geraldton, and to expand assisted living services in Thunder Bay. Two programs in Champlain LHIN were also provided new base funding to expand. Funds also supported the voluntary integration of two organizations that provide community support services and housing to people living with physical disabilities and complex health needs. The integration led to improved infrastructure, governance, human resources and quality of care, while efficiencies allowed for the support of more clients.

North West LHIN also offered supportive housing services for individuals outside of Thunder Bay who underwent rehabilitative treatment. The program allowed for the provision of care and rehabilitation to patients in a supportive setting, rather than in a hospital bed. In 2019/20, 21 patients received services from this particular program.

Health System Transformation

Under the *Connecting Care Act, 2019*, Ontario Health Teams were introduced to provide a new way of organizing and delivering services in local communities. This new model of care brings together health care providers to work as one coordinated team that better connects patients and providers in their communities to improve patient outcomes.

Supporting the Development of Ontario Health Teams

Throughout 2019/20, LHINs engaged with and supported health care providers who expressed an interest in becoming part of an Ontario Health Team. Many LHINs proactively identified and shared information with developing teams and participated as committed partners through the self-assessment, application and designation phases, and continued into the early operational phases of the teams. LHINs across Ontario shared local population profiles, population health information as well as health service volumes, wait times, performance and various other health care and system data. Among other supports, many LHINs facilitated community and partner engagement sessions as well as sharing information on Francophone and Indigenous communities.

The *Connecting People to Home and Community Care Act, 2019* was tabled in the provincial legislature on February 25, 2020. This Act was assented on July 8, 2020 and supports more flexible and integrated delivery of home and community care services, laying the groundwork for eventual delivery by Ontario Health Teams and through other integrated models. This direct service delivery role will be complementary to the role of Ontario Health, which will assume LHIN functions related to health system planning and funding. LHIN staff involved in the coordination and delivery of home and community care services and long-term care home placement will continue their important work as employees in their current organizations. During the transition, patients and caregivers will continue to access home and community care services in the same way, using the same contacts.

The LHINs and Ontario Health continued to work closely together with the ministry to support transformation and plan for seamless transitions with a focus on patients and maintaining continuity of care.

Health Service Provider Integrations

Integrations in health care offer efficiencies in the system to support improved quality of care, patient and provider satisfaction and further sustainability. In 2019/20, North East LHIN worked with area partners to facilitate the integration of four mental health and addictions service providers into one organization: Nipissing Mental Health and Housing Support Services. With this integration, a wide continuum of services to support the treatment of mental health and addictions in the community are accessible.

Also, in March 2020, the Board supported North East LHIN with the voluntary integration of Englehart and District Hospital and Kirkland and District Hospital. These two hospitals had been working diligently over the past several years to integrate their executive teams, board of directors, laboratory services and information technology in order to redirect savings to the frontline. The new organization, Blanche River Health, was named after a local river that connects the two communities.

Implementing Wound Care Standards

The Chronic Disease Pain Management Program in North West LHIN participated in a provincial initiative to implement wound care standards of practice, which included investments in offloading devices (e.g., casts or specialized footwear that relieve pressure) across the region. The goal was to promote widespread awareness and adoption of Ontario Health (Health Quality Ontario) wound care standards and best practices to increase understanding of the benefits of adopting offloading devices as a treatment option, and build clinical competency in the use and application of the approved devices.

Mississauga Halton LHIN shared a similar priority through Project ECHO Ontario Skin and Wound Hub, with an objective of increasing coordinated interprofessional wound care capacity and translating expert knowledge and skills to rural and underserviced areas and populations. In 2019/20, the project successfully delivered 27 TeleECHO sessions to 416 health care professionals. Twelve of the 14 LHINs in Ontario had at least one “spoke” participate in this hub and spoke initiative.

Among the health care professionals who participated, 42 per cent served rural communities, 18 per cent served Indigenous populations, 14 per cent served northern communities, and 11 per cent served remote communities.

Community Engagement

Community engagement is built into every part of the planning, delivery and evaluation of LHIN work. Serving communities across the province responsibly and responsively relies on ongoing dialogue with those who use health services and those who deliver them. LHINs actively engaged with communities, residents, health service providers, provincial associations, local government leaders and many other organizations and individuals on how to improve and enhance Ontario's public health system.

In this last year, LHINs continued to engage with priority populations, including Francophone and Indigenous communities, and other health system partners to identify potential risks and implement targeted interventions to improve access to appropriate and culturally sensitive care.

Engagement with Francophone Communities

Access to quality French language health services directly impacts the health of Franco-Ontarians. LHINs are committed to engaging with the Francophone community to inform planning and integration of these services in accordance with the *French Language Services Act*. Strong working partnerships have been established with French Language Health Services Planning Entities across the province to support engagement with Francophone stakeholders.

Northern Francophone Community Engagement
The North West and North East LHINs work closely with the Réseau du mieux-être francophone du Nord de l'Ontario (Réseau) in designing engagements that help ensure the voices of Francophones are a part of health care decision-making. These LHINs and the Réseau met regularly to advance their joint three-year health action plan on French language services. The plan was developed to enhance care coordination, improve the patient experience, increase access to services in French, reduce inequities and strengthen the sustainability of French language services across the North. In partnership with the Réseau, a variety of best practice strategies were employed to engage health service providers including extensive work to support them with completing an annual report that assesses capacity for the provision of French language services. Additionally, nine designated health service providers were recognized for their efforts to meet the requirements of their designation under the *French Language Services Act.*

French Language Services Community of Practice
The Mississauga Halton LHIN French Language Services Community of Practice, comprised of more than 20 health and social service organizations, worked collaboratively to advance the second year of its *Welcoming Community* initiative. This initiative promotes increased access to bilingual talent by exploring opportunities such as student placements, mentorships and volunteer positions. Achievements in 2019/20 included production of innovative videos in English and French to build awareness and get involved in French language services, a webpage in both official languages to promote current and upcoming activities, meetings with French-speaking medical students at the University of Toronto, Faculty of Medicine to explore collaborative working opportunities, and providing a guided visit of the bilingual Credit Valley Family Health Team to bilingual health and social service students in the Mississauga Halton region.

South West LHIN, in collaboration with Erie St. Clair LHIN and the French Language Health Planning Entity, established a Community of Practice for Bilingual Professionals. This website is a common space where bilingual professionals seeking additional capacity to deliver services in French can access resources and tools, network among their peers and work towards developing pathways and strategies that will improve accessibility to French language services.

LHIN-Entity Action Plan
On behalf of three LHINs (Central, Central East and North Simcoe Muskoka), Entité 4 collaborated in community discussions with the Premier's Council on Healthcare and Ending Hallway Medicine, a process that engaged 250 Francophone patients, caregivers and health sector leaders across 16 sites. These engagements helped inform the LHIN-Entity Action Plan 2019-2022, a publicly available document developed to identify and advance French language health services.

Supporting Francophone Representation in Ontario Health Team Planning
With the development of Ontario Health Teams, several LHINs, in collaboration with their local French Language Health Planning Entities, helped ensure the Francophone perspective was embedded in the planning and application process. For example, North Simcoe Muskoka LHIN and Entité 4 created tools to assist with the application process, outlining how to incorporate the Francophone lens throughout. Erie St. Clair LHIN and the local French Language Health Planning Entity met with members of the Francophone community in Chatham-Kent as part of their application process. Francophone membership also contributed to the Sarnia/Lambton Ontario Health Team application process through contributions at the patient, family and caregivers working group. The Champlain LHIN supported Ontario Health Teams by providing health data about French language patients, which included ambulatory care sensitive conditions, as well as other conditions such as chronic obstructive pulmonary disease, congestive heart failure and diabetes.

French Language Services Navigation Tools
In the last year, South West LHIN participated in the development of the French Language Services Online Resource Guide with the primary objective of increasing knowledge of the levels of health care resources and services available in London and area, helping to reduce barriers to access for French-speaking individuals.

Sector-Based Programs and Initiatives
In April 2019, through collaboration with regional palliative care planning tables and the French Language Health Planning Entity, Entité 4, North Simcoe Muskoka LHIN identified that Hospice Huronia was able to provide supportive care in French, ensuring Francophones had access to linguistically adapted palliative care.

Central East LHIN staff engaged and collaborated with various health service providers to expand access to French language services by provisioning health promotion and outreach services in French for marginalized and racialized communities. This was done in conjunction with offering primary care services in French.

South East LHIN participated in several engagements including Salon Santé Kingston, an event providing health system partners with an opportunity to enhance their skills to actively offer services in French. The LHIN also participated in the Youth Mental Health Services Planning Day 3.0, which joined stakeholders and youth together to collaborate, identify priorities and make recommendations to further support transitional aged youth (18-24 years) and youth requiring services to manage mental health issues and crisis.

Toronto Central LHIN worked with Centre Francophone du Grand Toronto to organize a series of virtual webinars on the Delivery of French Language Services in an Intercultural Context. Modules such as *Approaches to Delivering French Language Services to Clients in an Intercultural Context* and *Implementation of Quality French-Language Services to Clients* provided participants with a better understanding of the importance of French language services. The webinars also offered recommended embedding diversity and inclusion to improve services.

Additionally, Champlain LHIN supported the integration of Maison Fraternité and Centre Psychosocial into Le Cap, Centre d'Appui et de Prévention, enabling a better continuum of integrated mental health and addiction services for Francophone youth and their families.

Engagement with Indigenous Communities

In 2019/20, LHINs continued to focus on establishing trust and strengthening relationships with Indigenous partners and communities to better understand and address the needs of Indigenous populations. Continuing to build mutually respectful relationships and engage with Indigenous communities, leadership and health service partners, LHINs were better equipped to facilitate new partnerships, resulting in more opportunities to adapt, enhance and create new culturally appropriate services.

Indigenous Cultural Safety Training
LHINs recognize the importance of having team members and health service providers participate in Indigenous cultural safety training to better understand the history of Indigenous populations in Canada and the historic pattern of racism and discrimination they face. This includes learning approaches to deliver health services in a culturally safe manner. Indigenous cultural safety training supports strategic planning as well as personal and professional development towards becoming culturally safe in the delivery of care.

LHINs across the province purchased online training seats for San'yas: Indigenous Cultural Safety Training. These seats were offered to LHIN and health service provider team members. This unique program enhances self-awareness and strengthens the skills of those who work both directly and indirectly with Indigenous people. The training has a variety of modules that address racism and discrimination with the goal of identifying the root of inequities so the trainees become more aware of deep-seated bias that may influence their interaction with Indigenous people.

Indigenous-Led Health Strategies

Within an Indigenous worldview, the physical, mental, spiritual and environmental aspects of life are correlated to overall health and well-being. Through partnerships with Indigenous community groups and leaders, various initiatives have been created with a complementary approach to Indigenous health and mental health incorporating Indigenous and Western perspectives.

Generated by Indigenous and non-Indigenous community consultations, Hamilton Haldimand Niagara Brant LHIN created the Indigenous Allyship Toolkit: A guide to Honouring Culture, Authentic Collaboration and Addressing Discrimination. The toolkit is an interactive guide to support health care providers and organizations improve experiences for Indigenous patients and families. It was developed in response to an identified need for practical ways to embed Indigenous cultural awareness and safety principles.

Toronto Central LHIN supported Indigenous health providers as they drove changes proposed in the Toronto Indigenous Health Strategy. These changes were Indigenous-owned and led, with the LHIN in a supportive role, which is critical to sustaining and evolving relationships with Indigenous communities. Similarly, in the Erie St. Clair LHIN, First Nation employment managers co-designed Indigenous personal and home support worker training, and Indigenous leaders were involved in the creation of the first-ever Chatham-Kent Ontario Health Team Indigenous Patient Manager position, to be recruited in fiscal 2020/21.

Likewise, South West LHIN worked alongside Indigenous partners to identify gaps in community services and make strategic investments in harm and reduction resources. Consultations between the Frail Senior Strategy and the Indigenous Health Committee offered solutions to address the specialized needs of Indigenous seniors.

Indigenous Health Circles also collaboratively worked to address Indigenous community health issues through system coordination and integration. In North Simcoe Muskoka LHIN, the Indigenous Health Circle hosted its annual Indigenous Health Forum to explore issues affecting all ages. The theme this year was “Indigenous Health in Indigenous Hands” and highlighted Indigenous services in the community.

Further Indigenous-led strategies included a facilitated event with South East LHIN Home and Community Care, the Regional Palliative Care Network and Regional Cancer Program to better understand Indigenous experiences with palliative and end-of-life services and address system gaps and barriers. The event incorporated the creation of Indigenous grieving pouches, a traditional feast and a palliative care talking circle.

In North West LHIN, teams supported springtime community flooding evacuations to Thunder Bay, Sioux Lookout and Lac Seul from Kashechewan First Nation, Pikangikum First Nation, Bearskin Lake First Nation and Keewaywin First Nations. The efforts were part of a provincially coordinated plan with response from federal and municipal governments, First Nations, non-governmental organizations and many community partners.

The Journey Together Project

LHINs continued to support the province's work with Indigenous partners to address the legacy of residential schools, close gaps and remove barriers in health care, support Indigenous culture, and reconcile relationships with Indigenous people. Journey Together programs and actions focus on reconciliation and are developed and evaluated closely with Indigenous partners.

In the both North West and Mississauga Halton LHINs, Journey Together programs represent investments into mental health and wellness programs along with services to help stop the cycle of intergenerational trauma.

Engagement with Other Communities and Populations

Patient and Family Advisory Committees
Throughout the year, engagement activities with Patient and Family Advisory Committees across the LHINs continued. Membership of these committees is diverse and encompasses Ontarians with a broad range of lived experiences, including home care patients, caregivers, palliative caregivers and those with mental health and addiction issues.

Initiatives to involve patient and family advisors included focus groups, surveys, presentations and committee meetings with LHINs, home and community care and various health system partners. Representatives of these various committees also participated with the Ontario Health Patient and Family Advisors Network and shared their experiences and updates on work to improve the patient experiences in their respective LHINs.

Engagement with Underserved Populations
Engaging with underserved populations supports the LHINs' efforts to inform strategies that improve the quality of care and the patient experience. Through community engagement, LHINs are able to address care needs through a more local lens.

Champlain LHIN supported the important work of the Champlain Regional Planning Table for trans, two-spirit, intersex and gender diverse communities. The table is comprised of an equal number of representatives from these communities as well as health service providers. Specifically, LHIN funding supported community engagement, initiative planning and the development and dissemination of best practices and standards in support of the diverse needs of trans, two spirit, intersex and gender diverse people in health care, mental health and social services.

In Waterloo Wellington LHIN, a Student Health Advisory Committee was established to provide student experience, advice and feedback. One of the highlighted accomplishments was a student-led digital health tool that bridges communication gaps in addressing mental health.

To support communities in Toronto Central LHIN, funding was provided for the Black Experiences in Health Care Symposium 2020 that served as a platform for Black communities to gather, discuss and determine key steps necessary to improve their experiences in the health system.

In addition, Plain People are an underserved population that received support in South West LHIN. In 2019/20, the LHIN allocated funds to the South East Grey Community Health Centre to develop and deliver culturally safe personal care skills education for these communities across the region.

Ontario

Health System Performance

In 2019/20, LHINs successfully provided high quality services for home and community care patients while funding and supporting health service providers delivering care to Ontarians across other health sectors in their region.

Throughout the year, LHINs also supported health system transformation by planning and preparing for transitions of functions into Ontario Health, Ontario Health Teams or other integrated models of care, while also supporting the development of Ontario Health Teams as outlined in the *Connecting Care Act, 2019*. In January 2020, the first positive case of COVID-19 in Ontario was identified and LHINs quickly mobilized to support the provincial response to the pandemic. With these additional challenges, LHINs maintained continuity of care and met, or nearly met, provincial targets for several of the performance indicators outlined below.

The provincial targets for performance indicators were developed as a benchmark for LHINs, with the expectation of continuous improvement toward achieving the target. Based on provincial averages, LHINs met or achieved the provincial target for one performance indicator: *Percentage of home care clients who received their nursing visit within five (5) days of the date they were authorized for nursing services*. Population, socio-economic, geographic and demographic circumstances in different parts of the province vary and have an impact on health care delivery.

Individually, every LHIN except one exceeded the provincial target for at least one indicator. Two LHINs (Central East and Central West) met or exceeded the provincial target for six of the performance indicators. Central LHIN met or exceeded the provincial target for five of the performance indicators, Toronto Central LHIN met or exceeded four of the provincial targets and an additional four LHINs (Waterloo Wellington, Mississauga Halton, North West and Champlain) met or exceeded the provincial target for at least three of the performance indicators.

Indicator	Provincial Target	Provincial					
		2014/15 FY Result	2015/16 FY Result	2016/17 FY Result	2017/18 FY Result	2018/19 FY Result	2019/20 FY Result (YTD)
1. Performance Indicators							
Percentage of home care clients with complex needs who received their personal support visit within five (5) days of the date that they were authorized for personal support services*	95.00%	85.39%	85.36%	89.86%	87.80%	86.69%	85.49%

Percentage of home care clients who received their nursing visit within five (5) days of the date they were authorized for nursing services*	95.00%	93.71%	94.00%	96.07%	96.25%	95.87%	95.71%
90th percentile wait time from community for home care services – Application from community setting to first home care service (excluding case management)*	21 days	29.00	29.00	30.00	29.00	28.00	27.00
90th percentile wait time from hospital discharge to service initiation for home and community care*	TBD	7.00	7.00	7.00	7.00	7.00	8.00
90th percentile emergency department length of stay for complex patients	8 hours	10.13	9.97	10.38	10.75	10.87	10.87
90th percentile emergency department length of stay for minor/uncomplicated patients	4 hours	4.03	4.07	4.15	4.38	4.62	4.95
Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	81.51%	79.97%	78.47%	77.99%	79.58%	80.20%
Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	79.76%	79.14%	75.02%	73.72%	75.12%	76.67%
Percentage of Alternate Level of Care (ALC) days*	9.46%	14.35%	14.50%	15.69%	15.70%	16.62%	17.14%
Alternative Level of Care (ALC) rate	12.70%	13.70%	13.98%	15.19%	15.68%	15.35%	16.30%
Repeat unscheduled emergency visits within 30 days for mental health conditions*	16.30%	19.62%	20.19%	20.67%	21.60%	21.91%	21.14%
Repeat unscheduled emergency visits within 30 days for substance abuse conditions*	22.40%	31.34%	33.01%	32.50%	32.80%	33.75%	33.81%
Re-admission within 30 days for selected HIG conditions**	15.50%	16.60%	16.65%	16.74%	16.57%	16.63%	16.66%
2. Monitoring Indicators							
Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	91.93%	88.09%	85.01%	83.95%	85.56%	85.44%

Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	59.47%	62.58%	67.57%	69.77%	70.58%	65.91%
Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	78.25%	78.18%	82.11%	84.73%	84.20%	80.40%
Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	14.00	14.00	13.00	13.00	13.00	12.00
Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	8.00	7.00	7.00	7.00	7.00	7.00
Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	19.56	18.47	17.12	16.82	14.26	8.97
Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	320.78	320.13	321.18	335.22	332.68	243.34
Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	46.09%	46.61%	47.43%	46.71%	46.17%	46.46%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

Challenges and Actions/Initiatives to Improve Performance

While challenges existed, the LHINs achieved the provincial target for the following performance indicator:

1. Percentage of home care clients who received their nursing visit within five (5) days of the date they were authorized for nursing services.

Indicator	**Challenges**	**Actions/Initiatives to Improve Performance**
Percentage of home care clients who received their nursing visit within five (5) days of the date they were authorized for nursing services	Some LHINs experienced struggles with providing nursing services in rural areas. Low population density, large distances and inclement weather all contributed to	Some LHINs continued to actively increase referrals to nursing clinics, with a “clinic first” philosophy and opened additional locations to continue serving patients in a timely manner.

	challenges in seeing patients in a timely manner.	LHINs worked with patients, families and nursing providers to schedule service appointments at mutually agreeable times. Some LHINs also found efficiencies with data reporting and processes to ensure metrics were accurately captured.

LHINs experienced the biggest challenges for the following performance indicators:

1. *Percent of priority 2, 3 and 4 cases completed within access target for hip replacement/knee replacement (two indicators);
2. Alternate Level of Care (ALC) rate; and
3. 90th Percentile Wait Time from community for home care services - Application from community setting to first home care service (excluding case management).

Below are some of the challenges and strategies LHINs have developed to improve performance indicator results:

Indicator	**Challenges**	**Actions/Initiatives to Improve Performance**
Percent of priority 2, 3 and 4 cases completed within access target for hip replacement/knee replacement (two indicators)	An aging population increased demand for hip and knee replacements across the province, combined with limited surgical capacity. This led to varied wait times by provider. Hospitals experienced difficulty meeting surgery volumes and clearing the existing backlog of patients.	LHINs began expanding the Rapid Access Clinic and Central Intake model to more effectively assess patient needs for diagnostic imaging and surgical consultations for hip and/or knee replacement surgery, while streamlining the referral process for primary care practitioners and surgeons. Patients who required surgery were referred to the first available surgeon or surgeon of their choice, while those who did not require surgery were connected to local community services for management of their conditions.

		Additionally, three LHINs piloted a Conservative Management for Osteoarthritis program where patients received supports based on their needs, with the aim of avoiding or delaying the need for surgical intervention. LHINs continued to work with hospitals to review wait list management and to develop strategies to decrease wait times. LHINs also continued relationships with regional orthopedic and musculoskeletal programs to support a regional approach to advancing services and providing quality patient care.
Alternate Level of Care (ALC) rate	The rapidly aging population and an increase in the complexity of patients in hospital, combined with limited long-term care capacity, contributed to increased Alternative Level of Care rates in some areas. Additionally, challenges with PSW health human resources within service provider organizations contributed to a lack of support for discharging patients from hospital to community while waiting for long-term care placements. Some LHINs also continued to experience an increase in high acuity emergency department visits, leading to a backlog of patients waiting to be admitted.	LHINs partnered with hospitals and home and community care on measures to avoid unnecessary hospital admissions through appropriate community supports. There was also a focus on strengthened hospital discharge planning efforts. Combined, these two approaches supported improved patient flow and capacity. Some LHINs also targeted surge season planning and monitoring, with temporary "surge beds" in some hospitals, investments in Oculys technology to better manage system capacity and establishing a number of short-term transitional beds in congregate care settings.

90th percentile wait time from community for home care services - Application from community setting to first home care service (excluding case management)	Challenges with PSW health human resources at service provider organizations had an impact on wait times across several LHINs. Additionally, wait lists at publicly funded physiotherapy clinics increased referrals in some areas.	Several LHINs focused on process improvement initiatives including prioritizing initial assessments, reducing the overdue assessments rate and working with personal support providers to develop a scheduling strategy. Some LHINs also worked with community support services agencies to transition low acuity patients to appropriate community services, creating PSW capacity for complex patients. Additionally, some LHINs have increased usage of virtual tools and other technology to support new ways of delivering care.

** Priority levels and target wait times for orthopedic surgeries in Ontario are set by surgeons, specialists and health care administrators across the province, based on clinical evidence, to guide treatment decisions and to improve patient access and outcomes. Source: https://www.hqontario.ca/System-Performance/Measuring-System-Performance/Measuring-Wait-Times-for-Orthopedic-Surgeries.*

Ontario

Appointees

Board Members for Local Health Integration Networks	First Term	Current Term
Bill Hatanaka (Chair)	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Elyse Allan (Vice Chair)	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Jay Aspin	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2021
Andrea Barrack	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Alexander Barron	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Adalsteinn Brown	March 8, 2019 March 6, 2020	March 7, 2020 to March 6, 2022
Robert Devitt	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2021
Garry Foster	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2021
Shelly Jamieson	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Jacqueline Moss	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2021
Paul Tsaparis	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2022
Anju Virmani	March 8, 2019 to March 6, 2020	March 7, 2020 to March 6, 2021

Total remuneration paid to members of the Board of Directors for the period June 6, 2019, to March 31, 2020, amounted to $125,000.

Ontario

Financial Analysis

Local Health Integration Networks (LHINs) were established as Crown Agencies under the *Local Health System Integration Act, 2006*. LHINs are funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement (MLAA), which describes budgetary arrangements established by the Ministry of Health and the approved funding arrangements reflected in the Financial Statements.

In accordance with the MLAA, LHINs are required to be in a balanced position at year end. Funding directed toward home and community care may be reallocated from one LHIN to another for shared programming and resources, and to help address in-year funding pressures. Any funding received in excess of expenses incurred is required to be returned to the Ministry of Health. Detailed finances can be found in the attached Audited Financial Statements.

LHINs did not receive an approved budget for 2019/20.

Central LHIN
Central LHIN delivered on its objective within the Ministry of Health funding allotment of $2.46 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $2.08 billion represented transfer payments to health service providers, while $385 million was related to LHIN operations including the delivery of home and community care.

Central East LHIN
Central East LHIN delivered on its objective within the Ministry of Health funding allotment of $2.52 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $2.16 billion represented transfer payments to health service providers, while $360 million was related to LHIN operations including the delivery of home and community care.

Central West LHIN
Central West LHIN delivered on its objective within the Ministry of Health funding allotment of $1.076 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $918 million represented transfer payments to health service providers, while $158 million was related to LHIN operations including the delivery of home and community care.

Champlain LHIN
Champlain LHIN delivered on its objective within the Ministry of Health funding allotment of $2.88 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $2.58 billion represented transfer payments to health service providers, while $294.8 million was related to LHIN operations including the delivery of home and community care.

Erie St. Clair LHIN
Erie St. Clair LHIN delivered on its objective within the Ministry of Health funding allotment of $1.27 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $1.1 billion represented transfer payments to health service providers, while $164 million was related to LHIN operations including the delivery of home and community care.

Hamilton Niagara Haldimand Brant LHIN
Hamilton Niagara Haldimand Brant LHIN delivered on its objective within the Ministry of Health funding allotment of $3.27 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $2.9 billion represented transfer payments to health service providers, while $375 million was related to LHIN operations including the delivery of home and community care.

Mississauga Halton LHIN
Mississauga Halton LHIN delivered on its objective within the Ministry of Health funding allotment of $1.78 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $1.56 billion represented transfer payments to health service providers, while $219 million was related to LHIN operations including the delivery of home and community care.

North East LHIN
North East LHIN delivered on its objective within the Ministry of Health funding allotment of $1.66 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $1.5 billion represented transfer payments to health service providers, while $160 million was related to LHIN operations including the delivery of home and community care.

North Simcoe Muskoka LHIN
North Simcoe Muskoka LHIN delivered on its objective within the Ministry of Health funding allotment of $1 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $887.4 million represented transfer payments to health service providers, while $112.7 million was related to LHIN operations including the delivery of home and community care.

North West LHIN
North West LHIN delivered on its objective within the Ministry of Health funding allotment of $757 million (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $696 million represented transfer payments to health service providers, while $61 million was related to LHIN operations including the delivery of home and community care.

South East LHIN
South East LHIN delivered on its objective within the Ministry of Health funding allotment of $1.25 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $1.11 billion represented transfer payments to health service providers, while $135.4 million was related to LHIN operations including the delivery of home and community care. During the year, South East LHIN reallocated $8.9 million to other LHINs and Ontario Health to assist with in-year funding pressures.

South West LHIN
South West LHIN delivered on its objective within the Ministry of Health funding allotment of $2.5 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $2.26 billion represented transfer payments to health service providers, while $236 million was related to LHIN operations including the delivery of home and community care.

Toronto Central LHIN
Toronto Central LHIN delivered on its objective within the Ministry of Health funding allotment of $5.31 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $5.03 billion represented transfer payments to health service providers, while $275 million was related to LHIN operations including the delivery of home and community care.

Waterloo Wellington LHIN
Waterloo Wellington LHIN delivered on its objective within the Ministry of Health funding allotment of $1.16 billion (based on ministry funding schedules) for the full fiscal year 2019/20. Of that amount, $1 billion represented transfer payments to health service providers, while $169 million was related to LHIN operations including the delivery of home and community care.

Audited Financial Statements

Financial statements of
Central Local Health Integration Network

March 31, 2020

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Canada

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Independent Auditor's Report

To the Members of the Board of Directors of the
Central Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Central Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Central Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**32,266,080**	29,856,111
Due from Ministry of Health ("MOH")	12	**13,195,721**	4,469,298
Accounts receivable		**1,948,129**	9,744,638
Prepaid expenses		**1,287,442**	1,172,724
		48,697,372	45,242,771
Capital assets	6	**2,783,410**	3,330,778
		51,480,782	48,573,549
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**30,773,133**	36,348,831
Due to Health Service Providers ("HSPs")	12	**13,195,721**	4,469,298
Due to MOH	3	**4,728,518**	4,424,642
		48,697,372	45,242,771
Deferred capital contributions	7	**2,783,410**	3,330,778
		51,480,782	48,573,549
Commitments and contingencies	8 & 9		
Net assets		**—**	—
		51,480,782	48,573,549

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Central Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	12	**2,078,771,855**	2,000,531,469
MOH funding – operations and initiatives		**381,773,452**	375,667,071
Cancer Care Ontario	5	**2,122,782**	1,687,917
Amortization of deferred capital contributions	7	**567,328**	367,599
Recoveries		**484,482**	559,831
		384,948,044	378,282,418
Total revenue		**2,463,719,899**	2,378,813,887
Expenses			
HSP transfer payments	12	**2,078,771,855**	2,000,531,469
Operations and Initiatives			
Contracted out			
In-home/clinic services		**281,501,255**	266,992,384
School services		**5,944,158**	9,155,069
Hospice services		**2,694,901**	1,839,768
Salaries and benefits		**73,189,673**	75,989,802
Medical supplies		**12,772,632**	13,491,353
Medical equipment rental		**2,245,537**	2,778,452
Supplies and sundry		**6,032,560**	7,667,991
Amortization		**567,328**	367,599
		384,948,044	378,282,418
Total expenses		**2,463,719,899**	2,378,813,887
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Central Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less amounts not affecting cash			
Amortization of capital assets		**567,328**	367,599
Amortization of deferred capital contributions	7	**(567,328)**	(367,599)
		—	—
Changes in non-cash working capital items	10	**2,409,969**	(1,239,570)
		2,409,969	(1,239,570)
Investing activities			
Purchase of capital assets		**(19,960)**	(1,142,393)
Leasehold improvement		**—**	(871,054)
		(19,960)	(2,013,447)
Financing activity			
Increase in deferred capital contributions	7	**19,960**	2,013,447
Net increase (decrease) in cash		**2,409,969**	(1,239,570)
Cash, beginning of year		**29,856,111**	31,095,681
Cash, end of year		**32,266,080**	29,856,111

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Central Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Central Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of North York, York Region and South Simcoe. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to Health Service Providers.

(b) Provision of community services. The LHIN has the responsibility to provide health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and other programs and places where community services are provided under the Home Care and Community Services Act, 1994 and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding approved by the MOH to support LHIN managed Health Services Providers and the operations of the LHIN. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH in the MLAA.
Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH to the Health Service Provider and does not flow through the LHIN bank account.

LHIN Financial Statements includes only transfer payment funds and LHIN operating funds included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment and software	3 years
Leasehold improvements	Over the term of the lease

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of operations and changes in net assets.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**4,424,642**	1,614,108
Funding repaid to MOH	**(2,247,687)**	—
Funding repayable to the MOH related to current year activities	**—**	—
	2,551,563	2,810,534
Due to MOH, end of year	**4,728,518**	4,424,642

4. Enabling technologies for integration project management office

Effective April 1, 2018, the Central LHIN entered into an agreement with Toronto Central LHIN in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the LHINs. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from Toronto Central LHIN of $159,040 ($510,000 in 2019).

5. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the Local Health System Integration Act, 2006 ("LHSIA") with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $430,400 ($538,000 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

5. Related party transactions (continued)

Ontario Health (continued)

During this period, the LHIN incurred $570,184 in salaries and benefits expense for the transferred employees, of which $94,865 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated amortization $	2020 Net book value $	2019 Net book value $
Computer equipment	**1,132,749**	**1,039,244**	**93,505**	119,386
Computer software	**1,206,269**	**1,170,869**	**35,400**	70,800
Leasehold improvements	**3,325,848**	**1,506,318**	**1,819,530**	2,055,046
Furniture and equipment	**3,078,742**	**2,243,767**	**834,975**	1,085,546
	8,743,608	**5,960,198**	**2,783,410**	3,330,778

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**3,330,778**	1,684,930
Capital contributions received during the year	**19,960**	2,013,447
Amortization for the year	**(567,328)**	(367,599)
Balance, end of year	**2,783,410**	3,330,778

8. Commitments

The LHIN has commitments under various operating leases as follows:

	$
2021	1,733,419
2022	1,580,197
2023	1,465,622
2024	1,562,818
2025	1,571,061
Thereafter	4,806,532
	12,719,649

9. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

10. Change in non-cash working capital items

	2020 $	2019 $
Due from MOH	**(8,726,423)**	5,205,068
Accounts receivable	**7,796,509**	(2,903,941)
Prepaid expenses	**(114,718)**	(478,628)
Accounts payable and accrued liabilities	**(5,575,698)**	(667,535)
Due to HSPs	**8,726,423**	(5,205,068)
Due to MOH	**303,876**	2,810,534
Total change in non-cash working capital items	**2,409,969**	(1,239,570)

11. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 831 members of its staff. The plan is defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $5,306,350 ($5,389,518 in 2019) for current service costs and is included as an expense in the Statement of Operations and changes in net assets. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

12. Transfer payment to HSPs

The LHIN has authorization to allocate funding of $2,078,771,855 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020 $	2019 $
Operations of hospitals	**1,478,668,461**	1,423,768,274
Grants to compensate for municipal taxation – public hospitals	**275,250**	270,525
Long-Term Care Homes	**378,736,941**	368,957,068
Community support services	**110,824,218**	101,164,326
Community health centres	**17,450,610**	16,920,002
Community mental health addictions program	**92,816,375**	89,451,274
	2,078,771,855	2,000,531,469

12. Transfer payment to HSPs (continued)

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $13,195,721 ($4,469,298 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

13. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

(a) Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

(b) Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

14. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 10 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Central East Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of
Central East Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Central East Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Central East Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**40,116,213**	48,091,153
Due from Ministry of Health ("MOH")	12	**6,049,330**	5,310,853
Accounts receivable		**2,327,211**	1,459,741
Prepaid expenses		**1,046,090**	782,807
		49,538,844	55,644,554
Capital assets	6	**954,062**	1,317,436
		50,492,906	56,961,990
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**41,206,211**	48,693,513
Due to Health Service Providers ("HSPs")	12	**3,820,055**	1,389,453
Due to MOH	3	**3,942,996**	4,778,781
Deferred operating contributions		**569,582**	782,807
		49,538,844	55,644,554
Deferred capital contributions	7	**954,062**	1,317,436
		50,492,906	56,961,990
Commitments and contingencies	8 & 9		
Net assets		**50,492,906**	56,961,990

The accompanying notes are an integral part of the financial statements.

Approved by the Board

Bill Hatanaka

William Hatanaka, Board Chair

Garry Foster

Garry Foster, Audit Committee Chair

Central East Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 Actual $	2019 Actual $
Revenue			
MOH funding – transfer payments	12	**2,161,734,186**	2,116,862,805
MOH funding – operations and initiatives		**357,110,160**	347,466,827
Cancer Care Ontario	5	**1,494,177**	1,779,361
Amortization of deferred capital contributions	7	**461,505**	764,114
Other revenue		**1,625,217**	1,137,151
		360,691,059	351,147,453
Total revenue		**2,522,425,245**	2,468,010,258
Expenses			
HSP transfer payments	12	**2,161,734,186**	2,116,862,805
Operations and initiatives			
Contracted out			
In-home/clinic services		**231,868,365**	217,657,758
School services		**5,476,673**	9,317,941
Hospice services		**1,985,323**	582,181
Salaries and benefits		**93,226,792**	91,901,007
Medical supplies		**14,904,274**	15,667,629
Medical equipment rental		**3,333,613**	4,088,224
Supplies and sundry		**3,185,364**	4,511,025
Building and ground		**4,621,617**	4,787,148
Amortization		**461,505**	764,114
Repairs and maintenance		**1,627,533**	1,870,426
		360,691,059	351,147,453
Total expenses		**2,522,425,245**	2,468,010,258
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Central East Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less amounts not affecting cash			
Amortization of deferred capital contributions		**(461,505)**	(764,114)
Amortization of capital assets	7	**461,505**	764,114
		—	—
Changes in non-cash working capital items	10	**(7,974,940)**	5,421,319
		(7,974,940)	5,421,319
Investing activity			
Purchase of capital assets		**(98,131)**	(5,951)
Financing activity			
Increase in deferred capital contributions	7	**98,131**	5,951
Net change in cash		**(7,974,940)**	5,421,319
Cash, beginning of year		**48,091,153**	42,669,834
Cash, end of year		**40,116,213**	48,091,153

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Central East Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the *Local Health System Integration Act, 2006* (the "Act") as the Central East Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area

The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers Durham North East, Durham West, Halliburton County and the City of Kawartha Lakes, Northumberland County, Peterborough City and County, Scarborough North and Scarborough South. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreements with the Ministry of Health ("MOH"), which provide the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH as transfer payment expenses to Health Service Providers.

(b) Provision of community services

These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series standards for government not-for-profit organizations, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding approved by the MOH to support LHIN managed Health Services Providers and the operations of the LHIN. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH in the MLAA. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH to the Health Service Provider and does not flow through the LHIN bank account.

LHIN Financial Statements includes only transfer payment funds and LHIN operating funds included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of a capital asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Computer equipment and software	3 years
Furniture and equipment	10 years
Leasehold improvements	Over the term of the lease
Medical equipment	10 years

For capital assets acquired or brought into use, during the year, amortization is provided for one half of a year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of operations and changes in net assets.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**4,778,781**	3,420,078
Funding repaid to MOH	**(2,122,789)**	—
Funding repayable to MOH related to current year activities	**1,287,004**	1,358,703
Due to MOH, end of year	**3,942,996**	4,778,781

4. Enabling technologies for integration project management office

Effective April 1, 2013, the LHIN entered into an agreement with Central, Central West, Toronto Central, Mississauga Halton and North Simcoe Muskoka LHINs (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its cluster and related expenses. During the year the LHIN received one-time funding from Central West LHIN of $116,893 ($345,489 in 2019) of which $Nil is included in accounts receivable at March 31, 2020 ($109,619 in 2019). The LHIN incurred eligible expenses of $374,014 ($345,489 in 2019).

5. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the *Local Health System Integration Act, 2006* with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $536,611 ($574,243 in 2019).

5. Related party transactions (continued)

Health Shared Services Ontario ("HSSO") (continued)

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Onatario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $939,860 in salaries and benefits expense for the transferred employees, of which $21,620 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2020 Net book value** **$**	2019 Net book value $
Computer equipment and software	**3,949,205**	**3,927,582**	**21,623**	202,867
Leasehold improvements	**5,012,678**	**4,476,365**	**536,313**	636,725
Furniture and equipment	**4,666,622**	**4,527,389**	**139,233**	208,040
Medical equipment	**1,562,600**	**1,378,033**	**184,567**	269,804
Construction-in-progress	**72,326**	**—**	**72,326**	—
	15,263,431	**14,309,369**	**954,062**	1,317,436

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 **$**	2019 $
Balance, beginning of year	**1,317,436**	2,075,597
Capital contributions received during the year	**98,131**	5,953
Amortization for the year	**(461,505)**	(764,114)
Balance, end of year	**954,062**	1,317,436

8. Commitments

The LHIN has commitments under various operating leases extending to 2023 as follows:

(a) Property leases

	$
2021	1,127,621
2022	650,746
2023	576,660
	2,355,027

(b) Computer and office equipment leases

	$
2021	6,910

The LHIN enters into accountability agreements with the HSP's which include planned funding targets. The actual funding providing by the LHIN is contingent on the MOH providing the funding.

9. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

10. Change in non-cash working capital items

	2020 **$**	2019 $
Due from MOH and MOLTC	**(738,477)**	(2,967,117)
Accounts receivable	**(867,470)**	1,352,306
Prepaid expenses	**(263,283)**	(117,035)
Accounts payable and accrued liabilities	**(7,487,302)**	6,210,149
Due to HSPs	**2,430,602**	(954,283)
Due to other LHINs	**—**	(12,534)
Due to MOH and MOLTC	**(835,785)**	1,358,703
Deferred operating contributions	**(213,225)**	551,130
Total change in non-cash working capital items	**(7,974,940)**	5,421,319

11. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 1,020 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $6,941,824 ($6,761,261 in 2019) for current service costs and is included as an expense in the 2020 Statement of operations and changes in net assets. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

12. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $2,161,734,186 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020	2019
	$	$
Operations of hospitals	**1,335,737,148**	1,317,426,328
Grants to compensate for municipal taxation – public hospitals	**280,350**	280,350
Long-Term Care Homes	**492,081,533**	476,501,529
Lakeridge Health HCC	**4,185,900**	—
Community support services	**62,301,456**	61,671,091
Assisted living services in supportive housing	**15,929,844**	16,060,248
Community health centres	**39,125,631**	37,218,621
Community mental health addictions program	**75,410,089**	72,239,218
Specialty psychiatric hospitals	**134,430,942**	133,417,720
Acquired brain injury	**2,224,968**	2,021,375
Grants to compensate for municipal taxation – psychiatric hospitals	**26,325**	26,325
	2,161,734,186	2,116,862,805

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $3,820,055 ($1,389,453 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and changes in net assets and are included in the table above.

13. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

14. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the Board of Directors of Ontario Health were appointed to also constitute the board of the LHIN. The Board of Directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 15 non-home and community care employee positions to Ontario Health. In addition, the Regional Transitional Lead was included effective November 13, 2019.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

Financial statements of

Central West Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
Central West Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Central West Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Central West Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**15,326,662**	13,525,134
Due from Ministry of Health ("MOH")		**1,780,511**	2,843,244
Accounts receivable		**846,573**	1,382,961
Prepaid expenses		**674,381**	490,927
		18,628,127	18,242,266
Capital assets	6	**510,140**	784,490
		19,138,267	19,026,756
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**12,458,938**	15,140,393
Due to Health Service Providers ("HSPs")	13	**1,780,511**	81,331
Due to other LHINs		**—**	228,802
Due to MOH	3	**4,301,985**	2,679,738
Deferred operating contributions	7	**86,693**	112,002
		18,628,127	18,242,266
Deferred capital contributions	8	**510,140**	784,490
		19,138,267	19,026,756
Commitments and contingencies	9 & 10		
Net assets		**19,138,267**	19,026,756

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Central West Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	13	**918,348,766**	872,195,398
MOH funding – operations and initiatives		**156,622,884**	157,898,752
Cancer Care Ontario	5	**608,757**	417,208
Amortization of deferred capital contributions		**285,472**	273,338
Other revenue		**516,756**	795,619
		158,033,869	159,384,917
Total revenue		**1,076,382,635**	1,031,580,315
Expenses			
HSP transfer payments	13	**918,348,766**	872,195,398
Operations and Initiatives			
Contracted out			
In-home/clinic services		**102,700,838**	100,907,693
School services		**2,951,824**	5,560,480
Hospice services		**1,150,612**	1,150,612
Salaries and benefits		**38,769,994**	37,331,179
Medical supplies		**6,614,310**	6,715,824
Medical equipment rental		**1,474,997**	1,692,909
Supplies and sundry		**2,319,009**	3,808,544
Building and ground		**1,649,446**	1,723,575
Amortization		**285,472**	273,338
Repairs and maintenance		**117,367**	220,763
		158,033,869	159,384,917
Total expenses		**1,076,382,635**	1,031,580,315
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Central West Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses			—
Less amounts not affecting cash			
Amortization of capital assets		**285,472**	273,338
Amortization of deferred capital contributions	8	**(285,472)**	(273,338)
		—	—
Changes in non-cash working capital items	11	**1,801,528**	(481,662)
		1,801,528	(481,662)
Investing activities			
Purchase of capital assets		**(30,398)**	(246,873)
Disposal of capital assets		**19,276**	—
		(11,122)	(246,873)
Financing activities			
Increase in deferred capital contributions		**30,398**	246,873
Disposal of deferred capital contributions	8	**(19,276)**	—
		11,122	246,873
Net change in cash		**1,801,528**	(481,662)
Cash, beginning of year		**13,525,134**	14,006,796
Cash, end of year		**15,326,662**	13,525,134

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Central West Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the"Act") as the Central West Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The LHIN spans the defined geographical areas of Dufferin County, the northern portion of Peel Region, part of York Region, and a small part of the City of Toronto.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area

The LHIN allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to Health Service Providers.

(b) The delivery of home and community care services within its geographic area.

These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series for government not-for-profit organizations, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding approved by the MOH to support LHIN managed Health Services Providers and the operations of the LHIN. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH in the MLAA. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH to the Health Service Provider and does not flow through the LHIN bank account.

LHIN Financial Statements includes only transfer payment funds and LHIN operating funds included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	3-10 years
Computer and communications equipment	3 years
Medical equipment	4 years
Leasehold improvements	Over the term of the lease

For assets acquired or brought into use, during the year, amortization is provided for one half of a year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of operations and changes in net assets.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Amounts Due to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end and funding received from the MOH in excess of expenses incurred, is required to be returned to the MOH. All interest income earned by the LHIN is payable to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020 **$**	2019 $
Due to MOH, beginning of year	**2,679,738**	2,115,340
Funding repaid to MOH	**—**	(282,332)
Interest income earned and payable to MOH	**311,433**	302,704
Funding repayable to MOH related to current year activities	**1,310,814**	534,380
Funding repayable to MOH related to current year ETI PMO Cluster activities	**—**	9,646
Due to MOH, end of year	**4,301,985**	2,679,738

4. Enabling technologies for integration project management office

Effective April 1, 2013, the LHIN entered into an agreement with Central East, Mississauga Halton and North Simcoe Muskoka (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The Central West LHIN is designated the Lead LHIN with this agreement and as such holds the accountability over the distribution of the funds and manages the shared Project Management Office. In the event that the Cluster experiences a surplus, the Lead LHIN is responsible for returning those funds to the MOH. The total Cluster funding received for the year ended March 31, 2020 was $1,020,000 ($2,040,000 in 2019).

Funding of $312,714 ($985,792 in 2019) was allocated to other LHIN's within the cluster who incurred eligible expenses of $312,714 ($985,792 in 2019).

4. Enabling technologies for integration project management office (continued)

The following provides condensed financial information for the ETI PMO funding and expenses for the cluster:

	Funding allocated $	**Eligible expenses $**	**2020 Excess funding $**	2019 Excess funding $
Central West LHIN	**707,286**	**707,286**	**—**	9,646
Allocation to Other LHINs				
Central East LHIN	**104,238**	**104,238**	**—**	—
Mississauga Halton LHIN	**104,238**	**104,238**	**—**	—
North Simcoe Muskoka LHIN	**104,238**	**104,238**	**—**	—
Total Other LHINs	**312,714**	**312,714**	**—**	—
Total All LHINs	**1,020,000**	**1,020,000**	**—**	9,646

5. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSO was a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the *Local Health System Integration Act, 2006* with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency was subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $190,110 ($215,059 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 16).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $628,285 in salaries and benefits expense for the transferred employees, of which $nil remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated depreciation $	2020 Net book value $	2019 Net book value $
Furniture and equipment	**2,618,232**	**(2,307,438)**	**310,794**	394,780
Computer equipment	**300,302**	**(285,595)**	**14,707**	—
Medical equipment	**354,322**	**(169,683)**	**184,639**	300,757
Leasehold improvements	**2,397,984**	**(2,397,984)**	**—**	88,953
	5,670,840	**(5,160,700)**	**510,140**	784,490

7. Deferred operating contributions

Deferred operating contributions represent the unamortized amount of grants and other contributions received to fund expenditures of future periods BTI equipment leases represent the unamortized amount of grants received from Health shared Services Ontario for the payment of computer leases under the Base Technology Infrastructure Project.

	2020 $	2019 $
Balance, beginning of year	**112,002**	118,339
Operating contributions received during the year	**164,801**	208,722
Amount recognized as revenue in the year	**(190,110)**	(215,059)
Balance, end of year	**86,693**	112,002

8. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**784,490**	810,955
Capital contributions received during the year	**30,398**	246,873
Amortization for the year	**(285,472)**	(273,338)
Disposals	**(19,276)**	—
Balance, end of year	**510,140**	784,490

9. Commitments

The LHIN has commitments under various operating leases as follows extending to 2025 as follows:

	$
2021	1,483,922
2022	1,249,584
2023	1,215,973
2024	1,203,731
2025	1,200,244

10. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**1,062,733**	(77,590)
Due from other LHINs - Enabling Technologies for Integration	**—**	20,346
Accounts receivable	**536,388**	(129,372)
Prepaid expenses	**(183,454)**	126,408
Accounts payable and accrued liabilities	**(2,681,455)**	1,223,377
Due to Health Services Providers ("HSPs")	**1,699,180**	(2,330,343)
Due to other LHINs	**(228,802)**	127,451
Due to MOH	**1,622,247**	564,398
Deferred operating contributions	**(25,309)**	(6,337)
	1,801,528	(481,662)

12. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 380 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $2,697,062 ($2,634,287 in 2019) for current service costs and is included as an expense in the 2020 Statement of operations and changes in net assets. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payment to HSPs

The LHIN has authorization to allocate funding of $918,348,766 in 2020 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors as follows:

	2020	2019
	$	$
Operations of hospitals	**645,075,787**	609,882,321
Grants to compensate for municipal taxation - public hospitals	**96,975**	96,975
Long-term care homes	**180,544,914**	177,101,783
Community support services	**18,100,361**	15,882,491
Assissted living services in supportive housing	**11,959,405**	11,190,366
Community health centres	**14,367,170**	14,064,935
Community mental health and addictions programs	**48,204,154**	43,976,527
	918,348,766	872,195,398

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $1,780,511 ($81,331 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and changes in net assets and are included in the table above.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

16. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 12 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the Local Health System Integration Act, 2016 and in accordance with its accountability agreement with the Minister.

17. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of
Champlain Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
Champlain Local Health Integration Network

Opinion

We have audited the financial statements of the Champlain Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Champlain Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	**2020** **$**	2019 $
Assets			
Current assets			
Cash		**18,142,470**	19,387,658
Due from Ministry of Health ("MOH")	11	**13,173,378**	18,140,637
Due from other LHINs		**57,274**	194,267
Due from Ontario Health		**—**	93,747
Accounts receivable		**2,102,510**	1,620,619
Prepaid expenses		**46,079**	8,018
		33,521,711	39,444,946
Capital assets	6	**1,281,024**	1,582,951
		34,802,735	41,027,897
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**13,764,493**	19,370,200
Due to Health Service Providers ("HSPs")	11	**13,173,378**	14,837,917
Due to MOH	3	**6,583,840**	5,236,829
		33,521,711	39,444,946
Deferred capital contributions	7	**1,281,024**	1,582,951
		34,802,735	41,027,897
Commitments and contingencies	8 & 14		
Net assets		**—**	—
		34,802,735	41,027,897

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Champlain Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding - transfer payments	11	**2,584,037,896**	2,534,762,181
MOH funding - operations and initiatives		**292,526,272**	283,591,821
Cancer Care Ontario	5	**170,039**	348,131
Amortization of deferred capital contributions	7	**349,126**	335,109
Other revenue		**1,730,285**	1,263,708
		294,775,722	285,538,769
Total revenue		**2,878,813,618**	2,820,300,950
Expenses			
HSP transfer payments	11	**2,584,037,896**	2,534,762,181
Operations and initiatives			
Contracted out			
In-home/clinic services		**183,525,354**	178,666,221
School services		**3,611,515**	6,359,739
Hospice services		**6,888,657**	6,081,385
Salaries and benefits		**79,825,430**	71,134,816
Medical supplies		**10,871,293**	10,913,018
Medical equipment rental		**3,023,767**	3,369,627
Supplies and sundries		**3,815,311**	5,797,131
Building and ground		**2,865,269**	2,881,723
Amortization		**349,126**	335,109
		294,775,722	285,538,769
Total expenses		**2,878,813,618**	2,820,300,950
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Champlain Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less amounts not affecting cash			
Amortization of capital assets		**349,126**	335,109
Amortization of deferred capital contributions	7	**(349,126)**	(335,109)
		—	—
Changes in non-cash operating working capital items	9	**(1,245,188)**	3,897,765
Investing activity			
Purchase of capital assets		**(47,199)**	(727,336)
Financing Activity			
Increase in deferred capital contributions	7	**47,199**	727,336
Net change in cash		**(1,245,188)**	3,897,765
Cash, beginning of year		**19,387,658**	15,489,893
Cash, end of year		**18,142,470**	19,387,658

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Champlain Local Health Integration Network was incorporated by letters patent on June 2, 2005, as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the *Local Health System Integration Act*, *2006* (the "Act") as the Champlain Local Health Integration Network (the "LHIN") and its letters patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers Renfrew County, the City of Ottawa, Prescott & Russell, Stormont, Dundas & Glengarry, North Grenville and four parts of North Lanark. Most people live in the Ottawa area. Cornwall, Clarence-Rockland and Pembroke/Petawawa are also large communities. The LHIN enters into service accountability agreements with Health Service Providers (HSP).

The LHIN has also entered into an accountability agreement with the Ministry of Health (MOH), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSP are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSP are recorded in the LHIN's financial statements as revenue from the MOH and as transfer payment expenses to HSP.

(b) Effective May 24, 2017, the LHIN assumed the responsibility to provide health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and other programs and places where community services are provided under the *Home Care and Community Services Act*, *1994,* and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement (MLAA), which describes budgetary arrangements established by the MOH. The financial statements reflect funding approved by the MOH to support LHIN managed HSP and the operations of the LHIN. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH in the MLAA. Due to the nature of the MLAA, the LHIN is economically dependent on the MOH.

Transfer payment amounts to HSP are based on the terms of the Health Service Provider MLAA with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSP. The cash associated with the transfer payment flows directly from the MOH to the HSP and does not flow through the LHIN bank account.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life on the following terms:

Furniture and equipment	10 years
Computer and communication equipment	3 years
Leasehold improvements	5 years

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Any amounts received that are used to fund expenses that are recorded as capital asset are recorded as deferred capital contributions and are recognized as revenue over the estimated useful life of the asset reflective of the provision of its services. This amortization revenue is in accordance with the amortization policy applied to the related capital asset.

Financial instruments

Financial assets and financial liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations and changes in net assets.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year-end. Thus, any funding received in excess of expenses incurred is required to be returned to the MOH.

The amount due to the MOH as at March 31 is made up as follows:

	2020 **$**	2019 $
Due to MOH, beginning of year	**5,236,829**	3,633,517
Funding repaid to MOH	**(1,191,127)**	(1,589,913)
Overpayment made by MOH	**—**	1,050,000
Interest received from bank	**—**	495,141
Funding repayable to MOH related to current year activities	**2,482,579**	1,255,720
Funding repayable to MOH related to current year ETI PMO Cluster activities (note 4)	**55,559**	392,364
Due to MOH, end of year	**6,583,840**	5,236,829

4. Enabling Technologies for Integration Project Management Office

In fiscal 2016, the LHIN entered into an agreement with the South East, North East and North West LHINs (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The Champlain LHIN is designated the Lead LHIN with this agreement and as such holds the accountability over the distribution of the funds and manages the shared Integration Project Management Office. In the event that the Cluster experiences a surplus, the Lead LHIN is responsible for returning those funds to the MOH. The total Cluster funding received for the year ended March 31, 2020, was $1,020,000 ($2,040,000 in 2019).

Funding of $765,000 ($1,530,000 in 2019) was allocated to other LHINs within the Cluster who incurred eligible expenses of $754,456 ($1,378,358 in 2019). The LHIN has set up a payable to the MOH for $55,559 ($392,364 in 2019).

The following provides condensed financial information for the ETI PMO funding and expenses for the Cluster:

	Funding allocated **$**	**Eligible expenses** **$**	**2020 Excess funding** **$**	2019 Excess funding $
Champlain LHIN	**255,000**	**209,985**	**45,015**	240,722
South East LHIN	**255,000**	**244,456**	**10,544**	65,674
North East LHIN	**255,000**	**255,000**	**—**	55,383
North West LHIN	**255,000**	**255,000**	**—**	30,585
	1,020,000	**964,441**	**55,559**	392,364

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017, by O. Reg. 456/16 made under *Local Health System Integration Act, 2006* (LHSIA) with objects to provide shared services to LHINs in areas, that include human resource management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the MOH.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $374,160 ($467,700 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $555,379 in salaries and benefits expense for the transferred employees, of which $49,212 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2020 Net book value** **$**	2019 Net book value $
Furniture and equipment	**3,953,938**	**2,883,399**	**1,070,539**	1,258,787
Computer and communication equipment	**4,941,705**	**4,755,263**	**186,442**	297,318
Leasehold improvements	**4,754,604**	**4,730,561**	**24,043**	26,846
	13,650,247	**12,369,223**	**1,281,024**	1,582,951

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**1,582,951**	1,190,724
Capital contributions received during the year	**47,199**	727,336
Amortization for the year	**(349,126)**	(335,109)
Balance, end of year	**1,281,024**	1,582,951

8. Commitments

Facilities

The LHIN has entered into lease agreements for multiple facilities. Annual lease payments for the next five years at their current rates are as follows:

	$
2021	2,497,120
2022	2,193,082
2023	2,148,765
2024	1,891,244
2025	1,653,729

Operations

The LHIN has entered into operating lease commitments for equipment rental with varied conditions. Annual lease payments for the next year are as follows:

	$
2021	305,037

9. Change in non-working capital items

	2020	2019
	$	$
Due from MOH	**4,967,259**	(6,888,478)
Due from other LHINs	**136,993**	(45,881)
Due from Ontario Health	**93,747**	313,721
Accounts receivable	**(481,891)**	767,818
Prepaid expenses	**(38,061)**	—
Accounts payable and accrued liabilities	**(5,605,707)**	4,242,290
Due to HSPs	**(1,664,539)**	3,913,683
Due to MOH	**1,347,011**	1,603,312
Due to Ontario Health	**—**	(8,700)
	(1,245,188)	3,897,765

10. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 758 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $5,184,517 ($5,035,525 in 2019) for current service costs and is included as an expense in the statement of operation and changes in net assets. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

11. Transfer payments to HSP

The LHIN has authorization to allocate funding of $2,584,037,896 (2019 - $2,543,762,181) to various HSP in its geographic area. The LHIN approved transfer payments to various sectors as follows:

	2020	2019
	$	$
Operations of Hospitals	**1,812,122,759**	1,784,054,373
Grants to compensate for Municipal Taxation – Public Hospitals	**355,650**	355,650
Long-Term Care Homes	**390,478,424**	379,814,940
Community Support Services and Acquired Brain Injury	**58,378,742**	55,246,824
Assisted Living Services in Supportive Housing	**26,686,035**	25,752,761
Community Health Centres	**73,539,761**	71,208,867
Community Mental Health and Addictions Programs	**111,768,387**	108,660,508
Specialty Psychiatric Hospitals	**110,680,163**	109,640,283
Grants to compensate for Municipal Taxation – Psychiatric Hospitals	**27,975**	27,975
	2,584,037,896	2,534,762,181

The LHIN receives funding from the MOH and in turn allocates it to the HSP. As at March 31, 2020, an amount of $13,173,378 ($14,837,917 as at March 31, 2019) was receivable from the MOH, and was payable to HSP. These amounts have been reflected as revenue and expenses in the statement of operations and changes in net assets and are included in the table above.

12. Financial risk

The LHIN through its exposure to financial assets and liabilities has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

13. Guarantees

The LHIN is subject to the provisions of the *Financial Administration Act*. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the *Financial Administration Act* and the related indemnification directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the *Local Health System Integration Act*, *2006,* and in accordance with s.28 of the *Financial Administration Act*.

14. Contingent liabilities

Operations

Due to the nature of its operations, the LHIN is susceptible to claims from clients, employees, suppliers and past service provider agencies. Management has recorded its best estimate of the outcome of these claims in these financial statements.

The LHIN enters into accountability agreements with HSP which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN is a member of the Healthcare Insurance Reciprocal of Canada (HIROC), which is a pooling of the liability insurance risks of its members. Members of the pool pay annual premiums that are actuarially determined. HIROC members are subject to reassessment for losses, if any, experienced by the pool for the years in which they are members, and these losses could be material. No reassessments have been made to March 31, 2020.

Should these result in additional revenues or costs, the difference will be recorded in the year of settlement.

GST/HST on Personal Support Services

The 2014 federal budget proposed to formally expand the tax exemption for homemaker services to include personal support services. This treatment is in line with current provincial and territorial practices. Starting March 22, 2013, personal support services are HST exempt. However, services provided before this date remain taxable. It is unclear at this time if the Canada Revenue Agency will proceed with the audit and reassessment of personal support service providers. While the LHIN believes this course of action is unlikely, such exposure could represent a significant financial liability for the LHIN. The LHIN has not recorded any liabilities with respect to this matter.

15. The Connecting Care Act

On May 30, 2019, the *Connecting Care Act* (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 10 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Erie St. Clair Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of the
Erie St. Clair Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Erie St. Clair Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net financial assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Erie St. Clair Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**20,114,443**	18,331,829
Due from Ministry of Health ("MOH")	12	**877,881**	12,154,200
Due from Health Shared Services Ontario		**—**	32,959
Due from other LHINs		**—**	353,134
Accounts receivable		**510,554**	1,024,467
Prepaid expenses		**1,230,111**	1,429,355
		22,732,989	33,325,944
Capital assets	6	**950,266**	1,371,058
		23,683,255	34,697,002
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**14,523,605**	15,766,461
Due to Health Service Providers ("HSPs")	12	**877,881**	10,481,000
Due to MOH	3	**7,678,489**	7,047,485
Deferred revenue		**117,267**	111,111
		23,197,242	33,406,057
Employee future benefits	7	**2,163,900**	2,096,300
Deferred capital contributions	8	**950,266**	1,371,058
		26,311,408	36,873,415
Commitments and contingencies	9 and 10		
Net Assets		**(2,628,153)**	(2,176,413)
		23,683,255	34,697,002

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Erie St. Clair Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding - transfer payments	12	**1,106,658,271**	1,082,223,070
MOH funding - operations and initiatives		**162,642,311**	163,510,972
Cancer Care Ontario	5	**458,342**	536,793
Amortization of deferred capital contributions		**433,757**	595,696
Other revenue		**797,803**	1,203,946
		164,332,213	165,847,407
Total revenue		**1,270,990,484**	1,248,070,477
Expenses			
HSP transfer payments	12	**1,106,658,271**	1,082,223,070
Operations and Initiatives			
Contracted out			
In-home/clinic services		**92,940,000**	90,748,796
School services		**3,352,391**	6,315,144
Hospice services		**4,276,544**	4,332,448
Salaries and benefits		**49,331,911**	48,814,606
Medical supplies		**6,109,692**	6,262,116
Medical equipment rental		**1,573,269**	1,490,580
Supplies and sundry		**4,103,600**	5,102,063
Equipment repairs, rental and minor equipment		**649,779**	759,807
Building and grounds		**2,013,010**	1,971,259
Amortization		**433,757**	595,696
		164,783,953	166,392,515
Total expenses		**1,271,442,224**	1,248,615,585
Excess of expenses over revenue		**(451,740)**	(545,108)

The accompanying notes are an integral part of the financial statements.

Erie St. Clair Local Health Integration Network

Statement of changes in net financial assets

Year ended March 31, 2020

	Unrestricted $	Employee benefits $	2020 Total $	2019 Actual $
Net assets, beginning of year	**—**	**(2,176,413)**	**(2,176,413)**	(1,631,305)
Excess of expenses over revenue	**(371,566)**	**(80,174)**	**(451,740)**	(545,108)
Net assets, end of year	**(371,566)**	**(2,256,587)**	**(2,628,153)**	(2,176,413)

The accompanying notes are an integral part of the financial statements.

Erie St. Clair Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses		**(451,740)**	(545,108)
Less amounts not affecting cash			
Amortization of capital assets		**433,757**	595,696
Amortization of deferred capital contributions	8	**(433,757)**	(595,696)
		(451,740)	(545,108)
Changes in non-cash working capital items	11	**2,234,354**	3,515,170
		1,782,614	2,970,062
Investing activity			
Purchase of capital assets		**(12,965)**	(136,503)
Financing activity			
Increase in deferred capital contributions	8	**12,965**	136,503
Net change in cash		**1,782,614**	2,970,062
Cash, beginning of year		**18,331,829**	15,361,767
Cash, end of year		**20,114,443**	18,331,829

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Erie St. Clair Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Erie St. Clair Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers the Municipalities of Essex, Lambton and Chatham-Kent. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSPs.

(b) Provide health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons. The LHIN manages the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals. The LHIN provides information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

2. Significant accounting policies (continued)

Ministry of Health Funding (continued)

Transfer payment amounts to HSPs are based on the terms of the HSPs Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements include only transfer payment funds and LHIN operating funds included in the MLAA.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5, 10 and 20 years
Computer and communications equipment	3 and 5 years
Leasehold improvements	5 and 10 years

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

2. Significant accounting policies (continued)

Employee future benefits

The LHIN accrues its obligations relating to the defined benefit pension plan administered by the LHIN, other post-employment benefits and sick leave as the employees render services necessary to earn benefits. The LHIN has adopted the following policies:

(i) The cost of benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, salary escalation, mortality and termination rates, and retirement ages of employees;

(ii) For the purpose of calculating expected return on plan assets related to the defined benefit pension plan, these assets are valued at fair value;

(iii) The excess of the net actuarial gain /loss is amortized over the average remaining service period of the employees;

(iv) Differences arising from changes in assumptions and experience gains and losses are amortized on a straight line basis over the average remaining service period of the employees;

(v) Past service costs arising from plan amendments are recognized immediately in the period the plan amendments occur.

A majority of the employees of the LHIN are eligible to be members of the Health Care of Ontario Pension Plan ("HOOPP"), which is a multi-employer, defined benefit, final average earnings and contributory pension plan. Defined contribution plan accounting is applied to HOOPP as LHIN has insufficient information to apply defined benefit accounting.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**7,047,485**	4,260,763
Funding repaid to MOH	**—**	(521,959)
Funding repayable to the MOH related to current year activities	**487,570**	2,955,547
Funding repayable to the MOH related to current year ETI PMO Cluster activities	**143,434**	353,134
Due to MOH, end of year	**7,678,489**	7,047,485

4. Enabling Technologies for Integration Project Management Office

Effective February 1, 2012, the LHIN entered into an agreement with South West, Waterloo Wellington and Hamilton Niagara Haldimand Brant LHINs (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

Effective April 1, 2018 the Erie St. Clair LHIN was designated the Lead LHIN with this agreement and as such holds the accountability over the distribution of the funds and manages the shared Project Management Office. In the event that the Cluster experiences a surplus, each LHIN is responsible for returning those restricted funds to the MOH. The total Cluster funding received for the year ended March 31, 2020 was $2,000,000 ($4,475,000 in 2019).

Funding of $1,500,000 ($3,475,000 in 2019) was allocated to other LHIN's within the cluster who incurred eligible expenses of $1,500,000 ($3,121,866 in 2019). The LHIN has set up a payable to the MOH for $143,434 ($353,134 in 2019).

The following provides condensed financial information for the ETI PMO funding and expenses for the cluster:

	Funding allocated $	**Eligible expenses $**	**2020 Excess Funding $**	2019 Excess Funding $
Erie St. Clair LHIN	**500,000**	**356,566**	**143,434**	—
Southwest LHIN	**500,000**	**500,000**	**—**	353,134
Waterloo Wellington LHIN	**500,000**	**500,000**	**—**	—
Hamilton Niagara Haldimand Brant LHIN	**500,000**	**500,000**	**—**	—
	2,000,000	**1,856,566**	**143,434**	353,134

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO was a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency was subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $271,801 ($195,314 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

5. Related party transactions (continued)

Ontario Health (continued)

During this period, the LHIN incurred $866,351 in salaries and benefits expense for the transferred employees, of which $324,779 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

Effective December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated amortization $	2020 Net book value $	2019 Net book value $
Leasehold improvements	**4,347,660**	**3,814,125**	**533,535**	763,027
Furniture and equipment	**2,601,623**	**2,376,337**	**225,286**	305,957
Computer equipment	**2,351,110**	**2,159,665**	**191,445**	302,074
	9,300,393	**8,350,127**	**950,266**	1,371,058

7. Employee future benefits

The net employee future benefits liability consists of:

	2020 $	2019 $
(a) Pension plan – accrued future benefit asset	**(172,300)**	(250,300)
(b) Other benefits – accrued future benefit liability	**2,247,500**	2,002,600
(c) Accumulated sick leave liability	**88,700**	344,000
Net employee future benefits	**2,163,900**	2,096,300

(a) Pension plans

The LHIN has a defined benefit pension plan administered by the LHIN and managed by Standard Life of Canada, which provides pension benefits based on years of service prior to January 1, 1999 for some unionized employees and prior to January 1, 2002 for some non-unionized employees. Subsequent to the above mentioned dates, some of the respective employees became members of Healthcare of Ontario Pension Plan ("HOOPP"), a multi-employer final average pay contributory pension plan.

The LHIN uses actuarial reports prepared by independent actuaries for funding and accounting purposes. The most recent actuarial valuation of the pension plans for funding purposes was as of November 30, 2017. The measurement date is March 31, 2020.

7. Employee future benefits

(a) Pension plans (continued)

The following significant actuarial assumptions were employed to determine the periodic pension expense and the accrued benefit obligations:

	2020 **%**	2019 %
Assumptions		
Accrued benefit obligation as of March 31		
Discount rate	**3.29**	3.18
Rate of compensation increase	**1.50**	1.75
Benefit costs for period ended March 31		
Expected long-term rate of return on plan assets	**5.00**	5.00
Rate of compensation increase	**1.50**	1.75

Information about the LHINs defined benefit pension plan is as follows:

	2020 **$**	2019 $
Accrued benefit obligation		
Accrued benefit obligation, beginning of year	**693,000**	805,100
Interest cost	**18,900**	24,200
Benefits paid	**(198,200)**	(175,500)
Actuarial (gain) loss	**(26,500)**	39,200
	487,200	693,000

	2020 **$**	2019 $
Plan assets		
Fair value of plan assets, beginning of year	**733,100**	878,600
Actual return on plan assets	**32,100**	39,600
Contributions	**17,500**	1,700
Benefit payments	**(198,200)**	(175,500)
Actuarial loss	**(54,000)**	(11,300)
	530,500	733,100

Funded status

	2020 **$**	2019 $
Unamortized net actuarial loss	**129,000**	210,200
Funded status surplus	**43,300**	40,100
	172,300	250,300

7. Employee future benefits (continued)

(a) Pension plans (continued)

Funded status (continued)

Most employees are also members of HOOPP, which is a multi-employer plan, on behalf of approximately 505 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $3,745,892 ($3,661,014 in 2019) for current service costs and is included as an expense in the 2020 Statement of operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

(b) Other benefits

The LHIN provides for the continuation of medical benefits to most employees upon retirement. Information about the plan is as follows:

Accrued benefit liability is determined as follows:

	2020 **$**	2019 $
Accrued benefit obligation	**2,084,300**	2,109,100
Unamortized actuarial gain (loss)	**163,200**	(106,500)
	2,247,500	2,002,600

Continuity of benefit liability is as follows:

	2020 **$**	2019 $
Balance, beginning of year	**2,002,600**	1,360,900
Current service cost	**195,700**	111,100
Past service cost	**—**	681,000
Immediate recognition of actuarial gains	**—**	(134,800)
Interest cost	**72,700**	43,800
Benefits paid	**(35,100)**	(43,300)
Amortization of net actuarial loss (gains)	**11,600**	(16,100)
Balance, end of year	**2,247,500**	2,002,600

The following significant actuarial assumptions were employed to determine the periodic benefit expense and the accrued benefit obligation:

	2020 **%**	2019 %
Assumptions		
Accrued benefit obligation as of March 31		
Discount rate	**3.29%**	3.18%
Health care trend rate	**7% trending down by 1% to 5%**	8% trending down by 1% to 5%

7. Employee future benefits (continued)

(c) Sick leave benefits

Under the sick leave benefit plan, unused sick leave for most employees can accumulate. Information about the plan is as follows:

Compensated absence liability is determined as follows:

	2020 **$**	2019 $
Accrued benefit obligation	**2,170,500**	2,067,000
Unamortized actuarial losses	**(2,081,800)**	(1,723,000)
	88,700	344,000

Continuity of benefit liability is as follows:

	2020 **$**	2019 $
Balance, beginning of year	**344,000**	506,400
Curtailment gain	**—**	(212,100)
Immediate recognition of actuarial loss	**—**	175,900
Interest cost	**58,800**	78,300
Benefits paid	**(433,800)**	(344,700)
Amortization of net actuarial gains	**119,700**	140,200
Balance, end of year	**88,700**	344,000

The following significant actuarial assumptions were employed to determine the periodic benefit expense and the accrued benefit obligation:

	2020 **%**	2019 %
Assumptions		
Accrued benefit obligation as of March 31		
Discount rate	**3.29%**	3.18%
Rate of compensation increase	**1.50%**	2.00%

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The changes in the deferred capital contributions balance are as follows:

	2020 **$**	2019 $
Balance, beginning of year	**1,371,058**	1,830,251
Capital contributions received during the year	**12,965**	136,503
Amortization for the year	**(433,757)**	(595,696)
Balance, end of year	**950,266**	1,371,058

9. Commitments

The LHIN has commitments under various operating leases extending to 2024 as follows:

	$
2021	1,923,037
2022	1,257,214
2023	1,128,441
2024	351,098

10. Contingencies

The LHIN enters into accountability agreements with HSPs which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as a defendant in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Changes in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**11,276,319**	(11,159,431)
Due from to Ontario Health / HSSO	**32,959**	79,833
Due from other LHINs	**353,134**	(353,134)
Accounts receivable	**513,913**	(354,376)
Prepaid expenses	**199,244**	(276,395)
Accounts payable and accrued liabilities	**(1,242,856)**	2,251,625
Due to HSPs	**(9,603,119)**	10,046,131
Due to MOH	**631,004**	2,786,722
Deferred revenue	**6,156**	(27,505)
Employee future benefits	**67,600**	521,700
Total change in non-cash working capital items	**2,234,354**	3,515,170

12. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $1,106,658,271 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020	2019
	$	$
Operations of hospitals	**728,348,037**	712,182,729
Grants to compensate for municipal taxation – public hospitals	**156,975**	156,975
Long-Term Care Homes	**238,195,771**	233,724,875
Community support services	**27,253,972**	25,308,665
Assisted living services in supportive housing	**12,373,706**	13,029,706
Community health centres	**39,657,970**	38,035,581
Community mental health addictions program	**14,548,542**	14,136,789
Community mental health program	**46,123,298**	45,647,750
	1,106,658,271	1,082,223,070

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $877,881 ($10,481,000 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

13. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

14. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 10 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the L*ocal Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Hamilton Niagara Haldimand Brant Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
Hamilton Niagara Haldimand Brant Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Hamilton Niagara Haldimand Brant Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Hamilton Niagara Haldimand Brant Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**24,580,967**	20,216,067
Due from Ministry of Health ("MOH")		**21,041,840**	26,198,270
Accounts receivable		**1,935,017**	8,109,813
Prepaid expenses		**2,433,884**	1,189,035
		49,991,708	55,713,185
Capital assets	6	**1,010,182**	1,270,589
		51,001,890	56,983,774
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**23,083,676**	24,667,609
Due to Health Service Providers ("HSPs")	13	**21,041,840**	26,198,270
Due to MOH	3	**5,535,471**	4,478,805
Deferred operating contributions		**330,721**	368,501
		49,991,708	55,713,185
Deferred capital contributions	7	**1,010,182**	1,270,589
Employee future benefits	8	**3,704,366**	3,658,264
		54,706,256	60,642,038
Commitments and contingencies	9 & 10		
Net assets		**(3,704,366)**	(3,658,264)
		51,001,890	56,983,774

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Hamilton Niagara Haldimand Brant Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	13	**2,941,982,544**	2,890,070,372
MOH funding – operations and initiatives		**373,402,412**	359,962,271
Cancer Care Ontario	5	**569,929**	374,249
Amortization of deferred capital contributions	7	**260,407**	288,336
Other revenue		**499,825**	2,339,953
		374,732,573	362,964,809
Total revenue		**3,316,715,117**	3,253,035,181
Expenses			
HSP transfer payments	13	**2,941,982,544**	2,890,070,372
Operations and initiatives			
Contracted out			
In-home/clinic services		**239,077,750**	226,016,539
School services		**9,620,642**	12,455,428
Hospice services		**4,785,587**	5,364,896
Salaries and benefits		**92,053,124**	89,558,763
Medical supplies		**17,147,916**	15,677,810
Medical equipment rental		**3,184,617**	3,454,379
Supplies and sundry		**5,685,427**	7,243,051
Building and ground		**2,917,103**	2,905,607
Amortization		**260,407**	288,336
		374,732,573	362,964,809
Total expenses		**3,316,715,117**	3,253,035,181
Excess of revenue over expenses before the undernoted		**—**	—
Accrued non vested sick benefits		**(46,102)**	(89,937)
		(46,102)	(89,937)

The accompanying notes are an integral part of the financial statements.

Hamilton Niagara Haldimand Brant Local Health Integration Network

Statement of changes in net financial assets

Year ended March 31, 2020

	Unrestricted $	Employee benefits $	2020 Total $	2019 Actual $
Net assets, beginning of year	**—**	**(3,658,264)**	**(3,658,264)**	(3,568,327)
Excess of (expenses over revenue) revenue over expenses before the undernoted	**—**	**(46,102)**	**(46,102)**	(89,937)
Net assets, end of year	**—**	**(3,704,366)**	**(3,704,366)**	(3,658,264)

The accompanying notes are an integral part of the financial statements.

Hamilton Niagara Haldimand Brant Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of expenses over revenue		**(46,102)**	(89,937)
Less: amounts not affecting cash			
Amortization of capital assets		**260,407**	288,336
Amortization of deferred capital contributions	7	**(260,407)**	(288,336)
		(46,102)	(89,937)
Changes in non-cash working capital items	11	**4,411,002**	782,328
		4,364,900	692,391
Investing activity			
Purchase of capital assets		**—**	(104,191)
Financing activity			
Increase in deferred capital contributions	7	**—**	104,191
Net increase in cash		**4,364,900**	692,391
Cash, beginning of year		**20,216,067**	19,523,676
Cash, end of year		**24,580,967**	20,216,067

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Hamilton Niagara Haldimand Brant Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Hamilton Niagara Haldimand Brant Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers the Counties of Hamilton, Niagara, Haldimand, Brant, most of the County of Norfolk and the City of Burlington. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSPs.

(b) Provision of community services. These services include providing health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and other programs and places where community services are provided and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to HSPs are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the MLAA.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 to 10 years
Computer equipment and software	3 years
Leasehold improvements	Over the remaining lease term

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Accrued non-vested sick benefits

The LHIN provides a sick leave benefit plan to all permanent employees and accrues it obligations as the employees render the service necessary to earn the benefits. The actuarial determination of the accrued benefit obligation uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, retirement ages of employees and other actuarial factors). Under this method, the benefit costs are recognized over the expected average service life of the employee group. The accrued benefit obligation is equal to the present value of the cost of sick leave credits accumulated to date that are expected to be used in the future in excess of the current yearly allotment of 18 days (pro-rated accordingly for part-time employees).

The current service costs for a particular period is equal to the actuarial present value of the cost of sick leave credits earned in the year that are expected to be used in the future in excess of the yearly allotment.

Actuarial gains and losses on the accrued benefit obligation arise from the differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Any gains or losses are amortized over the estimated average remaining service life of the employees. The most recent actuarial evaluation of the sick leave plan was as of March 31, 2018.

2. Significant accounting policies (continued)

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**4,478,805**	3,334,265
Funding repaid during year	**—**	(360,602)
Funding repayable to the MOH related to current year activities	**1,056,666**	1,505,142
Due to MOH, end of year	**5,535,471**	4,478,805

4. Enabling Technologies for Integration Project Management Office

Effective January 31, 2014, the LHIN entered into an agreement with South West, Erie St. Clair and Waterloo Wellington LHIN's (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under this agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received and expensed funding of $500,000 ($1,475,000 in 2019).

5. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSO was a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the *Local Health System Integration Act, 2006* with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency was subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $427,200 ($534,000 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 16).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $891,974 in salaries and benefits expense for the transferred employees, of which $nil remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2020 Net book value** **$**	2019 Net book value $
Computer equipment and software	**476,387**	**471,132**	**5,255**	17,570
Leasehold improvements	**5,836,582**	**4,866,832**	**969,750**	1,201,792
Furniture and equipment	**6,471,421**	**6,436,244**	**35,177**	51,227
	12,784,390	**11,774,208**	**1,010,182**	1,270,589

7. Deferred Capital Contributions

The changes in the deferred capital contributions balance are as follows:

	2020	2019
	$	$
Balance, beginning of year	**1,270,589**	1,454,734
Capital contributions received during the year	**—**	104,191
Amortization for the year	**(260,407)**	(288,336)
Balance, end of year	**1,010,182**	1,270,589

8. Employee future benefits

All full-time and part-time employees are credited with 1.5 days per month (pro-rated accordingly for part-time employees) for use as paid absences in the year, due to illness or injury. Employees are allowed to accumulate unused sick day credits each year, up to a maximum of 130 days for unionized employees and 120 days for non-union employees. Accumulated credits may be used in future years if the employee's illness or injury exceeds the annual allocation of credits. Employees are not entitled to any cash payment upon retirement.

The significant assumptions used are as follows:

	2020	2019
	$	$
Discount rate	**3.29%**	3.18%
Rate of compensation/inflation increases	**2.00%**	2.00%

Accrued benefit liability is determined as follows:

	2020	2019
	$	$
Accrued benefit obligation	**3,265,600**	3,210,769
Unamortized actuarial gain	**438,766**	447,495
Accrued benefit liability	**3,704,366**	3,658,264

Continuity of the accrued benefit liability is as follows:

	2020	2019
	$	$
Change in liability	**3,658,264**	3,568,327
Benefit expense	**547,875**	527,302
Less: benefits paid	**(501,773)**	(437,365)
Accrued benefit liability, end of year	**3,704,366**	3,658,264

8. Employee future benefits (continued)

The accrued non-vested sick benefit expense is as follows:

	2020	2019
	$	$
Benefit cost	**466,327**	446,469
Interest on accrued benefit obligation	**108,953**	110,743
Amortization of actuarial losses	**(27,405)**	(29,910)
Accrued non-vested sick benefits expense	**547,875**	527,302

The current year expense in excess of actual benefits paid of $46,102 is recorded through the employee benefits fund.

9. Commitments

The LHIN is committed to the following operating lease payments extending to 2024 as follows:

	$
2020	2,138,816
2021	1,794,692
2022	1,565,024
2023	1,123,815
2024	1,082,796

10. Contingencies

The LHIN enters into accountability agreements with HSPs which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**5,156,430**	(4,951,308)
Accounts receivable	**6,174,796**	(3,536,240)
Prepaid expenses	**(1,244,849)**	(339,524)
Accounts payable and accrued liabilities	**(1,583,933)**	3,449,861
Due to HSPs	**(5,156,430)**	4,951,308
Due to MOH	**1,056,666**	1,144,540
Deferred operating contributions	**(37,780)**	(26,246)
Employee future benefits	**46,102**	89,937
Total change in non-cash working capital items	**4,411,002**	782,328

12. Pension Plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 1,025 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $6,673,800 ($6,421,472 in 2019). The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer Payments to HSPs

The LHIN has authorization to allocate funding of $2,941,982,544 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2019 as follows:

	2020 **$**	2019 $
Operations of hospitals	**2,152,887,700**	2,123,770,456
Grants to compensate for municipal taxation – public hospitals	**459,750**	462,750
Long-Term Care Homes	**543,199,892**	531,055,528
Community support services	**60,858,003**	58,846,208
Acquired brain injury	**10,729,789**	8,523,435
Assisted living services in supportive housing	**39,789,313**	38,678,565
Community health centres	**33,240,262**	32,342,414
Community mental health addictions program	**100,817,835**	96,391,016
	2,941,982,544	2,890,070,372

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $21,041,840 ($26,198,270 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favour of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

16. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred (13 positions) non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

17. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Mississauga Halton Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
Mississauga Halton Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Mississauga Halton Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Mississauga Halton Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**19,511,890**	12,769,407
Due from Ministry of Health ("MOH")	12	**3,903,544**	10,036,033
Due from other LHINs		**—**	122,213
Accounts receivable		**616,624**	823,991
Prepaid expenses		**1,405,785**	1,355,705
		25,437,843	25,107,349
Capital assets	6	**—**	2,793
		25,437,843	25,110,142
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**12,890,745**	14,741,164
Deferred revenue		**72,671**	63,451
Due to Health Service Providers (“HSPs”)	12	**3,903,544**	7,683,933
Due to MOH	3	**8,570,883**	2,618,801
		25,437,843	25,107,349
Deferred capital contributions	7	**—**	2,793
		25,437,843	25,110,142
Commitments and contingencies	8 & 9		
Net assets		**—**	—
		25,437,843	25,110,142

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Mississauga Halton Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	12	**1,558,848,778**	1,518,250,137
MOH funding – operations and initiatives		**218,239,696**	215,331,011
Cancer Care Ontario		**442,910**	437,799
Amortization of deferred capital contributions	7	**2,793**	8,400
Other revenue		**781,251**	528,717
		219,466,650	216,305,927
Total revenue		**1,778,315,428**	1,734,556,064
Expenses			
HSP transfer payments	12	**1,558,848,778**	1,518,250,137
Operations and Initiatives			
Contracted out			
In-home/clinic services		**143,247,370**	135,516,892
School services		**3,850,665**	5,325,533
Hospice services		**1,901,369**	2,025,590
Salaries and benefits		**54,905,650**	56,414,082
Medical supplies		**6,467,276**	6,653,032
Medical equipment rental		**3,466,082**	3,289,375
Supplies and sundry		**2,189,452**	3,728,799
Building and ground		**2,659,529**	2,511,030
Amortization		**2,793**	8,400
Equipment repairs and maintenance		**776,464**	833,194
		219,466,650	216,305,927
Total expenses		**1,778,315,428**	1,734,556,064
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Mississauga Halton Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	**2020** **$**	2019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less: amounts not affecting cash			
Amortization of capital assets		**2,793**	8,400
Amortization of deferred capital contributions	7	**(2,793)**	(8,400)
		—	—
Net changes in non-cash working capital items	10	**6,742,483**	3,749,331
Net increase in cash		**6,742,483**	3,749,331
Cash, beginning of year		**12,769,407**	9,020,076
Cash, end of year		**19,511,890**	12,769,407

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Mississauga Halton Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Mississauga Halton Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers a south-west portion of the City of Toronto, the south part of Peel Region and all of Halton Region except for Burlington. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSPs.

(b) The LHIN is responsible to provide health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and other programs and places and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to HSPs are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account. Funding allocations for transfer payment from the MOH are reflected as revenue and an equal amount of transfer payments to authorized HSPs are expensed in the LHIN's financial statements for the year ended March 31, 2020.

LHIN Financial Statements do not include transfer payment funds not included in the MLAA.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	Over the remaining lease term

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations and changes in net assets.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**2,618,801**	279,154
Funding repaid to MOH	**—**	—
Funding repayable to the MOH related to current year activities	**5,952,082**	2,339,647
Due to MOH, end of year	**8,570,883**	2,618,801

4. Enabling Technologies for Integration Project Management Office

Effective February 1, 2012 the LHIN entered into an agreement with Central West, Central, Central East, Toronto Central, and North Simcoe Muskoka (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received one-time funding from Central West LHIN of $145,560 ($435,390 in 2019) of which $Nil ($122,213 in 2019) was receivable at March 31. The LHIN incurred eligible expenses of $145,560 ($435,390 in 2019).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO was a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the Local Health System Integration Act, 2006 with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency was subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

5. Related party transactions (continued)

Health Shared Services Ontario (HSSO) (continued)

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $238,400 ($290,040 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health (Note 15). Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $1,120,816 in salaries and benefits expense for the transferred employees, of which $21,753 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2020 Net book value** **$**	2019 Net book value $
Computer equipment	**1,360,742**	**1,360,742**	**—**	—
Leasehold improvements	**6,422,929**	**6,422,929**	**—**	—
Furniture and equipment	**1,278,304**	**1,278,304**	**—**	2,793
	9,061,975	**9,061,975**	**—**	2,793

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**2,793**	11,193
Capital contributions acquired	**—**	—
Amortization for the year	**(2,793)**	(8,400)
Balance, end of year	**—**	2,793

8. Commitments

The LHIN has commitments under various operating leases related to building and equipment extending to 2024 as follows:

	$
2021	2,579,566
2022	2,207,735
2023	1,905,707
2024	142,448

9. Contingencies

The LHIN enters into accountability agreements with HSPs which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

10. Change in non-cash working capital items

	2020 **$**	2019 $
Due from MOH	**6,132,489**	(7,331,909)
Due from other LHINs	**122,213**	(83,053)
Accounts receivable	**207,367**	235,703
Prepaid expenses	**(50,080)**	110,756
Accounts payable and accrued liabilities	**(1,850,419)**	2,155,027
Deferred revenue	**9,220**	63,451
Due to HSPs	**(3,780,389)**	6,259,709
Due to MOH	**5,952,082**	2,339,647
Total change in non-cash working capital items	**6,742,483**	3,749,331

11. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 600 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $4,001,912 ($4,061,223 in 2019). The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

12. Transfer payment to HSPs

The LHIN has authorization to allocate funding of $1,558,848,778 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020 **$**	2019 $
Operations of hospitals	**1,172,027,990**	1,143,158,534
Grants to compensate for municipal taxation – public hospitals	**168,675**	168,675
Long-term care homes	**221,886,747**	216,713,919
Community support services	**59,380,067**	53,062,882
Assisted living services in supportive housing	**42,001,910**	41,939,382
Community mental health	**39,308,857**	38,761,690
Addictions program	**9,672,403**	9,545,026
Acquired brain injury	**6,415,617**	6,400,003
Community health centres	**7,986,512**	8,500,026
	1,558,848,778	1,518,250,137

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $3,903,544 ($7,683,933 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and changes in net assets and are included in the table above.

13. Financial risk

The LHIN through its exposure to financial assets and liabilities has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

14. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 17 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

North East Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
North East Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of North East Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations, changes in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

North East Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**19,829,822**	19,906,902
Due from Ministry of Health ("MOH")	13	**2,618,520**	2,675,961
Accounts receivable		**841,066**	920,845
Prepaid expenses		**222,502**	218,592
		23,511,910	23,722,300
Capital assets	6	**541,525**	958,839
		24,053,435	24,681,139
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**17,409,790**	20,269,974
Due to Health Service Providers ("HSPs")	13	**2,618,520**	2,675,961
Due to MOH	3	**3,467,422**	757,472
Deferred revenue		**—**	2,715
		23,495,732	23,706,122
Employee future benefits	7	**4,546,762**	4,562,014
Deferred capital contributions	8	**541,525**	958,839
		28,584,019	29,226,975
Commitments and contingencies	9 & 10		
Net liabilities		**(4,530,584)**	(4,545,836)
		24,053,435	24,681,139

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

North East Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding - transfer payments	13	**1,470,244,941**	1,442,229,069
MOH funding - operations and initiatives		**156,768,657**	159,048,294
Cancer Care Ontario	5	**211,493**	340,978
Amortization of deferred capital contributions	8	**429,271**	329,484
Other revenue		**1,787,077**	1,704,174
		159,196,498	161,422,930
Total revenue		**1,629,441,439**	1,603,651,999
Expenses			
HSP transfer payments	13	**1,470,244,941**	1,442,229,069
Operations and Initiatives			
Contracted out			
In-home/clinic services		**68,606,337**	68,365,984
School services		**1,012,703**	2,303,838
Hospice services		**5,214,313**	4,855,640
Salaries and benefits		**66,229,254**	66,898,249
Medical supplies		**6,729,467**	5,925,199
Medical equipment rental		**2,969,690**	2,703,158
Supplies and sundry		**5,504,076**	7,849,474
Building and ground		**2,486,135**	2,251,708
Amortization	6	**429,271**	329,484
		159,181,246	161,482,734
Total expenses		**1,629,426,187**	1,603,711,803
Excess (deficiency) of revenue over expenses		**15,252**	(59,804)

The accompanying notes are an integral part of the financial statements.

North East Local Health Integration Network

Statement of changes in net financial assets

Year ended March 31, 2020

	Unrestricted $	Employee benefits $	Internally restricted $	2020 Total $	2019 Total $
Net assets, beginning of year	**—**	**(4,562,014)**	**16,178**	**(4,545,836)**	(4,486,032)
Excess of revenue over expenses	**—**	**15,252**	**—**	**15,252**	(59,804)
Net assets, end of year	**—**	**(4,546,762)**	**16,178**	**(4,530,584)**	(4,545,836)

The accompanying notes are an integral part of the financial statements.

North East Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of expenses over revenue		**15,252**	(59,804)
Less amounts not affecting cash			
Amortization of capital assets	6	**429,271**	329,484
Amortization of deferred capital contributions	8	**(429,271)**	(329,484)
		15,252	(59,804)
Change in non-cash working capital items	11	**(92,332)**	1,601,943
		(77,080)	1,542,139
Investing activities			
Purchase of capital assets	6	**(15,597)**	(185,122)
Disposal of capital assets	6	**3,640**	—
		(11,957)	(185,122)
Financing activity			
Increase in deferred capital contributions	8	**11,957**	185,122
Net change in cash		**(77,080)**	1,542,139
Cash, beginning of year		**19,906,902**	18,364,763
Cash, end of year		**19,829,822**	19,906,902

The accompanying notes are an integral part of the financial statements.

1. Description of business

The North East Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the North East Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area

The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of the North East. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSPs.

(b) The delivery of home and community care services

These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series for government not-for-profit organizations, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collected is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the MLAA, the LHIN is economically dependent on the MOH.

Transfer payment amounts to HSPs are based on the terms of the Accountability Agreements between the HSPs and the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvement	Over the lease term

For assets acquired or brought into use, during the year, amortization is provided for a half year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

2. Significant accounting policies (continued)

Employee future benefits

The LHIN accrues its obligations for sick leave and post-employment benefit plans as the employees render the services necessary to earn the benefits. The actuarial determination of the accrued benefit obligations uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). Under this method, the benefit costs are recognized over the expected average service life of the employee group.

Actuarial gains and losses on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the future actuarial gains and losses will be amortized over the estimated average remaining service life of the employees (7.4 to 11.6 years). The most recent actuarial valuation of the sick leave plan and the benefit plan was as of March 31, 2018.

Substantially all of the employees of the LHIN are eligible to be members of the Health Care of Ontario Pension Plan ("HOOPP"), which is a multi-employer, defined benefit, final average earnings and contributory pension plan. Defined contribution plan accounting is applied to HOOPP as the LHIN has insufficient information to apply defined benefit accounting.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due from MOH, beginning of year	**757,472**	2,370,614
Funding received from MOH	**1,465,846**	—
Funding repaid to MOH	**(10,260)**	(2,370,614)
Funding repayable to the MOH related to current year activities	**1,254,363**	757,472
Due to MOH, end of year	**3,467,421**	757,472

4. Enabling Technologies for Integration Project Management Office

Effective Fiscal 2016 the LHIN entered into an agreement with the South East, North West, and Champlain Local Health Integration Networks (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from Champlain LHIN of $255,000 ($510,000 in 2019).

5. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $238,510 ($291,391 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 17).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $1,305,983 in salaries and benefits expense for the transferred employees, of which $356,389 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2020 Net book value** **$**	2019 Net book value $
Furniture and equipment	**1,021,071**	**965,969**	**55,102**	104,029
Computer equipment	**1,487,090**	**1,392,025**	**95,065**	118,353
Leasehold improvements	**4,429,598**	**4,038,240**	**391,358**	736,457
	6,937,759	**6,396,234**	**541,525**	958,839

7. Employee future benefits

The North East Local Health Integration Network provides for the reimbursement of medical and some life insurance expenses to certain retired employees provided that specified conditions are met. The LHIN provides 50% of accumulated sick leave entitlement not taken by certain employees, on their departure, provided certain conditions are met. The LHIN provided for a non-vesting benefit where it accrues to employees. An actuarial calculation of the future liabilities thereof has been made and forms the basis for the liability reported in these financial statements.

The significant assumptions used are as follows (weighted-average):

	Vested and non-vested sick leave	**Post-employment benefit obligation**
Discount rate	**3.29%**	**3.29%**
Rate of compensation increases	**4%**	**4%**
Health care costs trend rate		**6.5% trending to 4% over a 8 year period**

Information about the LHIN's benefit plans in aggregate is as follows:

	Vested and non-vested sick leave $	Other employee future benefits $	Total $
Balance, beginning of year	2,679,736	1,882,278	4,562,014
Benefit cost	157,983	63,893	221,876
Interest cost	79,838	40,727	120,565
Benefits paid	(204,876)	(41,604)	(246,480)
Amortization of actuarial gains	(13,842)	(97,371)	(111,213)
Employee future benefit liability, March 31, 2020	**2,698,839**	**1,847,923**	**4,546,762**
Obligation	2,547,262	1,319,432	3,866,694
Unamortized net actuarial gains	151,577	528,491	680,068
Employee future benefit liability, March 31, 2020	**2,698,839**	**1,847,923**	**4,546,762**

7. Employee future benefits (continued)

Employee future benefits expense

	Vested and non-vested sick leave $	Other employee future benefits $	Total $
Benefit cost	**157,983**	**63,893**	**221,876**
Interest on accrued benefit obligation	**79,838**	**40,727**	**120,565**
Amortization charges	**(13,842)**	**(97,371)**	**(111,213)**
Employee future benefits expense	**223,979**	**7,249**	**231,228**

A total gain of $15,252 is included in the statement of operations. The Ministry does not fund the full actuarial expense, but rather the actual payments made during the year. The funded portion of the overall expense is reported through the unrestricted fund, the overfunded portion is reported in the employment benefit fund as follows:

	Vested and non-vested sick leave $	Other future benefits $	Total $
Benefit expense	**223,979**	**7,249**	**231,228**
Funded portion of expense	**(204,876)**	**(41,604)**	**(246,480)**
Overfunded portion of expense	**19,103**	**(34,355)**	**(15,252)**

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**958,839**	1,103,200
Capital contributions received during the year	**11,957**	185,123
Amortization for the year	**(429,271)**	(329,484)
Balance, end of year	**541,525**	958,839

9. Commitments

The LHIN has commitments under various operating leases extending to 2024 as follows:

	$
2021	1,776,925
2022	1,592,539
2023	1,116,362
2024	286,658

10. Contingencies

The LHIN enters into accountability agreements with HSPs which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**57,441**	3,231,358
Accounts receivable	**79,779**	(236,458)
Prepaid expenses	**(3,910)**	3,531
Accounts payable and accrued liabilities	**(2,860,184)**	3,404,646
Due to HSPs	**(57,441)**	(3,231,358)
Due to MOH	**2,709,950**	(1,613,142)
Deferred revenue	**(2,715)**	(16,438)
Employee future benefits	**(15,252)**	59,804
Change in non-cash working capital items	**(92,332)**	1,601,943

12. Pension Plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 738 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $4,858,422 ($4,845,083 in 2019) for current service costs and is included as an expense in the 2020 Statement of Financial Operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $1,470,241,441 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020	2019
	$	$
Operations of hospitals	**1,023,421,118**	1,008,095,806
Grants to Compensate for Municipal Taxation – Public Hospitals	**211,500**	211,725
Long-Term Care Homes	**243,329,862**	238,001,117
Community Support Services	**47,058,953**	44,315,999
Acquired Brain Injury	**4,303,283**	3,845,583
Assisted Living Services in Supportive Housing	**25,334,831**	25,044,847
Community Health Centers	**25,084,434**	24,168,612
Community Mental Health	**73,802,537**	71,025,764
Substance Abuse and Gambling Problem	**27,698,423**	27,519,616
	1,470,244,941	1,442,229,069

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $2,618,520 ($2,675,961 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Accumulated non-vesting sick pay

The accumulated non-vesting sick pay comprises the sick pay benefits that accumulated but do not vest. These adjustments are not funded by the MOH.

16. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

17. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 19 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the Local Health System Integration Act, 2016 and in accordance with the MLAA.

18. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

North Simcoe Muskoka Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
North Simcoe Muskoka Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of North Simcoe Muskoka Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in financial net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

North Simcoe Muskoka Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**16,347,663**	14,294,306
Due from Ministry of Health ("MOH")	13	**4,825,043**	1,541,433
Due from other LHINs		**—**	39,059
Accounts receivable		**704,377**	736,810
Prepaid expenses		**399,679**	252,947
		22,276,762	16,864,555
Deposits		**90,892**	88,856
Capital assets	6	**49,797**	86,391
		22,417,451	17,039,802
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**11,704,153**	13,687,176
Due to Health Service Providers ("HSPs")	13	**4,825,043**	322,333
Due to MOH	3	**5,463,201**	2,435,589
Due to Ontario Health - Cancer Care Ontario Division		**130,234**	68,010
Deferred revenue		**98,089**	84,161
		22,220,720	16,597,269
Employee future benefits	11	**1,362,400**	1,361,200
Deferred capital contributions	7	**49,797**	86,391
		23,632,917	18,044,860
Commitments and contingencies	8 and 9	**—**	—
Net liabilities		**(1,215,466)**	(1,005,058)
		22,417,451	17,039,802

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

North Simcoe Muskoka Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	13	**887,400,597**	864,106,108
MOH funding – operations and initiatives		**111,517,065**	111,682,148
Cancer Care Ontario	5	**549,196**	541,181
Amortization of deferred capital contributions	7	**36,594**	63,257
Other revenue		**640,516**	1,120,949
		112,743,371	113,407,535
Total revenue		**1,000,143,968**	977,513,643
Expenses			
HSP transfer payments	13	**887,400,597**	864,106,108
Operations and initiatives			
Contracted out			
In-home/clinic services		**62,589,694**	62,162,466
School services		**2,733,113**	3,461,340
Hospice services		**2,347,214**	2,255,264
Other		**654,063**	654,063
Salaries and benefits		**33,357,883**	34,684,098
Medical supplies		**5,771,904**	5,053,156
Medical equipment rental		**1,864,574**	1,680,430
Supplies and sundry		**1,838,344**	1,903,695
Building and ground		**1,273,171**	1,183,941
Amortization		**36,594**	63,257
Repairs and maintenance		**276,817**	305,825
		112,743,371	113,407,535
Total expenses		**1,000,143,968**	977,513,643
Excess of revenue over expenses before the undernoted		**—**	—
Unfunded employee benefit expense	11	**(1,200)**	3,600
Expenditures from care fund	17	**(209,208)**	(45,732)
Excess of expenses over revenue		**(210,408)**	(42,132)

The accompanying notes are an integral part of the financial statements.

North Simcoe Muskoka Local Health Integration Network

Statement of changes in net financial assets

Year ended March 31, 2020

	Unrestricted	Care Fund	Employee benefits	2020 Total	2019 Total
	$	$	$	$	$
Net assets, beginning of year	**—**	**356,142**	**(1,361,200)**	**(1,005,058)**	(962,926)
Excess of (expenses over revenue) revenue over expenses before the undernoted	**—**	**(209,208)**	**(1,200)**	**(210,408)**	(42,132)
Net liabilities, end of year	**—**	**146,934**	**(1,362,400)**	**(1,215,466)**	(1,005,058)

The accompanying notes are an integral part of the financial statements.

North Simcoe Muskoka Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of expenses over revenue		**(210,408)**	(42,132)
Less amounts not affecting cash			
Amortization of capital assets		**36,594**	63,257
Amortization of deferred capital contributions	7	**(36,594)**	(63,257)
		(210,408)	(42,132)
Changes in non-cash working capital items	10	**2,263,765**	1,704,094
		2,053,357	1,661,962
Investing activity			
Purchase of capital assets		**—**	—
Financing activity			
Increase in deferred capital contributions	7	**—**	—
Net increase in cash		**2,053,357**	1,661,962
Cash, beginning of year		**14,294,306**	12,632,344
Cash, end of year		**16,347,663**	14,294,306

The accompanying notes are an integral part of the financial statements.

1. Description of business

The North Simcoe Muskoka Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the North Simcoe Muskoka Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers the municipalities of Muskoka, most of Simcoe County, and part of Grey County. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSPs.

(b) Provision of home and community services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series standards for government not-for-profit organizations as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ministry of Health

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the MLAA, the LHIN is economically dependent on the MOH.

2. Significant accounting policies (continued)

Ministry of Health (continued)

Transfer payment amounts to HSPs are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the MLAA.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expenses when incurred. Betterments which extend the estimated life of an asset are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Computer Equipment	4 years
Computer Software	3 years
Equipment	5 years
Leasehold improvement	Life of lease
Furniture and fixtures	10 years
Phone system	10 years

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

Employment benefits and compensated absences

The LHIN provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health, dental and insurance and non-vesting sick leave. The LHIN has adopted the following policies with respect to accounting for these employee benefits:

(a) The costs of post-employment future benefits are actuarially determined using management's best estimate of heath care costs, expected salary escalation, retirement ages of employees and discount rates. Adjustments to these costs arising from the changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight-line basis.

(b) The costs of multi-employer defined benefit pension are the employer's contributions due to the plan in the period.

(c) The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.

(d) The discount rate used in the determination of the above liabilities is management's best estimate of the LHIN's cost of borrowing.

2. Significant accounting policies (continued)

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**2,435,589**	2,109,646
Funding adjustment related to prior year activities	**—**	(422,200)
Funding repaid to MOH during the current year	**—**	(11,754)
Interest earned on bank balances	**407,381**	358,446
Funding repayable to the MOH related to current year activities	**2,620,233**	401,451
Due to MOH, end of year	**5,463,203**	2,435,589

4. Enabling Technologies for Integration Project Management Office

Effective February 1, 2012, the LHIN entered into an agreement with Central, Central West, Central East, Toronto Central, and Mississauga Halton LHINs (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

4. Enabling Technologies for Integration Project Management Office (continued)

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN was allocated funding from Central West LHIN of $104,238 ($289,437 in 2019). The LHIN incurred eligible expenditures related to this funding totaling $136,624 ($289,437 in 2019).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the Local Health System Integration Act, 2006 with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $219,164 ($280,590 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 17).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $688,270 in salaries and benefits expense for the transferred employees, of which $85,294 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost **$**	**Accumulated depreciation** **$**	**2020 Net book value** **$**	2019 Net book value $
Computer equipment	**259,375**	**218,701**	**40,674**	62,481
Computer software	**124,146**	**124,146**	**—**	—
Equipment	**68,841**	**61,707**	**7,134**	11,892
Leasehold improvements	**1,720,170**	**1,720,170**	**—**	2,933
Furniture and fixtures	**1,249,230**	**1,247,241**	**1,989**	3,979
Phone system	**538,086**	**538,086**	**—**	5,106
	3,959,848	**3,910,051**	**49,797**	86,391

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020	2019
	$	$
Balance, beginning of year	**86,391**	149,648
Capital contributions received during the year	**—**	—
Amortization for the year	**(36,594)**	(63,257)
Balance, end of year	**49,797**	86,391

8. Commitments

The LHIN has commitments under various operating leases extending to 2023 as follows:

	$
2021	1,207,454
2022	428,540
2023	28,090
	1,664,084

9. Contingencies

The LHIN enters into accountability agreements with HSPs, which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

10. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**(3,283,610)**	2,487,374
Due from other LHINs	**39,059**	(47,051)
Accounts receivable	**32,433**	709,528
Prepaid expenses	**(146,732)**	57,189
Deposit	**(2,036)**	(4,442)
Accounts payable and accrued liabilities	**(1,983,023)**	1,344,157
Due to HSPs	**4,502,710**	(3,284,274)
Due to MOH	**3,027,612**	325,943
Due to Ontario Health	**62,224**	52,471
Deferred revenue	**13,928**	66,799
Employee future benefits	**1,200**	(3,600)
Total change in non-cash working capital items	**2,263,765**	1,704,094

11. Employee future benefits

The LHIN records estimated post-employment benefits and compensated absences in the year they are earned. These liabilities are actuarially determined.

Post-employment benefits

The LHIN extends post-employment life insurance, health and dental benefits to certain employee groups subsequent to their retirement. The LHIN contributes 50% towards the premiums for these benefits for its non-union retirees. The LHIN recognizes these benefits as they are earned during the employees' tenure of service. The related benefit liability was determined by an actuarial valuation for accounting purposes as at March 31, 2020.

The major actuarial assumptions employed for the valuations are as follows:

	%
Salary grid placement	**2.00%**
Health care cost escalation	**6.00%**
Dental costs escalation	**2.75%**
Discount on accrued benefit obligations	**2.80%**

Non-vesting sick leave

The LHIN allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employees' illness or injury exceeds the current year's allocation of days. Sick days are paid out at the salary in effect at the time of usage. The related benefit liability was determined by an actuarial valuation for accounting purposes as at March 31, 2020.

The assumptions used in the valuation of non-vesting sick leave are the LHIN's best estimates of expected rates of:

	%
Salary grid placement	**2.00%**
Discount rates	**2.80%**

The post-employment liability is determined as follows:

	Post-employment benefits $	Non-vesting sick leave $	Total liability $
Accrued employee future benefit obligations	**783,100**	**504,700**	**1,287,800**
Unamortized actuarial gains (losses)	**175,000**	**(100,400)**	**74,600**
Total liability	**958,100**	**404,300**	**1,362,400**

11. Employee future benefits (continued)

The benefit expense for the year is as follows:

	Post-employment benefits $	Non-vesting sick leave $	Total expense $
Current period benefit cost	**31,800**	**70,000**	**101,800**
Interest on accrued benefit obligation	**22,400**	**14,800**	**37,200**
Amortized actuarial (gains) losses	**(17,400)**	**10,800**	**(6,600)**
Total actuarial expense	**36,800**	**95,600**	**132,400**

The unfunded portion of benefit expense is $1,200 recover of $3,600 in 2019).

12. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 358 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $2,438,758 ($2,505,359 in 2019) for current service costs and is included as an expense in the 2020 Statement of Operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $887,400,597 ($864,106,108 in 2019) to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020 $	2019 $
Operations of hospitals	**505,773,788**	493,927,605
Grants to compensate for municipal taxation – public hospitals	**79,500**	79,500
Long-Term Care Homes	**159,635,325**	156,681,645
Community support services	**18,695,629**	16,910,992
Assisted living services in supportive housing	**15,902,606**	12,372,595
Community health centres	**13,311,519**	12,394,177
Community mental health	**32,541,758**	32,729,564
Addictions program	**8,219,596**	7,077,662
Specialty psychiatric hospitals	**132,007,664**	130,700,664
Grants to compensate for municipal taxation – psychiatric hospitals	**23,400**	23,400
Acquired brain injury	**1,209,812**	1,208,304
	887,400,597	864,106,108

13. Transfer payments to HSPs (continued)

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $4,825,043 ($322,333 in 2019) was receivable from the MOH and included as due from the MOH in the statement of financial position. The amount of $4,825,043 was payable to HSPs and is included in the table above. Amounts have been reflected as revenue and expenses in the statement of operations.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

16. Care Fund

The Care Fund is an internally restricted fund. Charitable donations received by the former CCAC are used to support Care Fund activities. The Care Fund is used to support patient needs including caregiver respite and the purchase of medical equipment. Funds are also used to support staff education and organizational development activities.

17. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

17. The Connecting Care Act (continued)

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred (11) non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

18. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

North West Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
North West Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of North West Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

North West Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**9,245,931**	8,341,779
Due from Ministry of Health ("MOH")	12	**11,813,884**	11,145,960
Accounts receivable		**207,250**	272,304
Prepaid expenses		**172,705**	100,920
		21,439,770	19,860,963
Capital assets	6	**98,911**	119,675
		21,538,681	19,980,638
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**5,273,353**	6,361,120
Due to Related Party		**4,080**	—
Due to Health Service Providers ("HSPs")	12	**11,813,884**	10,468,160
Due to MOH	3	**4,348,453**	3,031,683
		21,439,770	19,860,963
Deferred capital contributions	7	**98,911**	119,675
		21,538,681	19,980,638
Commitments and contingencies	8 & 9		
Net assets		**—**	—
		21,538,681	19,980,638

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

North West Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	12	**696,204,361**	672,628,693
MOH funding - operations and initiatives		**60,618,036**	62,413,344
Cancer Care Ontario	5	**125,831**	78,515
Amortization of deferred capital contributions	7	**54,515**	120,560
Other revenue		**379,078**	1,168,885
		61,177,460	63,781,304
Total revenue		**757,381,821**	736,409,997
Expenses			
HSP transfer payments	12	**696,204,361**	672,628,693
Operations and initiatives			
Contracted out			
In-home/clinic services		**33,497,490**	33,790,984
School services		**699,754**	1,832,706
Hospice services		**518,983**	262,348
Salaries and benefits		**20,002,004**	21,335,651
Medical supplies		**2,646,174**	2,399,706
Medical equipment rental		**941,877**	861,436
Supplies and sundry		**1,461,726**	1,848,506
Building and ground		**1,115,151**	1,133,202
Equipment rental		**239,786**	196,205
Amortization		**54,515**	120,560
		61,177,460	63,781,304
Total expenses		**757,381,821**	736,409,997
Excess of revenue over expenses		**—**	—
Net assets, beginning of year			—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

North West Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2,019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less amounts not affecting cash			
Amortization of capital assets		**54,515**	120,560
Amortization of deferred capital contributions	7	**(54,515)**	(120,560)
		—	—
Changes in non-cash working capital items	10	**904,152**	1,406,189
		904,152	1,406,189
Investing activity			
Purchase of capital assets		**33,750**	(61,875)
Financing activity			
Increase in deferred capital contributions		**(33,750)**	61,875
Net increase in cash		**904,152**	1,406,189
Cash, beginning of year		**8,341,779**	6,935,590
Cash, end of year		**9,245,931**	8,341,779

The accompanying notes are an integral part of the financial statements.

1. Description of Business

The North West Local Health Integration Network was incorporated by Letters Patent on June 16, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the North West Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers the Districts of Thunder Bay, Rainy River and most of Kenora. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to Health Service Providers.

(b) Provision of community services within its geographic area. These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ministry of Health

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

2. Significant accounting policies (continued)

Ministry of Health

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	5 years

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations and changes in net assets.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

3. Funding repayable to the MOH (continued)

The amount due to the MOH at March 31 is made up as follows:

	2020 $	2019 $
Due to MOH, beginning of year	**3,031,683**	1,798,299
Funding repaid to MOH	**—**	—
Funding repayable to the MOH related to current year activities	**1,316,770**	1,233,384
Due to MOH, end of year	**4,348,453**	3,031,683

4. Enabling technologies for integration project management office

Effective February 1, 2012 the LHIN entered into an agreement with the South East LHIN, North East LHIN and Champlain LHIN (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received and expensed funding from Champlain LHIN of $255,000 ($479,415 in 2019) and incurred eligible expenses of $255,000 ($479,415 in 2019).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $94,636 ($103,036 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $533,443 in salaries and benefits expense for the transferred employees, of which $47,006 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated amortization $	2020 Net book value $	2019 Net book value $
Computer equipment	**641,611**	**641,611**	**—**	4,864
Leasehold improvements	**940,742**	**935,071**	**5,671**	8,813
Furniture and equipment	**2,138,707**	**2,045,468**	**93,239**	105,998
	3,721,060	**3,622,150**	**98,910**	119,675

7. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**119,675**	178,360
Capital contributions received during the year	**33,750**	61,875
Amortization for the year	**(54,515)**	(120,560)
Balance, end of year	**98,910**	119,675

8. Commitments

The LHIN has commitments under various operating leases related to building and equipment extending to 2023 as follows:

	$
2021	389,532
2022	88,029
2023	46,390
	523,951

9. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

10. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOH	**(667,924)**	(3,129,463)
Accounts receivable	**65,054**	107,748
Prepaid expenses	**(71,785)**	(13,842)
Accounts payable and accrued liabilities	**(1,087,767)**	756,699
Due to related party	**4,080**	—
Due to HSPs	**1,345,724**	2,451,663
Due to MOH	**1,316,770**	1,233,384
Total change in non-cash working capital items	**904,152**	1,406,189

11. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 235 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $1,518,360 ($1,675,923 in 2019) for current service costs and is included as an expense in the Statement of Financial Operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

12. Transfer payment to HSPs

The LHIN has authorization to allocate funding of $696,204,361 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020	2019
	$	$
Operations of hospitals	**499,889,022**	483,782,555
Grants to compensate for municipal taxation – public hospitals	**99,600**	105,375
Long-Term care Homes	**87,132,086**	83,419,461
Community support services	**17,290,972**	16,730,518
Acquired brain injury	**1,038,082**	1,038,082
Assisted living services in supportive housing	**15,222,808**	14,772,406
Community health centres	**12,621,944**	12,368,809
Community mental health program	**40,492,440**	38,290,882
Addictions program	**22,417,407**	22,120,605
	696,204,361	672,628,693

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $11,813,884 ($10,468,160 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

13. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

14. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHIN, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 9 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

South East Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
South East Local Health Integration Network

Opinion

We have audited the accompanying financial statements of the South East Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

South East Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**23,002,360**	20,383,312
Due from Ministry of Health ("MOH")		**1,939,804**	3,155,700
Accounts receivable		**1,313,503**	1,467,632
Prepaid expenses		**422,217**	439,346
		26,677,884	25,445,990
Capital assets	6	**40,221**	114,364
		26,718,105	25,560,354
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**15,236,021**	16,950,052
Due to Health Service Providers ("HSPs")	13	**1,939,804**	1,536,400
Due to MOH	3	**9,112,500**	6,484,668
Due to other LHINs	4	**57,274**	62,230
Deferred revenue		**296,111**	338,845
Current portion of obligations under capital leases	7	**36,174**	37,621
		26,677,884	25,409,816
Obligations under capital leases	7	**—**	36,174
Deferred capital contributions	8	**40,221**	114,364
		26,718,105	25,560,354
Contingencies and commitments	9 and 10		
Net assets		**26,718,105**	25,560,354

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

South East Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH funding – transfer payments	13	**1,113,941,853**	1,090,206,013
MOH funding – operations and initiatives		**133,201,646**	137,882,037
Cancer Care Ontario	5	**342,186**	349,178
Amortization of deferred capital contributions	8	**96,024**	108,083
Amortization of deferred restricted contributions		**—**	59,845
Other revenue		**1,732,783**	1,838,238
		135,372,639	140,237,381
Total revenue		**1,249,314,492**	1,230,443,394
Expenses			
HSP transfer payments	13	**1,113,941,853**	1,090,206,013
Operations and initiatives			
Contracted out			
In-home/clinic services		**80,923,588**	82,937,885
School services		**1,793,682**	3,848,189
Hospice services		**691,091**	767,939
Salaries and benefits		**39,552,945**	39,759,337
Medical supplies		**6,776,088**	6,693,739
Medical equipment rental		**1,139,976**	1,383,814
Supplies and sundry		**2,853,138**	3,246,651
Buildings and grounds		**1,546,107**	1,491,744
Amortization		**96,024**	108,083
		135,372,639	140,237,381
Total expenses		**1,249,314,492**	1,230,443,394
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

South East Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	**2020** **$**	2019 $
Operating activities			
Excess of revenue over expenses		**—**	—
Less amounts not affecting cash			
Amortization of capital assets		**96,024**	108,083
Amortization of deferred capital contributions	8	**(96,024)**	(108,083)
		—	—
Changes in non-cash working capital items	11	**2,656,669**	3,976,944
Investing activity			
Purchase of capital assets		**(21,881)**	(58,038)
Financing activities			
Increase in deferred capital contributions	8	**21,881**	58,038
Repayment of capital lease obligations	7	**(37,621)**	(35,789)
		(15,740)	22,249
Net increase in cash		**2,619,048**	3,941,155
Cash, beginning of year		**20,383,312**	16,442,157
Cash, end of year		**23,002,360**	20,383,312

The accompanying notes are an integral part of the financial statements.

1. Description of business

The South East Local Health Integration Network was incorporated by letters patent on June 2, 2005, as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the *Local Health System Integration Act, 2006* (the "Act") as the South East Local Health Integration Network (the "LHIN") and its letters patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of the areas of Hastings, Prince Edward, Lennox and Addington, Frontenac, Leeds and Grenville Counties, the cities of Kingston, Belleville and Brockville, the towns of Smith Falls and Prescott, and part of Lanark and Northumberland Counties. The LHIN enters into service accountability agreements with Health Service Providers (HSP).

The LHIN has also entered into an accountability agreement with the Ministry of Health (MOH), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed HSP are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSP are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to HSP.

(b) Provision of community services: These services include health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management and are prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collected is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement (MLAA), which describes budgetary arrangements established by the MOH. The financial statements reflect funding arrangements approved by the MOH.
The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the MLAA, the LHIN is economically dependent on the MOH.

Transfer payment amounts to HSP are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSP. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN financial statements do not include transfer payment funds not included in the MLAA.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	Over the lease term

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations and changes in net assets.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31, 2020 and 2019 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**6,484,668**	3,639,109
Funding repayable to the MOH related to current year activities	**2,627,832**	2,845,559
Due to MOH, end of year	**9,112,500**	6,484,668

4. Enabling Technologies for Integration Project Management Office

Effective fiscal 2014 the LHIN entered into an agreement with Champlain, North East and North West LHIN's (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from Champlain LHIN of $255,000 ($510,000 in 2019) and incurred eligible expenditures of $244,456 ($463,270 in 2019). The unspent portion of $10,544 ($46,730 in 2019) has been set as up as repayable to the Champlain LHIN. In addition to the unspent funding for 2020 and 2019, the LHIN also owes the Champlain LHIN $nil ($15,500 in 2019) for translation services, bringing the total amount due the Champlain LHIN to $57,274 as at March 31, 2020 ($62,230 as at March 31, 2019).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017, by O. Reg. 456/16 made under LHSIA with objectives to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. As a provincial agency, HSSO is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $196,800 ($246,000 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 16).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

5. Related party transactions (continued)

Ontario Health (continued)

During this period, the LHIN incurred $598,421 in salaries and benefits expense for the transferred employees, of which $13,206 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated amortization $	2020 Net book value $	2019 Net book value $
Furniture and equipment	**2,346,393**	**2,344,118**	**2,275**	6,373
Computer equipment	**872,335**	**837,942**	**34,393**	52,531
Leasehold improvements	**1,676,439**	**1,672,886**	**3,553**	55,460
	4,895,167	**4,854,946**	**40,221**	114,364

7. Obligations under capital lease

The LHIN has a lease under the provision of capital lease of leasehold improvements. The cost of this lease is included in capital assets and the related liabilities are included in liabilities to reflect the effective acquisition and financing of these items. The lease on the building expires in February 2021.

The present value of future minimum payments is as follows:

	2020 $	2019 $
2020	**—**	37,621
2021	**36,174**	36,174
	36,174	73,795
Less: current portion	**36,174**	37,621
Long-term portion of capital lease obligation	**—**	36,174

Pledged as security for the above borrowings are the leasehold improvements under capital lease.

The minimum payments over the remaining terms of the leases are as follows:

	2020 $	2019 $
2020	**—**	40,456
2021	**37,085**	37,085
Total minimum payment	**37,085**	77,541
Less: amount representing interest	**911**	3,746
	36,174	73,795

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	2020	2019
	$	$
Balance, beginning of year	**114,364**	164,409
Capital contributions received during the year	**21,881**	58,038
Amortization for the year	**(96,024)**	(108,083)
Balance, end of year	**40,221**	114,364

9. Commitments

The LHIN has commitments under various operating leases extending to 2024 as follows:

	$
2021	911,777
2022	422,191
2023	178,678
2024	42,857
	1,555,503

10. Contingencies

Due to the nature of its operations, the LHIN is susceptible to claims from clients, employees, suppliers and past service provider agencies. Management has recorded its best estimate of the outcome of these claims in these financial statements.

The LHIN enters into accountability agreements with HSP which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN is a member of the Healthcare Insurance Reciprocal of Canada (HIROC), which is a pooling of the liability insurance risks of its members. Members of the pool pay annual premiums that are actuarially determined. HIROC members are subject to reassessment for losses, if any, experienced by the pool for the years in which they are members, and these losses could be material. No reassessments have been made to March 31, 2020.

Should these result in additional revenues or costs, the difference will be recorded in the year of settlement.

11. Change in non-cash working capital items

	2020 **$**	2019 $
Due from MOH	**1,215,896**	(1,550,319)
Accounts receivable	**154,129**	411,639
Prepaid expenses	**17,130**	(45,518)
Accounts payable and accrued liabilities	**(2,665,295)**	2,220,707
Due to HSPs	**403,404**	161,690
Due to MOH	**3,579,095**	2,845,559
Due to other LHINs	**(4,956)**	(3,444)
Deferred revenue	**(42,734)**	(63,370)
	2,656,669	3,976,944

12. Pension Plan

The LHIN contributes to the Healthcare of Ontario Pension Plan (HOOPP), which is a multi-employer plan, on behalf of approximately 424 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $2,877,762 ($2,896,414 in 2019) for current service costs and is included as an expense in the 2020 statement of operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $1,113,941,853 ($1,090,206,013 in 2019) to various HSP in its geographic area. The LHIN approved transfer payments to various sectors as follows:

	2020 **$**	2019 $
Operations of hospitals	**739,239,279**	724,935,917
Grants to compensate for municipal taxation – public hospitals	**177,375**	190,725
Long-Term care homes	**206,872,139**	201,230,078
Community support services	**43,699,523**	42,166,850
Assisted living services in supportive housing	**2,299,255**	2,315,726
Community health centers	**37,092,826**	35,297,308
Community mental health	**84,561,456**	84,069,409
	1,113,941,853	1,090,206,013

The LHIN receives funding from the MOH and in turn allocates it to the HSP. As at March 31, 2020, an amount of $1,939,804 ($1,536,400 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the statement of operations and changes in net assets and are included in the table above.

14. Financial risks

The LHIN through its exposure to financial assets and liabilities has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Guarantees

The LHIN is subject to the provisions of the *Financial Administration Act*. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favour of third parties, except in accordance with the *Financial Administration Act* and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the *Local Health System Integration Act, 2006* and in accordance with chapter 28 of the *Financial Administration Act*.

16. The Connecting Care Act

On May 30, 2019, the *Connecting Care Act* (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 10 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

Financial statements of

South West Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Board of Directors of
South West Local Health Integration Network

Audit Opinion
We have audited the accompanying financial statements of South West Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

South West Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**31,387,080**	47,186,469
Due from Ministry of Health ("MOH")	13	**9,911,586**	10,624,345
Accounts receivable		**1,052,154**	1,260,239
Prepaid expenses		**994,672**	1,268,174
		43,345,492	60,339,227
Capital assets	6	**818,250**	1,903,251
		44,163,742	62,242,478
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**27,584,690**	29,926,686
Due to Health Service Providers ("HSPs")	13	**9,911,586**	8,606,952
Due to MOH	3	**6,506,553**	22,031,229
Due to other LHINs			353,134
Current portion of obligations under capital leases	7	**74,867**	306,553
		44,077,696	61,224,554
Obligations under capital leases	7	**—**	74,867
Deferred capital contributions	8	**818,249**	1,585,301
		44,895,945	62,884,722
Commitments and contingencies	9 & 10		
Net assets		**(732,203)**	(642,244)
		44,163,742	62,242,478

The accompanying notes are an integral part of the financial statements.

Approved by the Board

Bill Hatanaka

William Hatanaka, Board Chair

Garry Foster

Garry Foster, Audit Committee Chair

South West Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 Actual $	2019 Actual $
Revenue			
MOH funding – transfer payments	13	**2,268,768,270**	2,216,982,370
MOH funding – operations and initiatives		**231,048,594**	239,670,725
Cancer Care Ontario	5	**251,351**	579,243
Amortization of deferred capital contributions	8	**1,085,001**	1,447,172
Other revenue		**916,956**	648,182
		233,301,902	242,345,322
Total revenue		**2,502,070,172**	2,459,327,692
Expenses			
HSP transfer payments	13	**2,268,768,270**	2,216,982,370
Operations and initiatives			
Contracted out			
In-home/clinic services		**124,798,330**	131,445,865
School services		**7,180,164**	8,305,925
Hospice services		**4,375,000**	4,130,000
Salaries and benefits		**72,215,477**	72,280,937
Medical supplies		**10,928,374**	10,337,505
Medical equipment rental		**1,409,242**	1,267,332
Supplies and sundry		**9,124,967**	10,574,499
Building and ground		**2,275,306**	2,750,479
Amortization		**1,085,001**	1,375,457
		233,391,861	242,467,999
Total expenses		**2,502,160,131**	2,459,450,369
Excess of expenses over revenue		**(89,959)**	(122,677)

The accompanying notes are an integral part of the financial statements.

South West Local Health Integration Network

Statement of changes in net financial assets

Year ended March 31, 2020

	Unrestricted $	Employee benefits $	2020 Total $	2019 Total $
Net assets, beginning of year	**—**	**(642,244)**	**(642,244)**	(519,567)
Excess of expenses over revenue	**—**	**(89,959)**	**(89,959)**	(122,677)
Net assets, end of year	**—**	**(732,203)**	**(732,203)**	(642,244)

The accompanying notes are an integral part of the financial statements.

South West Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenue over expenses		**(89,959)**	(122,677)
Less amounts not affecting cash			
Amortization of capital assets		**1,085,001**	1,375,457
Amortization of deferred capital contributions	8	**(1,085,001)**	(1,447,172)
		(89,959)	(194,392)
Changes in non-cash working capital items	11	**(15,720,826)**	14,090,322
		(15,810,785)	13,895,930
Investing activity			
Purchase of capital assets		**—**	(520,173)
Financing activities			
Capital lease obligations incurred		**—**	151,574
Repayment of capital lease obligations		**(306,553)**	(521,418)
Increase in deferred capital contributions	8	**317,949**	385,512
		11,396	15,668
Net change in cash		**(15,799,389)**	13,391,425
Cash, beginning of year		**47,186,469**	33,795,044
Cash, end of year		**31,387,080**	47,186,469

1. Description of business

The South West Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the South West Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers approximately 22,000 square kilometers from Tobermory in the north to Long Point in the south. The LHIN enters into service accountability agreements with Health Service Providers ("HSPs").

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for the LHIN accountabilities and activities.

All funding payments to LHIN managed HSPs are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to HSPs, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to the HSPs.

(b) Provision of community services. These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ministry of Health and Long-Term Care Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding approved by the MOH to support LHIN managed HSPs and the operations of the LHIN. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH in the MLAA. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

2. Significant Accounting Policies (continued)

Ministry of Health and Long-Term Care Funding (continued)

Transfer payment amounts to HSPs are based on the terms of the HSPs Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the HSPs. The cash associated with the transfer payment flows directly from the MOH to the HSPs and does not flow through the LHIN bank account.

LHIN Financial Statements includes only transfer payment funds and LHIN operating funds included in the MLAA.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

Deferred capital contributions

Any amounts received that are used to fund expenses that are recorded as tangible capital assets, are recorded as deferred capital revenue and are recognized as revenue over the useful life of the asset reflective of the provision of its services. The amount recorded under "revenue" in the statement of operations, is in accordance with the amortization policy applied to the related tangible capital asset recorded.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Computer equipment	3 years
Computer software	3 years
Equipment capital lease	Life of lease
Leasehold improvements	Life of lease
Furniture and equipment	10 years
Phone system	5 years

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due from MOH, beginning of year	**22,031,229**	11,654,347
Funding repaid to MOH	**(20,464,445)**	(479,967)
Funding repayable to the MOH related to current year activities	**4,939,769**	10,856,849
Due to MOH, end of year	**6,506,553**	22,031,229

4. Enabling Technologies for Integration Project Management Office

Effective January 31, 2014, the LHIN entered into an agreement with Erie St Clair, Waterloo Wellington and Hamilton Niagara Haldimand Brant LHINs (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from Erie St Clair LHIN of $500,000 ($1,000,000 in 2019) and incurred eligible expenses of $500,000 ($646,866 in 2019).

5. Related party transactions

Health Shared Services Ontario ("HSSO"))

HSSO was a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO was a provincial agency subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $328,992 ($386,327 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 17).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

5. Related party transactions (continued)

Ontario Health (continued)

During this period, the LHIN incurred $843,475 in salaries and benefits expense for the transferred employees, of which $62,397 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost $	Accumulated depreciation $	2020 Net book value $	2019 Net book value $
Computer equipment	**4,941,538**	**4,784,393**	**157,145**	602,296
Computer software	**2,231,898**	**2,228,231**	**3,667**	27,583
Equipment capital lease	**2,631,713**	**2,537,222**	**94,491**	453,393
Leasehold improvements	**5,145,820**	**4,758,482**	**387,338**	534,338
Furniture and equipment	**5,067,139**	**4,906,862**	**160,277**	248,652
Phone system	**1,342,568**	**1,327,236**	**15,332**	36,989
	21,360,676	**20,542,426**	**818,250**	1,903,251

7. Obligations under Capital Leases

The LHIN has obligations under capital leases for computer equipment with expiries into 2021. Pledged as security for the leases are the equipment under capital lease. The minimum payments over the remaining terms of the leases are as follows:

	$
2021	77,130
Less: amount representing interest	2,263
	74,867

8. Deferred capital contributions

The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**1,585,301**	2,646,961
Capital contributions received during the year	**317,949**	385,512
Amortization of deferred contributions recognized as revenue for the year	**(1,085,001)**	(1,447,172)
Long-term deferred capital contributions balance, end of year	**818,249**	1,585,301

9. Commitments

The LHIN has commitments under various operating leases expiring in 2023 as follows:

	$
2020	1,433,282
2021	1,254,522
2022	905,950
2023	268,650

10. Contingencies

The LHIN enters into accountability agreements with HSPs which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Change in non-cash working capital items

	2020	2019
	$	$
Due from MOHLTC	**712,759**	(4,407,647)
Accounts receivable	**208,085**	48,672
Prepaid expenses	**273,502**	(404,726)
Accounts payable and accrued liabilities	**(2,341,996)**	5,733,753
Due to HSPs	**1,304,634**	2,390,254
Due to MOHLTC	**(15,524,676)**	10,376,882
Due to other LHINs	**(353,134)**	353,134
Total change in non-cash working capital items	**(15,720,826)**	14,090,322

12. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 880 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $5,093,630 ($5,084,665 in 2019) for current service costs and is included as an expense in the statement of operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $2,268,768,270 ($2,216,982,370 in 2019) to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020 **$**	2019 $
Operations of hospitals	**1,694,684,273**	1,665,840,578
Grants to compensate for municipal taxation – public hospitals	**381,225**	385,575
Long-Term care homes	**374,736,534**	364,817,291
Community care access centres	**—**	—
Community support services	**49,429,224**	43,584,053
Assisted living services in supportive housing	**29,891,911**	27,452,467
Community health centres	**26,434,900**	25,174,163
Acquired brain injury	**9,646,023**	9,330,016
Community mental health addictions program	**83,564,180**	80,398,227
	2,268,768,270	2,216,982,370

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $9,911,586 ($8,606,952 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the statement of operations and are included in the table above.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Accumulated non-vesting sick pay

Accumulated non-vesting sick pay of $732,203 ($642,244 in 2019) is included in accounts payable and accrued liabilities. The amounts are not funded by the Ontario Ministry of Health until they are paid.

16. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

17. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the

LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 16 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the Local Health System Integration Act, 2016 and in accordance with its accountability agreement with the Minister.

18. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Toronto Central Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
Toronto Central Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of Toronto Central Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Toronto Central Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**22,436,674**	25,080,671
Due from Ministry of Health ("MOH")		**22,314,487**	11,235,272
Due from Ontario Health	4	**652,157**	210,785
Accounts receivable		**586,277**	496,005
Prepaid expenses		**375,837**	318,746
		46,365,432	37,341,479
Deposits		**107,501**	107,501
Capital assets	6	**386,354**	477,907
		46,859,287	37,926,887
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**22,420,392**	28,873,743
Due to Health Service Providers ("HSPs")	11	**22,097,187**	7,563,372
Due to MOH	3	**1,955,354**	1,011,865
		46,472,933	37,448,980
Deferred capital contributions	7	**386,354**	477,907
		46,859,287	37,926,887
Commitments and contingencies	8 & 15		
Net assets		**—**	—
		46,859,287	37,926,887

The accompanying notes are an integral part of the financial statements.

Approved by the Board

William Hatanaka, Board Chair

Garry Foster, Audit Committee Chair

Toronto Central Local Health Integration Network

Statement of operations and changes in net assets

Year ended March 31, 2020

	Notes	2020 $	2019 $
Revenue			
MOH - transfer payments	11	**5,036,511,020**	4,946,686,488
MOH funding - operations and initiatives		**274,576,617**	284,810,269
Cancer Care Ontario	4	**793,417**	1,044,639
Amortization of deferred capital contributions	7	**91,553**	92,980
Other revenues		**360,197**	696,149
		275,821,784	286,644,037
eHealth-Enabling Technologies for Integration allocated to Central LHIN	5	**(159,040)**	(510,000)
Total revenue		**5,312,173,764**	5,232,820,525
Expenses			
HSP transfer payments	11	**5,036,511,020**	4,946,686,488
Operations and initiatives			
Contracted out			
In-home/clinic services		**185,056,270**	184,377,609
School services		**3,658,732**	5,213,343
Hospice services		**3,414,111**	3,595,213
Salaries and benefits		**63,582,290**	69,225,024
Medical supplies		**10,016,466**	9,561,325
Medical equipment rental		**2,748,029**	2,602,608
Supplies and sundry		**4,550,679**	7,740,364
Building and ground		**2,279,269**	3,087,363
Amortization		**91,553**	92,980
Repairs and maintenance		**265,345**	638,208
		275,662,744	286,134,037
Total expenses		**5,312,173,764**	5,232,820,525
Excess of revenue over expenses		**—**	—
Net assets, beginning of year		**—**	—
Net assets, end of year		**—**	—

The accompanying notes are an integral part of the financial statements.

Toronto Central Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of revenues over expenses		**—**	—
Less amounts not affecting cash			
Amortization of capital assets		**91,553**	92,980
Amortization of deferred capital contributions	7	**(91,553)**	(92,980)
		—	—
Changes in non-cash working capital items	9	**(2,643,997)**	6,835,471
		(2,643,997)	6,835,471
Investing activity			
Purchase of capital assets		**—**	—
Financing activity			
Increase in deferred capital contributions		**—**	—
Net (decrease) increase in cash		**(2,643,997)**	6,835,471
Cash, beginning of year		**25,080,671**	18,245,200
Cash, end of year		**22,436,674**	25,080,671

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Toronto Central Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Toronto Central Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

On June 7, 2017 the LHIN assumed the assets, liabilities, rights and obligations of the Toronto Central Community Care Access Centre. The comparative amounts include transactions for ten months to March 31, 2018.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of City of Toronto. The LHIN enters into service accountability agreements with health service providers.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to Health Service Providers.

(b) Provision of community services. The LHIN has the responsibility to provide health and related social services and supplies and equipment for the care of persons in home, community and other settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and other programs and places where community services are provided under the Home Care and Community Services Act, 1994 and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. Significant accounting policies (continued)

Ministry of Health funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated lives of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful lives as follows:

Furniture and equipment	5 years
Computer and communications equipment	3 years
Client serving equipment	5 years
Leasehold improvements	Life of lease

For assets acquired or brought into use, during the year, amortization is provided for a full year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of operations and changes in net assets.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Due to MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**1,011,865**	334,376
Funding repayable to the MOH related to current year activities	**943,489**	677,489
Due to MOH, end of year	**1,955,354**	1,011,865

4. Related party transactions

Health Shared Services Ontario ("HSSO")

HSSOntario is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under the Local Health System Integration Act with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $353,600 ($668,866 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 15).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

4. Related party transactions

Ontario Health (continued)

During this period, the LHIN incurred $928,118 in salaries and benefits expense for the transferred employees, of which $20,481 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

5. Enabling technologies for integration project management office ("ETI PMO")

Effective April 1, 2018, the LHIN entered into an agreement with Central LHIN (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

Toronto Central LHIN is designated the Lead LHIN with this agreement and as such holds the accountability over the distribution of the funds and manages the shared Project Management Office. In the event that the Cluster experiences a surplus, the Lead LHIN is responsible for returning those funds to the MOH.

Total Cluster funding received for the year ended March 31, 2020 was $755,000 ($1,510,000 in 2019), of which $159,040 ($510,000 in 2019) was allocated to Central LHIN. The following provides condensed financial information for the ETI PMO funding and expenses for the Cluster:

	Funding allocated $	**Eligible expenses $**	**2020 Excess funding $**
Toronto Central LHIN	**595,960**	**595,960**	**—**
Central LHIN	**159,040**	**159,040**	**—**
	755,000	**755,000**	**—**

	Funding allocated $	Eligible expenses $	2019 Excess funding $
Toronto Central LHIN	1,000,000	1,000,000	—
Central LHIN	510,000	510,000	—
	1,510,000	1,510,000	—

6. Capital assets

	Cost $	Accumulated depreciation $	2020 Net book value $	2019 Net book value $
Computer and communication equipment	**13,802,756**	**(13,802,756)**	**—**	—
Leasehold improvements	**4,304,402**	**(3,964,822)**	**339,580**	384,360
Furniture and equipment	**2,160,107**	**(2,160,107)**	**—**	—
Client serving equipment	**233,866**	**(187,092)**	**46,774**	93,547
	20,501,131	**(20,114,777)**	**386,354**	477,907

7. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	2020 $	2019 $
Balance, beginning of year	**477,907**	570,887
Amortization for the year	**(91,553)**	(92,980)
Balance, end of year	**386,354**	477,907

8. Commitments

The LHIN has commitments under various operating leases as follows:

	$
2021	2,366,659
2022	1,826,631
2023	1,836,448
2024	1,713,872
2025	1,688,067
Thereafter	4,444,811
	13,876,488

9. Change in non-cash working capital items

	2020 $	2019 $
Due from Ontario Health	**(441,372)**	126,915
Due from MOHLTC	**3,454,600**	(2,390,500)
Due from MOHLTC regarding HSP transfer payments	**(14,533,815)**	9,898,425
Accounts receivable	**(90,272)**	895,162
Prepaid expenses	**(57,091)**	19,731
Accounts payable and accrued liabilities	**(6,453,351)**	7,506,674
Due to HSPs	**14,533,815**	(9,898,425)
Due to MOHLTC	**943,489**	677,489
Total change in non-cash working capital items	**(2,643,997)**	6,835,471

10. Pension Plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 638 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $4,743,558 ($4,810,292 in 2019) for current service costs and is included as an expense in the statement of operations and changes in net assets. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

11. Transfer payment to HSPs

The LHIN has authorization to allocate funding of $5,036,511,020 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors as follows:

	2020 $	2019 $
Operations of hospitals	**3,925,224,856**	3,861,233,854
Grants to compensate for municipal taxation – public hospitals	**715,275**	715,275
Long-term care homes	**302,565,432**	297,080,950
Community support services	**140,723,257**	129,612,303
Assisted living services in supportive housing	**61,731,825**	64,830,980
Community health centres	**111,028,436**	108,627,486
Community mental health	**161,452,508**	157,391,369
Addictions program	**42,752,179**	41,200,121
Acquired brain injury	**3,109,709**	3,102,707
Specialty psychiatric hospital	**287,158,493**	282,842,393
Grants to compensate for municipal taxation – psychiatric hospital	**49,050**	49,050
	5,036,511,020	4,946,686,488

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $22,097,187 ($7,563,372 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the statement of operations and changes in net assets and are included in the table above.

12. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

13. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

14. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

15. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred (17) non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Financial statements of

Waterloo Wellington Local Health Integration Network

March 31, 2020

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Independent Auditor's Report

To the Members of the Board of Directors of the
Waterloo Wellington Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of the Waterloo Wellington Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2020 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2020, and the results of its operations, changes in net assets, and its 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 ("Canadian GAAS"). 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 LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the LHIN'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 LHIN or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LHIN'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 LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 24, 2020

Waterloo Wellington Local Health Integration Network

Statement of financial position

As at March 31, 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash		**20,269,083**	22,075,280
Due from Ministry of Health ("MOH")	13	**3,281,194**	7,615,600
Accounts receivable		**2,303,957**	1,843,558
Prepaid expenses		**1,830,389**	520,013
		27,684,623	32,054,451
Deposits		**48,001**	48,799
Capital assets	6	**323,053**	447,101
		28,055,677	32,550,351
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**15,574,661**	20,354,467
Due to Health Service Providers ("HSPs")	13	**3,213,227**	5,791,000
Due to MOH	3	**8,925,837**	5,938,689
Deferred revenue		**4,001**	4,101
		27,717,726	32,088,257
Employee future benefits	7	**1,742,007**	1,540,720
Deferred capital contributions	8	**323,053**	447,101
		29,782,786	34,076,078
Commitments and contingencies	9 & 10		
Net liabilities		**(1,727,109)**	(1,525,727)
		28,055,677	32,550,351

The accompanying notes are an integral part of the financial statements.

Approved by the Board

Bill Hatanaka

William Hatanaka, Board Chair

Garry Foster

Garry Foster, Audit Committee Chair

Waterloo Wellington Local Health Integration Network

Statement of operations

Year ended March 31, 2020

	Notes	2020 Actual $	2019 Actual $
Revenue			
MOH funding - transfer payments	13	**1,041,639,281**	1,006,100,776
MOH funding - operations and initiatives		**163,686,041**	168,307,090
Cancer Care Ontario	5	**507,760**	481,122
Amortization of deferred capital contributions	8	**141,153**	137,277
Other revenue		**2,860,925**	1,432,155
		167,195,879	170,357,644
Total revenue		**1,208,835,160**	1,176,458,420
Expenses			
HSP transfer payments	13	**1,041,639,281**	1,006,100,776
Operations and initiatives			
Contracted out			
In-home/clinic services		**96,483,807**	95,226,661
School services		**4,034,422**	5,575,588
Hospice services		**3,001,235**	2,988,570
Salaries and benefits		**43,743,698**	46,376,131
eReferral and System Coordinated Access		**7,480,092**	7,875,910
Medical supplies		**5,420,877**	5,037,822
Medical equipment rental		**1,790,531**	1,730,768
Supplies and sundry		**3,123,566**	3,475,203
Building and ground		**1,976,497**	1,933,714
Amortization		**141,153**	137,277
		167,195,879	170,357,644
Total expenses		**1,208,835,160**	1,176,458,420
Excess of revenue over expenses before the undernoted		**—**	—
Employee future benefits expense		**(201,287)**	(228,895)
Expenditures from donations fund		**(95)**	(11,825)
Excess of expenses over revenue		**(201,382)**	(240,720)

The accompanying notes are an integral part of the financial statements.

Waterloo Wellington Local Health Integration Network

Statement of changes in net assets

Year ended March 31, 2020

	Unrestricted $	Donations Fund $	Employee benefits $	2020 Total $	2019 Total $
Net assets, beginning of year	**—**	**14,993**	**(1,540,720)**	**(1,525,727)**	(1,285,007)
Excess of revenue over expenses	**—**	**(95)**	**(201,287)**	**(201,382)**	(240,720)
Net assets (liabilities), end of year	**—**	**14,898**	**(1,742,007)**	**(1,727,109)**	(1,525,727)

The accompanying notes are an integral part of the financial statements.

Waterloo Wellington Local Health Integration Network

Statement of cash flows

Year ended March 31, 2020

	Notes	2020 $	2019 $
Operating activities			
Excess of expenses over revenue		**(201,382)**	(240,720)
Add amounts not affecting cash			
Amortization of capital assets		**141,153**	137,277
Amortization of deferred capital contributions	8	**(141,153)**	(137,277)
		(201,382)	(240,720)
Changes in non-cash working capital items	11	**(1,604,815)**	10,607,934
		(1,806,197)	10,367,214
Investing activity			
Purchase of capital assets		**(17,105)**	(29,369)
Financing activity			
Increase in deferred capital contributions	8	**17,105**	29,369
Net increase in cash		**(1,806,197)**	10,367,214
Cash, beginning of year		**22,075,280**	11,708,066
Cash, end of year		**20,269,083**	22,075,280

The accompanying notes are an integral part of the financial statements.

1. Description of business

The Waterloo Wellington Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the Waterloo Wellington Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area. The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of Regions of Waterloo Wellington. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreement with the Ministry of Health ("MOH"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOH and as transfer payment expenses to Health Service Providers.

(b) Provision of community services. These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations including the 4200 series standards, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOH represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOH are set up as repayable to the MOH at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ministry of Health Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOH. The Financial Statements reflect funding arrangements approved by the MOH. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOH. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOH.

2. Significant accounting policies (continued)

Ministry of Health Funding (continued)

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOH and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Computer and communications equipment	3 years
Computer software	3 years
Leasehold improvements	Term of the lease
Furniture and equipment	10 years

For assets acquired or brought into use, during the year, amortization is provided for at one half of the annual rate.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and are amortized to income at the same rate as the corresponding capital asset.

Employee future benefits

The LHIN accrues its obligations for sick leave and post-employment benefit plans as the employees render the services necessary to earn the benefits. The actuarial determination of the accrued benefit obligations uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, and other actuarial factors). Under this method, the benefit costs are recognized over the expected average service life of the employee group.

Actuarial gains and losses on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the future actuarial gains and losses will be amortized over the estimated average remaining service life of the employees. The most recent actuarial valuation of the sick leave plan and the benefit plan was as of March 31, 2018.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOH

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOH.

The amount due to the MOH at March 31 is made up as follows:

	2020	2019
	$	$
Due to MOH, beginning of year	**5,938,689**	362,828
Funding repaid to MOH	**—**	(793)
Funding repayable to the MOH related to current year activities	**2,987,148**	5,576,654
Due to MOH, end of year	**8,925,837**	5,938,689

4. Enabling Technologies for Integration Project Management Office

Effective January 31, 2014, the WWLHIN entered into an agreement with Erie St. Clair, Hamilton Niagara Haldimand Brant and South West (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The WWLHIN's financial statement reflects its share of the MOH funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from the Erie St. Clair LHIN of $500,000 ($1,000,000 in 2019 from South West LHIN).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

During the year, the LHIN received Business Technology Infrastructure (BTI) funding from HSSO/Ontario Health of $196,000 ($197,455 in 2019).

On December 2, 2019 the assets, liabilities, rights and obligations of HSSO were transferred to Ontario Health who continued to provide the shared services to the LHIN.

5. Related party transactions (continued)

Ontario Health

Ontario Health is a Crown Agency established under the Connecting Care Act, 2019 and is a related party to the LHIN through the common control of the Province of Ontario (see Note 17).

On December 2, 2019, the LHIN signed a Memorandum of Understanding ("MOU") with Ontario Health and certain non-home and community care employees of the LHIN were transferred to Ontario Health. Under the MOU, for the period of December 2, 2019 to March 31, 2020, the LHIN continued to provide compensation and benefits to transferred employees.

During this period, the LHIN incurred $1,069,491 in salaries and benefits expense for the transferred employees, of which $252,497 remained in accounts payable and accrued charges as at March 31, 2020. All amounts were recorded at cost in the Statement of operations and changes in net assets and the Statement of financial position.

On December 2, 2019 the assets, liabilities, rights and obligations of Cancer Care Ontario were transferred to Ontario Health.

6. Capital assets

	Cost	**Accumulated depreciation**	**2020 Net book value**	2019 Net book value
	$	**$**	**$**	$
Computer equipment	**759,671**	**739,613**	**20,058**	13,991
Computer software	**21,678**	**10,839**	**10,839**	18,065
Leasehold improvements	**1,104,203**	**819,410**	**284,793**	402,184
Furniture and equipment	**855,965**	**848,602**	**7,363**	12,861
	2,741,517	**2,418,464**	**323,053**	447,101

7. Employee future benefits

The LHIN has a defined early retirement benefit plan that provides benefits to employee who are 55 years of age, have retired and are withdrawing funds from the pension plan. The early retirement benefits cease when the individual reaches 65 years of age.

The accrued benefit obligation for early retirement benefits as at March 31, 2020 is based on an actuarial valuation for accounting purposes using the projected benefit method pro-rated on service. The most recent actuarial valuation of the early retirement benefits obligation was completed March 31, 2018.

This valuation was based on assumptions about future events. The economic assumptions used in these valuations are management's best estimates of expected rates of:

	2020 %
Inflation	**2.00%**
Discount on accrued benefit obligation	**3.29%**
Compensation increase	**3.00%**
Dental cost trends	**4.00%**
Health care cost trends	**5.80%**

7. Employee future benefits (continued)

Information about the employee future benefit plan is as follows:

	2020	2019
	$	$
Accrued benefit liability, beginning of year	**1,540,720**	1,311,825
Current service cost	**223,209**	210,390
Interest on obligation	**70,967**	69,214
Amortization of actuarial losses	**79,411**	76,291
Benefits paid	**(172,300)**	(127,000)
Accrued benefit liability, end of year	**1,742,007**	1,540,720
Accrued benefit obligation	**2,332,163**	2,236,216
Unamortized actuarial losses	**(590,156)**	(695,496)
Accrued benefit liability, end of year	**1,742,007**	1,540,720

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	2020	2019
	$	$
Balance, beginning of year	**447,101**	555,009
Capital contributions received during the year	**17,105**	29,369
Amortization for the year	**(141,153)**	(137,277)
Balance, end of year	**323,053**	447,101

9. Commitments

The LHIN has commitments under various operating leases extending to 2023 as follows:

	$
2020	1,256,258
2021	1,140,804
2022	499,607
2023	89,909

10. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOH providing the funding.

The LHIN has been named as defendants in various claims. Management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Changes in non-cash working capital items

	2020 $	2019 $
Due from MOH	**4,334,406**	455,753
Accounts Receivable	**(460,399)**	750,314
Prepaid Expenses	**(1,310,376)**	239,698
Deposits	**798**	(7,149)
Accounts payable and accrued liabilities	**(4,723,830)**	4,318,780
Due to HSP	**(2,577,773)**	(1,009,553)
Due to MOH	**2,931,172**	5,631,838
Deferred revenue	**(100)**	(642)
Employee future benefits	**201,287**	228,895
	(1,604,815)	10,607,934

12. Pension plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 459 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2020 was $3,084,827 ($2,941,496 in 2019) for current service costs and is included as an expense in the 2019 statement of operations. The last actuarial valuation was completed for the plan as of December 31, 2019. At that time, the plan was fully funded.

13. Transfer payments to HSPs

The LHIN has authorization to allocate funding of $1,041,639,281 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2020 as follows:

	2020 $	2019 $
Operations of hospitals	**662,622,856**	637,611,859
Grants to compensate for municipal taxation – public hospitals	**159,225**	159,225
Long-Term Care Homes	**217,626,076**	211,333,362
Community Care Access Centres		—
Community support services	**32,597,161**	30,727,836
Assisted living services in supportive housing	**6,471,004**	6,471,004
Community health centres	**26,581,111**	26,128,549
Community mental health addictions program	**95,581,848**	93,668,941
	1,041,639,281	1,006,100,776

The LHIN receives funding from the MOH and in turn allocates it to the HSPs. As at March 31, 2020, an amount of $3,213,227 ($5,791,000 in 2019) was receivable from the MOH, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the statement of operations and are included in the table above.

14. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

15. Accumulated non-vesting sick pay

The accumulated non-vesting sick pay comprises the sick pay benefits that accumulated but do not vest. These adjustments are not funded by the MOH.

16. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

17. The Connecting Care Act

On May 30, 2019, the Connecting Care Act (the "CCA") was proclaimed with key sections of the Act, including the creation of a new Crown Agency called Ontario Health, effective June 6, 2019. This legislation is a key component of the government's plan to build an integrated health care system. The CCA grants the Minister of Health (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHINs, into Ontario Health, a health service provider, or an integrated care delivery system. The CCA also grants the Minister the power to dissolve the transferred organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health will oversee the process of transferring multiple provincial agencies into Ontario Health.

Effective December 2, 2019, pursuant to an order from the Minister made under the CCA, the LHIN transferred 14 non-home and community care employee positions to Ontario Health.

The transition process is ongoing and expected to occur over a number of years. A potential full transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the *Local Health System Integration Act, 2016* and in accordance with its accountability agreement with the Minister.

18. Comparative figures

Certain of prior year's figures have been reclassified to conform with current years presentation.

Ontario

Appendix One – LHIN Population Profiles

LHIN	Population Profile		Health Service Providers*
Erie St. Clair	Area (km^2):	7,324	• 5 Hospitals • 36 Long-Term Care Homes • 29 Community Services • 20 Mental Health Agencies • 4 Residential Hospices • 5 Community Health Centres
	Total Population:	627,633	
	% of Ontario Population:	4.67%	
	Population Age 65+:	19.00%	
	Population Growth Rate:	1.40%	
	Population Density:	85.7	
	Rural Population:	22.50%	
	Indigenous Population:	3.40%	
	Francophone Population:	3.30%	
	Low Income Population	3.30%	
South West	Area (km^2):	20,915	• 19 Hospitals • 78 Long-Term Care Homes • 53 Community Services • 31 Mental Health Agencies • 5 Residential Hospices • 5 Community Health Centres
	Total Population:	953,652	
	% of Ontario Population:	7.09%	
	Population Age 65+:	18.90%	
	Population Growth Rate:	3.10%	
	Population Density	45.6	
	Rural Population	39.80%	
	Indigenous Population	2.40%	
	Francophone Population	1.40%	
	Low Income Population	15.00%	
Waterloo Wellington	Area (km^2):	4,751	• 8 Hospitals • 36 Long-Term Care Homes • 24 Community Services • 13 Mental Health Agencies • 4 Residential Hospices • 4 Community Health Centres
	Total Population:	766,027	
	% of Ontario Population:	5.70%	
	Population Age 65+:	14.90%	
	Population Growth Rate:	5.90%	
	Population Density:	161.2	
	Rural Population:	14.00%	
	Indigenous Population:	1.70%	

	Francophone Population:	1.60%	
	Low Income Population:	11.60%	
Hamilton Niagara Haldimand Brant	Area (km^2):	6,474	• 9 Hospitals • 86 Long-Term Care Homes • 59 Community Services • 38 Mental Health Agencies • 7 Residential Hospices • 7 Community Health Centres
	Total Population:	1,399,080	
	% of Ontario Population:	10.40%	
	Population Age 65+:	19.10%	
	Population Growth Rate:	3.00%	
	Population Density:	216.1	
	Rural Population:	13.80%	
	Indigenous Population:	2.70%	
	Francophone Population:	2.30%	
	Low Income Population:	13.50%	
Central West	Area (km^2):	2,591	• 2 Hospitals • 23 Long-Term Care Homes • 19 Community Services • 7 Mental Health Agencies • 1 Residential Hospices • 2 Community Health Centres
	Total Population:	922,240	
	% of Ontario Population:	6.86%	
	Population Age 65+:	12.60%	
	Population Growth Rate:	9.60%	
	Population Density	355.9	
	Rural Population	6.05%	
	Indigenous Population	78.00%	
	Francophone Population	1.49%	
	Low Income Population	12.41%	
Mississauga Halton	Area (km^2):	1,054	• 2 Hospitals • 28 Long-Term Care Homes • 31 Community Services • 9 Mental Health Agencies • 3 Residential Hospices • 2 Community Health Centres
	Total Population:	1,164,755	
	% of Ontario Population:	8.66%	
	Population Age 65+:	14.07%	
	Population Growth Rate:	5.09%	
	Population Density	1104.6	
	Rural Population	1.59%	
	Indigenous Population	72.00%	
	Francophone Population	2.29%	
	Low Income Population	12.42%	
Toronto Central	Area (km^2):	192	• 18 Hospitals

	Total Population:	1,232,258	• 36 Long-Term Care Homes • 58 Community Services • 68 Mental Health Agencies • 3 Residential Hospices • 16 Community Health Centres
	% of Ontario Population:	9.16%	
	Population Age 65+:	14.00%	
	Population Growth Rate:	7.20%	
	Population Density	6412.6	
	Rural Population	0.00%	
	Indigenous Population	1.10%	
	Francophone Population	2.90%	
	Low Income Population	19.00%	
Central	Area (km^2):	2,731	• 9 Hospitals • 46 Long-Term Care Homes • 33 Community Services • 24 Mental Health Agencies • 3 Residential Hospices • 2 Community Health Centres
	Total Population:	1,812,964	
	% of Ontario Population:	13.48%	
	Population Age 65+:	15.40%	
	Population Growth Rate:	6.40%	
	Population Density	663.9	
	Rural Population	3.70%	
	Indigenous Population	0.60%	
	Francophone Population	1.70%	
	Low Income Population	15.80%	
Central East	Area (km^2):	15,395	• 8 Hospitals • 68 Long-Term Care Homes • 43 Community Services • 24 Mental Health Agencies • 2 Residential Hospices • 7 Community Health Centres
	Total Population:	1,550,531	
	% of Ontario Population:	11.53%	
	Population Age 65+:	17.40%	
	Population Growth Rate:	3.50%	
	Population Density	100.7	
	Rural Population	14.60%	
	Indigenous Population	1.80%	
	Francophone Population	1.80%	
	Low Income Population	15.00%	
South East	Area (km^2):	18,253	• 6 Hospitals • 37 Long-Term Care Homes • 20 Community Services
	Total Population:	513,843	
	% of Ontario Population:	3.46%	

	Population Age 65+:	23.96%	• 11 Mental Health Agencies • 5 Residential Hospices • 5 Community Health Centres
	Population Growth Rate:	3.69%	
	Population Density	28.2	
	Rural Population	55.80%	
	Indigenous Population	4.70%	
	Francophone Population	3.10%	
	Low Income Population	14.60%	
Champlain	Area (km^2):	17,723	• 20 Hospitals • 60 Long-Term Care Homes • 46 Community Services • 34 Mental Health Agencies • 10 Residential Hospices • 11 Community Health Centres
	Total Population:	1,292,639	
	% of Ontario Population:	9.61%	
	Population Age 65+:	16.70%	
	Population Growth Rate:	5.00%	
	Population Density	72.9	
	Rural Population	21.50%	
	Indigenous Population	3.20%	
	Francophone Population	19.80%	
	Low Income Population	12.80%	
North Simcoe Muskoka	Area (km^2):	8,449	• 6 Hospitals • 26 Long-Term Care Homes • 29 Community Services • 14 Mental Health Agencies • 5 Residential Hospices • 3 Community Health Centres
	Total Population:	464,184	
	% of Ontario Population:	3.45%	
	Population Age 65+:	19.56%	
	Population Growth Rate:	5.67%	
	Population Density	54.9	
	Rural Population	41.49%	
	Indigenous Population	4.98%	
	Francophone Population	2.68%	
	Low Income Population	12.22%	
North East	Area (km^2):	395,920	• 25 Hospitals • 45 Long-Term Care Homes • 70 Community Services • 44 Mental Health Agencies • 3 Residential Hospices • 6 Community Health Centres
	Total Population:	551,801	
	% of Ontario Population:	4.10%	
	Population Age 65+:	20.60%	
	Population Growth Rate:	-0.20%	
	Population Density	1.4	

	Rural Population	47.30%	
	Indigenous Population	13.40%	
	Francophone Population	22.50%	
	Low Income Population	14.90%	
North West	Area (km^2):	406,926	• 12 Hospitals • 12 Long-Term Care Homes • 59 Community Services • 33 Mental Health Agencies • 6 Residential Hospices • 2 Community Health Centres
	Total Population:	228,339	
	% of Ontario Population:	1.70%	
	Population Age 65+:	18.10%	
	Population Growth Rate:	2.80%	
	Population Density	0.6	
	Rural Population	54.20%	
	Indigenous Population	24.80%	
	Francophone Population	3.10%	
	Low Income Population	13.20%	

*Health Service Providers who provide more than one type of service are included in more than one Health Service Provider category.

Ontario

Appendix Two – LHIN Performance Data

ONTARIO MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	Provincial					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	85.39%	85.36%	89.86%	87.80%	86.69%	85.49%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	93.71%	94.00%	96.07%	96.25%	95.87%	95.71%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	29.00	29.00	30.00	29.00	28.00	27.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	7.00	7.00	7.00	7.00	7.00	8.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	10.13	9.97	10.38	10.75	10.87	10.87
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.03	4.07	4.15	4.38	4.62	4.95
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	81.51%	79.97%	78.47%	77.99%	79.58%	80.20%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	79.76%	79.14%	75.02%	73.72%	75.12%	76.67%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	14.35%	14.50%	15.69%	15.70%	16.62%	17.14%

ONTARIO MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	Provincial					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	13.70%	13.98%	15.19%	15.68%	15.35%	16.30%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	19.62%	20.19%	20.67%	21.60%	21.91%	21.14%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	31.34%	33.01%	32.50%	32.80%	33.75%	33.81%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.60%	16.65%	16.74%	16.57%	16.63%	16.66%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	91.93%	88.09%	85.01%	83.95%	85.56%	85.44%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	59.47%	62.58%	67.57%	69.77%	70.58%	65.91%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	78.25%	78.18%	82.11%	84.73%	84.20%	80.40%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	14.00	14.00	13.00	13.00	13.00	12.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	8.00	7.00	7.00	7.00	7.00	7.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	19.56	18.47	17.12	16.82	14.26	8.97
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	320.78	320.13	321.18	335.22	332.68	243.34

ONTARIO MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	Provincial					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	46.09%	46.61%	47.43%	46.71%	46.17%	46.46%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

ERIE ST CLAIR LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	92.45%	90.54%	93.46%	95.51%	92.35%	88.19%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	95.04%	95.03%	95.88%	96.46%	96.01%	94.80%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	18.00	19.00	26.00	27.00	28.00	22.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	5.00	5.00	6.00	6.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	8.87	9.67	9.55	9.78	9.92	10.13
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.00	3.98	4.22	4.45	4.85	5.10
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	83.85%	80.24%	87.90%	88.22%	84.09%	80.71%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	75.26%	75.94%	72.62%	67.56%	72.51%	71.54%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	18.07%	15.97%	14.96%	10.46%	11.56%	8.79%

ERIE ST CLAIR LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	19.58%	19.50%	15.24%	13.28%	12.36%	10.62%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	17.05%	17.80%	19.10%	18.00%	18.68%	18.34%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	25.04%	23.99%	30.92%	32.70%	30.59%	32.58%
13	Readmission within 30 days for selected HIG conditions**	15.50%	15.51%	14.66%	15.57%	16.02%	15.00%	15.58%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	94.40%	84.60%	90.62%	85.61%	85.33%	82.81%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	88.50%	84.85%	84.03%	70.29%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	94.22%	94.40%	94.18%	89.06%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	10.00	10.00	11.00	9.00	11.00	8.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	7.00	7.00	5.00	4.00	3.00	3.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	30.57	28.04	22.49	18.38	14.38	8.85
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	384.49	404.45	389.65	417.71	395.71	334.79

ERIE ST CLAIR LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	44.12%	44.30%	45.41%	45.85%	45.66%	44.44%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)

SOUTH WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	90.87%	88.95%	91.99%	88.90%	84.74%	80.37%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	92.59%	93.10%	93.69%	94.01%	93.16%	93.00%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	21.00	21.00	22.00	30.00	25.00	26.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	8.00	9.00	10.00	11.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	8.37	7.73	7.73	8.45	8.40	8.23
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.62	3.62	3.60	3.90	4.03	4.28
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	76.53%	68.39%	50.35%	47.44%	52.30%	52.86%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	76.83%	68.86%	47.56%	44.16%	51.83%	50.52%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	8.39%	9.24%	10.46%	9.66%	10.48%	11.94%

SOUTH WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	9.65%	11.05%	11.68%	11.64%	11.98%	13.38%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	17.64%	18.00%	18.37%	18.40%	20.42%	18.94%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	21.08%	23.06%	24.52%	27.00%	26.87%	27.57%
13	Readmission within 30 days for selected HIG conditions**	15.50%	17.34%	17.19%	17.12%	17.17%	17.11%	16.93%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	88.52%	91.27%	83.57%	81.47%	84.71%	87.29%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	66.49%	65.75%	69.49%	58.83%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	84.57%	82.41%	81.82%	82.16%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	8.00	9.00	7.00	8.00	8.00	7.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	4.00	4.00	3.00	3.00	3.00	3.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	46.03	42.56	41.76	42.79	37.55	20.53
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	389.32	397.79	414.67	423.36	405.24	294.12

SOUTH WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	40.80%	42.37%	42.61%	41.51%	40.27%	42.15%

WATERLOO WELLINGTON LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	84.50%	85.66%	92.90%	95.32%	97.21%	95.23%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	94.77%	93.97%	95.98%	97.00%	96.11%	96.85%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	12.00	13.00	13.00	14.00	14.00	15.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	5.00	5.00	6.00	6.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	7.62	7.73	7.48	8.63	9.17	9.32
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.23	4.42	4.32	5.10	5.30	5.40
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	84.88%	63.44%	43.62%	58.79%	62.34%	57.95%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	81.80%	61.75%	41.72%	52.74%	54.34%	51.45%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	13.20%	11.94%	12.00%	14.92%	14.95%	13.57%

WATERLOO WELLINGTON LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	9.96%	9.33%	9.44%	12.88%	13.19%	14.66%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	15.20%	17.08%	17.98%	18.90%	18.93%	17.82%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	24.36%	24.01%	27.42%	26.50%	26.99%	26.62%
13	Readmission within 30 days for selected HIG conditions**	15.50%	15.84%	14.95%	15.72%	15.52%	15.60%	15.86%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	95.13%	73.77%	70.05%	68.36%	67.51%	67.47%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	72.97%	93.27%	81.06%	63.37%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	86.52%	91.52%	92.49%	79.91%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	12.00	11.00	9.00	10.00	11.00	9.50
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	6.00	4.00	5.00	5.00	5.00	5.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	13.24	12.44	11.13	11.28	11.06	7.11
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	299.64	293.40	302.40	324.61	315.65	226.60

WATERLOO WELLINGTON LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	44.14%	44.51%	46.44%	45.56%	44.62%	43.41%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

HAMILTON NIAGARA HALDIMAND BRANT LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	89.37%	90.28%	89.92%	88.63%	85.05%	84.69%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	92.67%	93.69%	95.97%	95.89%	95.79%	95.30%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	23.00	25.00	28.00	28.00	28.00	34.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	6.00	6.00	6.00	7.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	13.28	12.83	14.53	15.97	16.02	15.12
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.50	4.55	4.57	5.08	5.43	5.37
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	75.06%	79.22%	73.88%	66.32%	70.10%	73.32%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	72.25%	75.32%	66.34%	63.41%	65.05%	68.20%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	18.23%	16.21%	16.27%	16.51%	17.48%	16.96%
10	ALC rate	12.70%	15.78%	13.61%	14.31%	15.91%	14.90%	16.14%

HAMILTON NIAGARA HALDIMAND BRANT LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	18.59%	18.78%	20.40%	20.80%	21.28%	21.13%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	27.11%	30.10%	29.57%	30.90%	30.10%	31.82%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.50%	16.60%	16.97%	16.31%	16.52%	16.71%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	84.78%	85.21%	84.90%	88.76%	93.81%	96.20%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	61.45%	70.24%	66.40%	64.84%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	71.75%	78.18%	78.03%	76.46%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	9.00	8.00	8.00	9.00	10.00	10.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	6.00	5.00	6.00	8.00	8.00	8.50
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	22.27	20.06	19.61	18.36	13.99	9.22
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	389.33	397.01	411.62	415.92	426.03	311.15
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	47.71%	48.07%	48.25%	47.93%	46.03%	46.72%

HAMILTON NIAGARA HALDIMAND BRANT LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
	*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)							

CENTRAL WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	92.23%	88.97%	85.31%	82.61%	85.93%	84.39%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	96.52%	95.43%	95.17%	95.69%	96.48%	96.08%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	19.00	21.00	24.00	30.00	29.00	37.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	8.00	8.00	9.00	9.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	10.85	10.57	11.23	9.72	9.10	9.23
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.50	3.68	3.85	3.63	3.83	3.73
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	47.47%	67.50%	75.90%	68.81%	71.75%	63.24%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	47.88%	72.19%	64.65%	53.70%	54.70%	51.92%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	7.14%	6.38%	8.12%	9.35%	9.43%	11.75%

CENTRAL WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	6.26%	5.53%	6.44%	8.11%	7.27%	8.94%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	24.74%	24.84%	24.37%	26.90%	26.29%	25.72%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	27.59%	31.89%	33.78%	36.10%	38.81%	33.26%
13	Readmission within 30 days for selected HIG conditions**	15.50%	15.90%	15.91%	16.20%	16.76%	16.08%	15.42%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	89.21%	87.08%	92.63%	96.74%	96.68%	94.62%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	NA***	NA***	NA***	NA***
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	95.41%	97.53%	94.83%	92.50%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	20.00	21.00	18.00	20.00	21.00	20.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	12.00	13.00	11.00	14.00	14.00	15.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	5.25	4.93	4.17	5.60	5.51	3.91
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	279.11	273.16	272.23	280.86	251.58	197.22

CENTRAL WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	55.41%	56.52%	56.65%	56.34%	56.84%	56.99%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)
***NA - Central West LHIN indicator on Percent of priority 2 and 3 cases completed within access target for MRI and CT scans has been suppressed from February 2016 to present. Technical issues have disrupted the ability of the hospital to send all DI Wait List entries to the Wait Time Information System. This created a critical data quality reporting issue for the DI wait times for William Osler Health System, rendering the facility's wait times data unfit for public reporting. As a result, the facility is reported as "N/A" (Not Applicable) for the affected months and quarters. Users are advised to use caution when interpreting CT wait times data of the Central West LHIN and Province. William Osler Health System is the only facility reporting MRI wait times in the Central West LHIN, as a result, MRI Wait Times during the impacted time frame have also been suppressed.

MISSISSAUGA HALTON LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	92.07%	91.48%	92.63%	90.81%	90.99%	90.26%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	95.22%	95.58%	96.69%	96.60%	95.99%	95.67%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	27.00	28.00	34.00	27.00	24.00	22.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	0.00	0.00	11.00	9.00	10.00	10.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	9.15	9.62	10.47	10.82	11.18	11.13
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.58	3.70	3.72	3.82	4.05	4.30
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	89.36%	69.10%	57.02%	49.42%	53.74%	59.55%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	76.51%	53.48%	46.16%	42.06%	43.49%	53.33%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	12.62%	14.05%	15.18%	17.29%	16.19%	14.37%
10	ALC rate	12.70%	9.60%	11.35%	14.05%	14.70%	13.38%	11.86%

MISSISSAUGA HALTON LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	17.23%	17.30%	16.69%	17.40%	17.79%	17.27%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	25.50%	25.48%	27.21%	27.20%	30.22%	28.07%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.09%	15.52%	15.80%	15.60%	14.81%	15.39%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	95.74%	77.31%	73.06%	64.05%	68.75%	65.71%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	0.00%	0.00%	79.68%	83.44%	83.21%	81.16%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	0.00%	0.00%	79.58%	81.01%	81.24%	77.73%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	20.00	15.00	12.00	12.00	15.00	14.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	17.00	11.00	12.00	15.00	10.50	12.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	6.36	6.00	5.17	5.39	4.92	2.93
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	205.67	192.44	199.39	202.72	219.79	143.64
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	52.99%	53.46%	54.28%	54.75%	54.02%	54.68%

MISSISSAUGA HALTON LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
	*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20) **FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)							

TORONTO CENTRAL LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	85.47%	85.03%	93.95%	95.57%	95.54%	96.50%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	93.64%	93.50%	96.19%	96.06%	96.46%	95.76%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	25.00	26.00	26.00	26.00	28.00	27.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	7.00	7.00	8.00	9.00	10.00	11.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	12.17	12.18	12.85	13.08	13.62	13.47
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.47	4.50	4.58	4.65	4.82	5.05
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	85.53%	80.19%	90.28%	91.75%	94.57%	91.97%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	85.61%	84.05%	90.89%	91.85%	93.46%	92.62%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	9.79%	10.46%	12.86%	11.25%	11.70%	12.32%

TORONTO CENTRAL LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	10.33%	11.97%	12.58%	11.49%	11.75%	12.92%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	26.59%	28.54%	27.90%	28.40%	28.69%	25.99%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	40.84%	43.17%	41.95%	39.00%	41.15%	41.06%
13	Readmission within 30 days for selected HIG conditions**	15.50%	17.89%	18.13%	17.72%	17.99%	18.19%	18.45%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	88.43%	86.55%	80.12%	79.36%	79.47%	74.11%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	52.48%	50.43%	47.95%	55.23%	59.82%	54.55%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	65.24%	67.68%	69.15%	75.61%	72.79%	67.31%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	3.00	N/R***	N/R***	N/R***	N/R***	N/R***
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	11.00	N/R***	N/R***	N/R***	N/R***	N/R***
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	6.90	6.73	6.32	5.70	4.12	2.84
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	259.37	244.27	250.57	272.35	268.57	197.45

TORONTO CENTRAL LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	49.89%	50.52%	51.59%	50.26%	49.27%	50.54%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)
***NR - data have not been reported due to concerns with data quality

CENTRAL LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	84.35%	83.68%	92.39%	93.03%	94.12%	93.79%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	94.13%	94.23%	96.65%	96.41%	95.93%	96.02%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	31.00	33.00	33.00	22.00	22.00	20.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	6.00	6.00	6.00	5.00	6.00	5.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	10.28	9.80	10.20	10.35	10.67	10.05
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.43	3.33	3.50	3.80	4.18	4.28
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	95.63%	97.46%	97.90%	97.40%	94.94%	93.31%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	93.88%	96.20%	96.41%	95.31%	93.36%	89.75%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	14.34%	14.36%	15.95%	16.65%	18.24%	19.65%

CENTRAL LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	13.23%	13.87%	15.72%	15.14%	12.32%	11.47%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	18.25%	18.99%	19.28%	20.70%	20.64%	19.29%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	23.68%	26.02%	25.12%	25.70%	27.59%	26.75%
13	Readmission within 30 days for selected HIG conditions**	15.50%	15.90%	15.92%	15.94%	15.52%	16.37%	15.88%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	99.71%	98.46%	96.69%	99.68%	99.41%	97.77%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	62.78%	67.66%	69.42%	67.87%	79.99%	78.74%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	84.92%	83.75%	82.66%	83.87%	87.63%	86.18%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	17.00	22.00	19.00	21.00	21.00	20.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	6.00	6.00	4.00	5.00	4.00	3.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	6.53	6.87	6.41	6.07	5.33	3.34
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	190.85	177.72	177.24	198.25	207.16	147.25

CENTRAL LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	53.32%	54.31%	54.83%	53.80%	53.43%	54.12%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

CENTRAL EAST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	87.88%	88.69%	90.64%	90.10%	87.75%	88.18%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	95.67%	95.84%	96.83%	96.51%	95.99%	96.55%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	23.00	30.00	49.00	41.00	39.00	32.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	13.00	10.00	9.00	9.00	10.00	12.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	9.62	9.47	10.33	11.00	11.28	10.75
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.02	3.92	4.08	4.33	4.70	4.75
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	95.63%	94.27%	91.86%	91.97%	92.71%	94.47%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	94.03%	90.70%	88.67%	86.52%	88.43%	93.82%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	16.84%	15.22%	18.40%	20.83%	20.78%	23.00%

CENTRAL EAST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	18.13%	17.79%	23.62%	23.96%	21.51%	24.14%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	19.63%	19.58%	21.45%	23.80%	22.39%	22.47%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	25.18%	26.03%	27.30%	29.20%	27.83%	28.41%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.69%	17.33%	16.95%	16.78%	17.25%	16.48%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	98.03%	95.10%	95.53%	96.71%	98.60%	97.96%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	67.95%	74.31%	80.98%	84.67%	92.81%	92.07%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	84.62%	88.04%	95.10%	97.78%	98.79%	98.03%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	21.00	20.00	17.00	20.00	20.00	16.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	10.00	10.00	8.00	8.00	9.00	8.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	14.85	14.52	12.82	12.19	9.50	5.90
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	322.50	317.86	308.07	317.42	314.57	224.64

CENTRAL EAST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	47.54%	47.32%	48.17%	47.94%	47.57%	47.06%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

SOUTH EAST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	86.84%	84.62%	90.72%	88.12%	87.37%	80.95%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	92.70%	91.90%	96.14%	96.28%	95.04%	93.82%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	23.00	21.00	22.00	21.00	20.00	21.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	6.00	7.00	7.00	7.00	7.00	7.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	9.47	8.90	9.18	8.87	8.98	9.18
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.28	4.35	4.48	4.43	4.58	4.67
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	55.82%	60.17%	66.78%	80.63%	77.31%	85.29%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	61.35%	66.27%	74.55%	78.17%	76.42%	86.40%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	15.40%	15.24%	17.21%	17.74%	16.80%	17.41%

SOUTH EAST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	17.11%	19.19%	17.74%	19.30%	20.66%	21.32%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	21.94%	21.79%	20.12%	22.40%	22.28%	20.26%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	24.86%	28.14%	22.84%	25.80%	26.46%	25.37%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.23%	17.01%	17.64%	17.34%	17.59%	17.30%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	90.95%	84.43%	65.34%	67.53%	66.01%	75.78%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	60.94%	67.79%	67.55%	64.70%	76.61%	77.75%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	84.87%	78.20%	78.63%	83.82%	80.37%	81.71%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	13.00	15.00	14.00	13.00	13.00	14.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	7.00	7.00	7.00	6.50	8.00	11.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	41.11	39.92	37.54	38.21	31.62	20.47
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	460.80	506.16	498.43	549.67	542.45	396.41

SOUTH EAST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	2015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	42.72%	42.50%	43.04%	41.00%	40.30%	39.98%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

CHAMPLAIN LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	78.86%	77.03%	77.33%	71.39%	68.16%	66.32%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	91.70%	93.48%	96.04%	96.08%	95.29%	95.18%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	62.00	55.00	34.00	50.00	45.00	39.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	7.00	7.00	7.00	8.00	11.00	9.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	10.68	10.38	11.22	11.68	11.53	13.03
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	4.52	4.58	4.77	5.03	5.42	6.53
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	81.96%	85.27%	90.84%	89.76%	90.25%	91.55%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	85.02%	88.02%	86.19%	89.16%	93.14%	95.66%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	12.10%	12.70%	14.20%	14.32%	15.40%	16.31%
10	ALC rate	12.70%	12.13%	12.64%	13.94%	14.47%	14.65%	16.73%

CHAMPLAIN LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	18.02%	17.72%	18.19%	18.50%	19.60%	19.02%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	27.02%	27.41%	25.02%	25.70%	26.29%	28.21%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.11%	16.84%	16.35%	15.59%	16.10%	16.15%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	89.84%	88.91%	85.86%	81.70%	84.00%	81.75%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	52.32%	56.84%	77.55%	73.60%	67.06%	60.61%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	81.30%	75.52%	83.28%	83.18%	84.13%	76.99%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	20.00	21.00	24.00	24.00	23.00	16.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	11.00	10.00	9.00	13.00	16.00	12.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	21.94	20.23	18.66	19.25	17.01	11.14
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	297.25	305.79	303.84	304.59	305.52	235.96
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	42.31%	42.08%	43.03%	41.59%	41.37%	41.14%

CHAMPLAIN LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

NORTH SIMCOE MUSKOKA LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	69.53%	77.19%	89.20%	87.03%	86.56%	86.31%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	91.52%	93.08%	95.79%	97.62%	98.13%	97.80%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	69.00	67.00	51.00	41.00	32.00	27.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	6.00	7.00	8.00	6.00	8.00	8.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	8.95	9.03	9.10	10.38	10.23	9.52
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.95	4.37	4.25	4.37	4.35	4.62
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	90.62%	81.32%	77.26%	83.08%	73.05%	71.01%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	88.66%	84.52%	75.69%	77.35%	69.44%	69.20%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	21.02%	23.83%	21.13%	20.24%	22.69%	21.78%

NORTH SIMCOE MUSKOKA LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	15.04%	15.81%	14.47%	17.03%	18.67%	19.37%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	16.08%	17.18%	17.01%	17.00%	17.58%	17.65%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	25.00%	21.12%	23.96%	22.30%	22.11%	24.97%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.17%	16.81%	16.60%	17.25%	16.40%	18.26%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	94.39%	81.36%	68.41%	50.82%	62.92%	78.39%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	51.19%	52.98%	57.35%	63.96%	59.92%	54.64%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	87.85%	82.11%	81.97%	85.20%	83.28%	85.56%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	19.50	15.00	15.00	14.00	13.00	13.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	13.00	15.00	24.00	28.00	34.00	29.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	31.64	28.48	26.46	26.38	22.50	13.40
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	392.71	401.63	389.40	403.15	449.36	323.73

NORTH SIMCOE MUSKOKA LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	40.80%	42.83%	43.65%	41.13%	42.39%	41.79%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

NORTH EAST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	86.06%	83.70%	96.05%	87.65%	85.99%	83.43%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	93.61%	94.09%	98.20%	98.49%	98.25%	98.41%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	70.00	48.00	39.00	31.00	28.00	24.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	11.00	9.00	7.00	7.00	8.00	7.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	8.20	8.47	8.60	8.43	8.62	8.93
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.95	3.92	4.05	4.10	4.25	4.57
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	72.26%	87.08%	82.28%	76.67%	81.78%	88.60%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	71.13%	84.16%	81.84%	74.45%	70.07%	82.92%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	23.17%	27.64%	26.31%	25.05%	29.33%	29.78%

NORTH EAST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	21.03%	19.45%	22.47%	24.95%	24.77%	26.20%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	17.56%	17.95%	18.84%	18.60%	18.96%	19.90%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	31.29%	32.76%	27.34%	28.90%	32.68%	29.32%
13	Readmission within 30 days for selected HIG conditions**	15.50%	17.84%	17.32%	17.47%	17.09%	17.10%	17.15%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	90.52%	91.90%	93.72%	93.61%	86.89%	86.87%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	68.71%	69.40%	71.21%	71.99%	69.36%	63.68%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	83.66%	84.77%	85.90%	83.25%	85.09%	81.84%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	8.00	8.00	7.00	7.00	7.00	7.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	7.00	9.00	11.00	9.00	9.00	8.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	55.29	54.49	52.87	55.03	46.11	33.01
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	626.00	627.01	598.97	632.37	607.54	431.13

NORTH EAST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	2016/17 Fiscal Year Result	2017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	36.41%	37.03%	38.99%	37.50%	37.55%	37.47%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)

NORTH WEST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
1. Performance Indicators								
1	Percentage of home care clients with complex needs who received their personal support visit within 5 days of the date that they were authorized for personal support services*	95.00%	76.43%	78.52%	83.92%	83.46%	85.23%	95.08%
2	Percentage of home care clients who received their nursing visit within 5 days of the date they were authorized for nursing services*	95.00%	89.31%	88.32%	95.86%	96.09%	95.73%	97.47%
3	90th Percentile Wait Time from community for Home Care Services - Application from Community Setting to first Home Care Service (excluding case management)*	21 days	35.00	28.00	30.00	26.00	23.00	21.00
4	90th Percentile Wait Time from Hospital Discharge to Service Initiation for Home and Community Care*	TBD	5.00	5.00	5.00	5.00	5.00	6.00
5	90th percentile emergency department (ED) length of stay for complex patients	8 hours	9.73	9.33	9.58	10.30	10.38	10.93
6	90th percentile emergency department (ED) length of stay for minor/uncomplicated patients	4 hours	3.88	3.93	4.18	4.67	4.98	5.32
7	Percent of priority 2, 3 and 4 cases completed within access target for hip replacement	90.00%	73.04%	83.08%	78.65%	76.65%	88.47%	82.62%
8	Percent of priority 2, 3 and 4 cases completed within access target for knee replacement	90.00%	64.66%	71.85%	76.61%	74.49%	78.27%	73.56%
9	Percentage of Alternate Level of Care (ALC) Days*	9.46%	21.72%	21.27%	26.07%	24.00%	27.09%	30.55%

NORTH WEST LHIN MLAA INDICATORS
2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
10	ALC rate	12.70%	27.60%	27.76%	30.58%	33.98%	33.99%	33.59%
11	Repeat Unscheduled Emergency Visits within 30 Days for Mental Health Conditions*	16.30%	16.32%	16.98%	18.12%	20.70%	22.43%	21.76%
12	Repeat Unscheduled Emergency Visits within 30 Days for Substance Abuse Conditions*	22.40%	43.22%	46.24%	43.76%	43.00%	46.76%	46.63%
13	Readmission within 30 days for selected HIG conditions**	15.50%	16.64%	16.45%	17.75%	17.27%	17.40%	16.91%
2. Monitoring Indicators								
14	Percent of priority 2, 3 and 4 cases completed within access target for cataract surgery	90.00%	93.87%	91.51%	89.21%	82.73%	93.32%	87.09%
15	Percent of priority 2 and 3 cases completed within access target for MRI scans	90.00%	89.65%	88.88%	83.38%	77.61%	64.41%	64.99%
16	Percent of priority 2 and 3 cases completed within access target for CT scans	90.00%	80.58%	59.46%	89.42%	88.29%	82.85%	68.93%
17 (a)	Wait times from application to eligibility determination for long-term care home placements: from community setting**	NA	35.00	34.50	32.00	27.00	36.00	16.00
17 (b)	Wait times from application to eligibility determination for long-term care home placements: from acute-care setting**	NA	15.00	12.00	14.00	11.00	12.00	10.00
18	Rate of emergency visits for conditions best managed elsewhere per 1,000 population*	NA	42.67	42.62	39.71	35.19	32.37	24.18
19	Hospitalization rate for ambulatory care sensitive conditions per 100,000 population*	NA	519.59	564.67	600.65	619.81	559.38	449.17

NORTH WEST LHIN MLAA INDICATORS

2019/20 ANNUAL REPORT DATA

No.	Indicator	Provincial target	LHIN					
			2014/15 Fiscal Year Result	015/16 Fiscal Year Result	016/17 Fiscal Year Result	017/18 Result	2018/19 Fiscal Year Result	2019/20 Fiscal Year Result (Year to Date)
20	Percentage of acute care patients who had a follow-up with a physician within 7 days of discharge**	NA	36.98%	36.89%	38.65%	39.72%	36.97%	39.10%

*FY 2019/20 is based on the available data from the fiscal year (Q1-Q3, 2019/20)
**FY 2019/20 is based on the available data from the fiscal year (Q1-Q2, 2019/20)