HQCA
Health Quality Council of Alberta

ANNUAL REPORT 2020-2021

It was a year in which we stayed focused on promoting and improving…

PATIENT SAFETY **PERSON-CENTRED CARE** **HEALTH SERVICE QUALITY**

TABLE OF CONTENTS

LETTER FROM THE CHAIR

The proper place to begin this introduction is with some well-deserved thank yous to our exceptional staff, dedicated leadership, and committed Board of Directors, who have together faced a year of significant change and challenge for the HQCA. I would like to express my gratitude and pride with how well our team delivered under such unusual circumstances.

Like many organizations, our team faced the massive challenge of adapting to the COVID-19 global pandemic as our fiscal year began in April 2020. During the year that followed, the pandemic tested our resilience on many levels, and also reinforced something we've long known: the importance of a health care system that is safe, provides high quality care, and is built around patients, their loved ones and healthcare providers.

The HQCA team played a valuable role in supporting the COVID-19 planning and response efforts with comprehensive engagement across the continuing care sector as well as two COVID-19 Experience and Impact surveys that gave a voice to Albertans during the most serious public health emergency in the province's history.

We initiated discussions on providing COVID-19 vaccination data for family physicians in our Primary Healthcare Panel Reports, measured the impact of COVID-19 on the experiences of patients in Alberta's largest emergency departments, and collaborated with the Blackfoot Confederacy on a survey of the unique experiences of their communities at this time.

In July 2020, our legislated mandate was amended to give the HQCA a more explicit role in championing person-centred care across Alberta. This change, and the expansion of our role to engage with Albertans about their experiences with healthcare services, aligns with our long-standing belief that the voices of Albertans matter. We will continue to collect and share their healthcare stories in a way that promotes and inspires change. Every day, our team engages with Albertans through surveys, focus groups, and other methods so we can identify challenges, and highlight best practices. In 2020-2021, this included reporting on the experiences of thousands of Albertans about designated supportive living, emergency department care, and primary care.

This past year saw some of our most important work mature. For example, we continued to evolve the FOCUS on Healthcare online reporting initiative following extensive engagement with more than 60 individuals from our healthcare partner organizations, including Alberta Health Services, Alberta Health, primary care networks, continuing care contracted providers, as well as HQCA staff. We look forward to improving this valuable resource for the healthcare system in the coming year.

We also targeted new areas for health system improvement in 2020-21. At the request of the Health Minister, we conducted a comprehensive review of patient concerns management processes. Following extensive engagement with Albertans and all organizations involved in managing patient concerns, we submitted our findings and recommendations to the Health Minister. The HQCA is pleased to be partnering with Alberta Health on next steps from this review.

You will read more about our work during the past year in the pages that follow in this annual report. Behind each and every one of our accomplishments is the HQCA team – our staff, our Patient and Family Advisory Committee, and our Board of Directors. And I would like to close this introduction as I started it, with some special acknowledgements for each of them.

As I've learned since joining the HQCA in 2020, our people are the real strength of the organization. Grounded in a culture of respect and trust, our team members work collaboratively with each other and with stakeholders in Alberta's healthcare sector to ensure coordination and connections across a very complex set of service areas and providers.

Our Patient and Family Advisory Committee's (PFAC) involvement in HQCA projects is a tremendous asset and their wisdom consistently elevates the quality of our work. In particular, their contributions to the review of patient concerns management processes has been invaluable.

All of the contributions of staff and PFAC is made possible by the guidance of our Board of Directors. I would like to acknowledge, in particular, the tremendous contributions of outgoing board members Deborah Apps and Marie Owen, who served for six years; and to welcome our incoming board members who bring new energy and perspectives to our governance activities.

Lastly, but by no means least, I want to extend my deepest thanks to Charlene McBrien-Morrison, our Acting CEO since June 2020, for her commitment and exceptional leadership of the high-performing HQCA team over the past year. In a year of tremendous change, the HQCA has remained laser-focused on our mandate – promoting and improving patient safety, person-centred care, and quality healthcare for all Albertans.

Brent Windwick, QC
Board Chair

(Original signed by Brent Windwick)

Brent Windwick, QC
Board Chair

Alberta's TOP 70 EMPLOYERS 2021

STRATEGIC FRAMEWORK

The mission, vision, values, and four strategic priorities for 2020-2021, established by our Board of Directors, provided the overarching direction for the HQCA. This direction ensured we align with, and deliver on, our legislated mandate, while supporting Alberta Health's direction for quality health services that result in the best outcomes for Albertans.

Who we are

The Ministry includes the Department of Health, Alberta Health Services (AHS) and the Health Quality Council of Alberta (HQCA), all reporting to the Minister of Health.

The Department of Health implements the Government of Alberta's strategic direction for health and is responsible for overall policy, legislation, and monitoring of the health system's performance. AHS is the health authority responsible for the delivery of a substantial portion of health care services across the province.

The HQCA has a legislated mandate to promote and improve patient safety, person-centred care, and health service quality on a province-wide basis. Our responsibilities are set forth in the *Health Quality Council of Alberta Act*. Our work was guided by a strategic framework that highlights our vision, mission, and values, and four strategic areas of focus. By aligning our work to this strategic framework, we continued to support our partners in improving health system quality, person-centred care, and patient safety for Albertans.

Strategic areas of focus

Governance

Our Board of Directors represent a diverse group that includes health professionals, business leaders, academic representatives, and members of the public. The Health Minister is responsible for appointing all board members as of the passing of the Health Statutes Amendment Act in July 2020. Previous to that, board members were appointed by the Lieutenant Governor in Council.

Chair

Brent Windwick, Edmonton (January 2020 – present)

Board of Directors

Jacquelyn Colville, Edmonton (2017* – present)

Dr. Pamela Hawranik, Airdrie (2021 – present)

Clifford D. Johnson, Calgary (2021 – present)

Shirley Kine, Canmore (2018 – present)

Sandi Kossey, Edmonton (2018 – present)

Masood Peracha, Edmonton (2018 – present)

Dr. Greg Powell, Foothills County (2021 – present)

Dr. Carlyn Volume-Smith, Sherwood Park (2021 – present)

Our deepest thanks go to outgoing board members Marie Owen, Deborah Apps, and Dr. Ubaka Ogbogu for their commitment, leadership, and service.

Chief Executive Officer Andrew Neuner served as an ex-officio member of the Board until his resignation in June 2020. The HQCA Board is also supported by Acting CEO Charlene McBrien-Morrison, who transitioned from her role as Executive Director.

** Jacquelyn Colville served as an external (non-voting) member of the board from 2017-2021. In 2021, she was appointed as a voting member of the board.*

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

EXECUTIVE COMMITTEE

This committee facilitates effective communication between the Board and administration. The committee liaises with the Chief Executive Officer and provides direction and support for carrying out the objects of the HQCA as set out in the *Health Quality Council of Alberta Act*.

QUALITY ASSURANCE COMMITTEE

This committee carries out quality assurance activities under Section 9 of the *Alberta Evidence Act*.

AUDIT & FINANCE COMMITTEE

This committee's purpose is to provide monitoring and oversight of the financial, internal control, and risk matters of the HQCA. It is responsible for presenting the annual HQCA budget to the Board for approval and submission to the Minister of Health and liaises with the Chief Executive Officer on financial decisions to be made by resolution of the Board and on the preparation of financial reports for the Minister of Health set out in the *Health Quality Council of Alberta Act* and the regulations, and the grant agreement requirements.

EDUCATION COMMITTEE

In support of the effort to realize the HQCA's vision, this committee strives to continually enhance Board member knowledge and skills articulated in the HQCA's Board competency matrix.

PATIENT AND FAMILY ADVISORY COMMITTEE

The HQCA Patient and Family Advisory Committee (PFAC) was created as a strategic initiative through the provincial *Patient Safety Framework for Albertans* published by the HQCA in September 2010. The PFAC is designed to leverage the experiences and perspectives of patients and their families to improve and promote patient safety, person-centred care, and health service quality in Alberta's healthcare system.

Patient and Family Advisory Committee

Through the HQCA, the Patient and Family Advisory Committee works to promote patient safety, person-centred care, and health service quality principles, concepts, and actions in all aspects of Alberta's publicly funded health care system.

Members:

Sue Peters, St. Albert, Chair (June 2021 – present)

Alta Magee, Bow Island

B Adair, Stettler

D'Arcy Duquette, Calgary

Leona Ferguson, Brooks

Leonard J. Auger, Grande Prairie

Medgine Mathurin, Edmonton

Michelle Hill, Medicine Hat

Nemia Valencia Gomez, Medicine Hat

Nana Thaver, Sherwood Park

Teena Cormack, Lethbridge

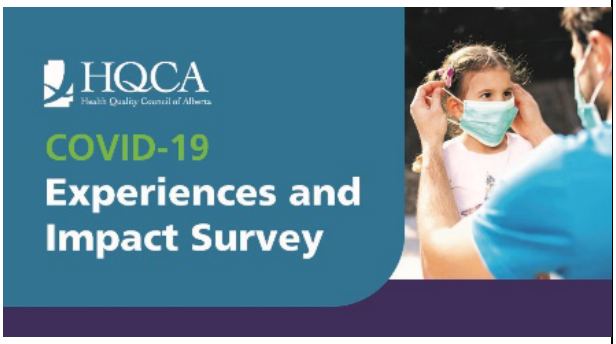
Jamie Hodge, Calgary

THE HQCA's CONTRIBUTION TO COVID-19 PLANNING AND RESPONSE

The novel coronavirus pandemic that first emerged globally in late 2019 placed significant demands on the Alberta healthcare system. The HQCA pivoted to apply our skills and expertise to contribute to the pandemic efforts. Below, are a few facts and stats about the HQCA's work during 2020-21.

22,938

Number of respondents to our two **COVID-19 Experiences and Impact Surveys**, (May 25 - June 29, 2020; Oct. 1 - 31, 2020).



43

Number of residents from long term care and designated supportive living sites interviewed for the **COVID-19 Continuing Care Study** in 2020.

9,625

Number of family members of residents in long term care and designated supportive living who responded to an email survey for the **COVID-19 Continuing Care Study** in 2020.

308

Number of long term care and designated supportive living sites across Alberta whose residents or family members participated in our **COVID-19 Continuing Care Study** in 2020.

ACTIVITIES & ACCOMPLISHMENTS

The HQCA's 2020-2021 activities and accomplishments describe how we furthered our legislated mandate to promote and improve person-centred care, patient safety and health service quality across Alberta.

Patient and Family Advisory Committee (PFAC)

Established in 2010, the HQCA's Patient and Family Advisory Committee (PFAC) identifies, studies, reviews, advocates, and advises the HQCA on patient safety and quality issues from a resident, patient, and family perspective. The PFAC started as a strategic initiative through the provincial *Patient Safety Framework for Albertans* and works to promote patient safety principles, concepts, and actions in all aspects of Alberta's publicly-funded healthcare system.

In 2020-21, they have been involved in numerous initiatives, including:

- Partnering with the HQCA on the Patient Experience Awards program
- Participating in FOCUS on Healthcare stakeholder advisory committees and working groups
- Participating on the HQCA's Diversity and Inclusion Working Group
- Participating on the Provincial Primary Healthcare Patient Panel Reporting Steering Committee and Subject Area Working Group
- Providing a patient perspective on many of the HQCA's major projects, such as the Long-term Care Family Experience Survey; COVID-19 Experiences and Impact Surveys; COVID-19 Continuing Care Study; Patient Concerns Management Review; and Quality Exchange
- Participating on the Canadian Patient Safety Institute's Patient Alliance
- Participating on the Alberta Strategy for Patient Oriented Research Support Unit team

- **11 committee members**, representing **nine different locations** across Alberta
- Engaged in **several health system quality and patient safety activities** in 2020-21

Patient Experience Awards

In partnership with our Patient and Family Advisory Committee, the HQCA's Patient Experience Awards recognize and celebrate initiatives that improve the patient experience. We received applications from across the province and from a variety of care settings. The selected initiatives receive funding (to a maximum total of $2,000) to attend or host a patient experience, quality, or education event. Additionally, they share details about their initiative through a video profile that is widely promoted by the HQCA.

PATIENT EXPERIENCE AWARDS
Inspiring positive change

- The Patient Experience Awards were featured on social media. And many Albertans engaged with the content celebrating the recipients.
- Videos commemorating two of the four initiatives were viewed more than **750** times on YouTube.

The HQCA and its Patient and Family Advisory Committee selected the following four initiatives to receive awards for 2020:

- The Wetaskiwin Primary Care Network Prenatal Program, in collaboration with the University of Alberta and the Cree communities of Maskwakis, established the **Elders Mentoring Program**. Through the program, Elders and grandmothers from Maskwakis work alongside staff in their prenatal clinic to provide additional, culturally appropriate supports to Indigenous pregnant women and their partners.
- The Performance Evaluation and Rhythm Follow-up Optimization through Remote Monitoring team, or PERFORM as it is more commonly known, implemented **remote monitoring for patients living with a cardiac implantable electrical device** more consistently across Alberta. This allows patients to be evaluated in their homes similar to a specialty face-to-face clinic visit, increasing access to appropriate and acceptable care in the community and without subjecting patients to excessive infectious risks possible during the COVID-19 pandemic.
- In partnership with Alberta's critical care community, the Critical Care Strategic Clinical Network led and facilitated the highly collaborative **Provincial Intensive Care Unit (ICU) Delirium Initiative**. This team engaged patient and family advisors, operational leaders, and front-line healthcare professionals across Alberta Health Services to design, adapt, and implement leading practices for the prevention and management of ICU-associated delirium into the Alberta context.
- The **Virtual Opioid Dependency Program** uses a completely virtual clinic model to connect a doctor-led, multidisciplinary team with clients referred for opioid agonist therapy (OAT). Assessment, treatment, and support are provided via videoconference, telephone, and texting, and are delivered in conjunction with a pharmacist in the local area for OAT medication dispensing.

Primary Care Patient Experience Survey

The HQCA uses our own made-for-Alberta standardized, comparable primary care patient experience survey to provide meaningful information for primary care stakeholders including physicians, clinics, and primary care networks from the patients who visit them. Patients provide perspectives on communication, access, treatment plans, and care priorities. Additional questions on virtual care were added in 2020-2021 because of COVID-19. Confidential survey results are provided directly to the physician in a report intended for practice improvement, with aggregate information provided to participating clinics and primary care networks. Interest in the survey continues to increase, although the COVID-19 pandemic affected the rate of growth in 2020. Provincial-level survey results are included on the FOCUS on Healthcare website in the primary healthcare section.

In 2020-21, more than **3,343 Albertans** participated in the clinic and provincial versions of the HQCA's Primary Care Patient Experience Survey.

Since launch, we've had nearly **25,000 patients** respond to the survey.

Emergency Department Patient Experience Survey

The HQCA has surveyed patients who have visited Alberta emergency departments (ED) since 2007. The current iteration of the survey, which has been in place since 2016, collects data every two weeks from patients that have visited Alberta's 16 largest and busiest urban and regional EDs. This telephone survey asks patients about staff care and communication, wait time and crowding, pain management, facility cleanliness, and more, during their visit to the emergency department. In 2020, questions related to COVID-19 were added to the survey to better understand the patient experiences of those who went to an ED for a new health problem related to COVID-19, and those who went for a reason unrelated to COVID-19. Results from the survey are shared with the facilities on an ongoing basis. Select measures are also published on the FOCUS on Healthcare website in the Emergency Departments section.

Almost **73,000 completed surveys** since 2016.

The COVID-19 Experiences and Impact Survey

In collaboration with Alberta Health Services, the Ministry of Health, and the Chief Medical Officer of Health, the HQCA developed and implemented general population surveys on the COVID-19 pandemic in 2020.

Our surveys asked Albertans for their perceptions on health system access, public health measures, mental health supports, family physician care, the many sources of COVID-19 information available, whether people feel protected from COVID-19 infection, vaccine readiness – and much more. The first survey was conducted May 27 – June 29, 2020. The second survey was conducted Oct. 1 – 31, 2020. Collectively, the surveys generated more than 22,000 responses from across the province. An analysis of the results was shared with leaders in healthcare and government so they could reflect on the data, and consider opportunities for improvement in their planning and response to the pandemic.

In February 2021, we also worked in partnership with the Blackfoot Confederacy Tribal Council to develop a **COVID-19 Experiences and Impact Survey for people of the Blackfoot Confederacy**. The survey launched during the first quarter of 2021-2022.

The COVID-19 Continuing Care Study

In collaboration with Alberta Health Services, the Ministry of Health, and continuing care service providers, the HQCA developed and implemented a study about how designated supportive living and long term care residents and their families were impacted during the COVID-19 pandemic (March to July 2020).

We heard from 43 residents through in-depth interviews, 387 residents and nearly 10,000 family members through online surveys. Provincial-level results were presented in two reports; one report focused on survey results from family members and the other focused on what was heard from in-depth interviews and a survey with residents. Individual site-level reports were also provided to participating sites/organizations to help them determine what was working well and what could be improved in their specific care setting.

Family members rated the **overall response to the pandemic** at 8.7 out of 10.

A majority of family members (67 per cent) reported that the restrictions placed on sites from March to July **struck a good balance.**

Residents' **perceptions and experiences** were influenced by their health, life history, personality, relationship with family, and whether their continuing care site had an outbreak or was located in a rural or urban location.

Designated Supportive Living Family and Resident Experience Surveys

This is the third time the HQCA surveyed this population. For this iteration of the survey, data collection began in 2019 following an extensive consultation with stakeholders. The survey asks residents and family members to reflect on their experiences, with questions on food service, staffing, care of belongings, environment, communication and more. Results were shared in September 2020 through a provincial-level report as well as reports for each participating site.

166 sites participated, with **2,859** residents and **4,581** family members surveyed. Response rates were consistent with previous surveys **60 per cent** (resident survey) and **57 per cent** (family survey).

27 residents across AHS zones interviewed for an in-depth qualitative study of resident lived experiences in select facilities.

On a scale of 10, the average Overall Care Rating provided by residents was **7.8**, and **8.4** by family members, with no significant change since the previous survey in 2016.

23 per cent of family members and **43** per cent of residents felt there were always enough nurses and aides in the site.

Long Term Care Family Experience Survey

The Long Term Care Family Experience Survey provides both a provincial look at long term care as well as detailed facility-level reports to help inform future improvements. Work on the fifth iteration of the Long term Care Family Experience survey was deferred because of the COVID-19 pandemic in 2020-2021. The HQCA has been focusing on project and stakeholder engagement planning while it continues to monitor the appropriate time to continue this important work.

Primary Healthcare Panel Reports

Primary Healthcare Panel Reports are standardized reports that use administrative health data to provide information to family physicians about their patient panels. These confidential reports include measures related to patient demographics, health conditions, selected aspects of patient management and health service utilization – and new in 2021, lung testing in asthmatic patients and COVID-19 vaccination data. The reports are used to support planning, quality improvement, health system management and policy development, paneling and implementation of panel management activities, for the overall purpose of improving primary healthcare delivery.

We've been providing Primary Healthcare Panel Reports for primary healthcare providers at the individual physician, clinic, and primary care network (PCN) level since 2011. Working with other healthcare partners (including Alberta Health, Alberta Health Services, PCNs, primary care providers, and patients), the HQCA enhances the reports on an ongoing basis to increase their usability and uptake. A major enhancement in our latest release included expanding the number of measures that display three years of data. This helps family physicians see trends and patterns more easily to assist them in identifying opportunities to improve care in their practices.

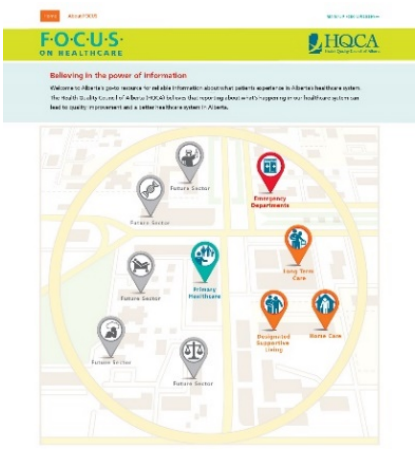
The HQCA also continues to support the provincial *Central Patient Attachment Registry* to help physicians strengthen continuity of care with their patients.

Primary Healthcare Panel Reports for fiscal year 2019-2020:

More than 1,600 family physicians, quality improvement professionals and PCN executive directors received access to their reports.

Fostering Open Conversations that Unleash Solutions (FOCUS) - FOCUS on Healthcare online reporting initiative

Together with health system stakeholders, the HQCA identifies, develops, and reports publicly on key patient experience and clinical indicators through the **FOCUS on Healthcare website.**



In 2020, at the request of the Health Minister, the HQCA was asked to conduct an evaluation on effectiveness and utility of the FOCUS on Healthcare online reporting initiative.

An independent evaluator interviewed **69** key stakeholders from Alberta Health Services, Alberta Health, PCNs, continuing care contracted providers, and HQCA staff.

A report with recommendations – endorsed by the FOCUS on Healthcare Advisory Committee which includes representatives from Alberta Health, Alberta Health Services and HQCA – was submitted to the Health Minister in March 2021. In April 2021, the Health Minister accepted the evaluation recommendations for the ongoing improvement of the FOCUS on Healthcare website.

The FOCUS on Healthcare online reporting initiative currently includes sections on:

EMERGENCY DEPARTMENTS

The Emergency Departments section of FOCUS on Healthcare was launched in January 2017 to provide public information about the 16 largest and busiest emergency departments in Alberta.

We report the results of the HQCA patient experience survey which includes the perspectives of more than 73,000 respondents who have recently visited an emergency department. We also include data provided by Alberta Health Services.

Albertans can review wait time measures, key delivery of care measures such as the number of patients who returned to the Emergency Department within 72 hours, as well as patient experience measures related to communication and pain management.

In 2020, the HQCA incorporated **statistical process control (SPC) charts** for the emergency department measures. SPC is a data analysis method that can be used to help emergency department stakeholders make informed decisions and take the most appropriate action.

Also, in 2020, two new measures related to Emergency Medical Services (EMS) were added (response time for life-threatening events, and time spent by EMS at hospital).

PRIMARY HEALTHCARE

The Primary Healthcare section of FOCUS on Healthcare was launched in October 2018, and features 15 interactive charts with information about what patients experience with primary healthcare in Alberta.

These measures include screening tests completion, physician continuity, clinic continuity, influenza vaccination rates as well as patient experience measures related to physician availability, appointment length, care coordination and more.

Information can be compared by AHS Zone, or for each of Alberta's 40 primary care networks (PCNs). The primary healthcare data is updated annually.

The HQCA continues planning the next measures to be included in the primary healthcare sector. Health sector leaders, providers, and Albertans can look forward to learning more about patient experiences with **HealthLink** in the coming year.

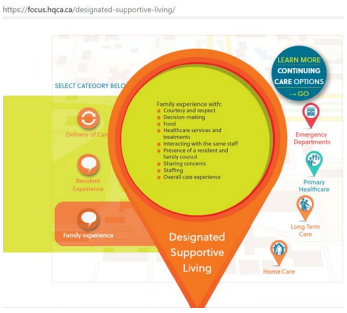
CONTINUING CARE

In 2019, three areas of continuing care in Alberta – long term care, designated supportive living, and home care – were added to the FOCUS on Healthcare website. The site was developed using input from the continuing care stakeholder community, including citizen advisors. The information on the website is reported via 72 charts, in many cases allowing for comparisons across multiple years. The information reflects the experiences of residents, family members and clients with personal and healthcare services received in continuing care sites and through home care.

Long term care

The long term care section includes **29** measures on clinical care, delivery of care and family experience. For instance, people can see the percentage of long term care residents whose pain worsened between assessments, the percentage of long term residents who were placed within their site within 30 days of assessment, and many other valuable measures.

Designated Supportive Living



The designated supportive living (DSL) section includes **28** measures on delivery of care, resident experience and family experience. For instance, people can see the percentage of DSL residents who were placed within their site within 30 days of assessment, how family members of DSL residents rated how often they were involved in making decisions about their loved one's care, and many other valuable measures.

Home Care

The home care section includes **15** measures on client experience, with clinical care and delivery of care measures, using administrative data, being added at a future date. Among the measures available now, people can see how home care clients rated their care plan, client experience with reaching their case manager, and many other valuable measures.

HOSPITAL CARE

The hospital care section of FOCUS on Healthcare was put on hold in 2020 pending completion of the independent evaluation of the FOCUS on Healthcare online reporting initiative. Work has since resumed on this section.

Just Culture

This collaborative project, supported by Health Quality Network (HQN) members[1], is driving the development and adoption of a just culture within Alberta's health system. In a just culture, healthcare workers and patients or family members feel safe to raise patient safety concerns including the reporting of hazards and errors. This information is used to learn and make changes to the system to improve patients' safety.

Just culture initiatives are underway at organizations such as Alberta Health Services and Covenant Health.

The HQCA has been leading a working group that leveraged existing knowledge to create a common understanding of what just culture is and developed resources to help organizations establish their own frameworks for a just culture.

In the past year, the HQCA has put the finishing touches on a step-by-step process for fairly assessing the actions of individuals who have been involved in a patient safety incident. This approach will help healthcare organizations and regulators standardize their approach to this critical component of a just culture. The Just Individual Assessment is available from the Just Culture website (justculture.hqca.ca).

[1] Chaired by the HQCA, the HQN was formed to facilitate knowledge sharing and capability transfer related to leading or best practices throughout Alberta. Current HQN member organizations include: Alberta College of Pharmacists, Alberta Health, Alberta Health Services, Alberta Medical Association, College & Association of Registered Nurses of Alberta, College of Physicians & Surgeons of Alberta, Covenant Health, Office of the Alberta Health Advocate, the HQCA's Patient and Family Advisory Committee, University of Alberta Faculty of Medicine and Dentistry, and University of Calgary Cumming School of Medicine.

Quality Exchange

Launched in 2018, the Quality Exchange program shares stories and examples of positive work and improvement initiatives from across the healthcare system. We leverage HQCA data and insights to identify areas of excellence. Through the program, we look for creative ways to transfer knowledge and encourage others to implement quality improvement initiatives. Our approach includes storytelling, infographics, whiteboard animation, video, webinars and podcasts.

PRIMARY CARE

The HQCA released a Quality Exchange focused on relational continuity in primary healthcare in July 2020. We developed resources that highlight the work of primary care networks that achieved higher than average relational continuity levels. In addition, the material provides evidence of how higher continuity dramatically improves the medical management of those living with COPD, and other chronic illnesses. This material was shared via podcast through a collaboration with the Alberta Medical Association, on the HQCA website, and across social media.

DESIGNATED SUPPORTIVE LIVING

The HQCA is working with designated supportive living (DSL) leadership, families and residents to produce our next Quality Exchange series. Seventeen DSL sites had notable improvements in resident and family survey experience results between 2016 and 2019. The HQCA has completed interviews from a selection of these sites, and intends to share their stories in 2021. Our aim is that other DSL organizations will be inspired by these learnings, and use the information to help support their own quality improvement work.

Human Factors in Healthcare and Healthcare Facility Mock-up Evaluation Guidelines

In collaboration with the University of Calgary and Ward of the 21st Century (W21C), the HQCA delivers a Human Factors in Healthcare course. The course covers a variety of application areas, such as patient safety, quality improvement, human error, medication safety, procurement, system evaluation, and capital planning.

The course includes content from the HQCA's framework and guidelines on conducting mock-up evaluations for healthcare design. The framework and guidelines continues to be enhanced. In 2020, we released the *Healthcare Facility Mock-up Evaluation Guidelines: Using Simulation to Optimize Return on Investment (ROI) for Quality and Patient Safety* to key stakeholders in the healthcare sector. These evidence-based guidelines outline which mock-up type would optimize cost effectiveness and outcomes (quality and patient safety) as part of a healthcare facility design process.

Our Human Factors course is approved by the College of Family Physicians of Canada, the Maintenance of Certification Program of the Royal College of Physicians and Surgeons of Canada, and the University of Calgary Office of Continuing Medical Education and Professional Development.

In 2020-21, the Human Factors (HF) courses were put on hold because of the COVID-19 public health measures affecting in-person learning. During the pause on in-person learning, a three-part webinar series was offered through the Institute for Continuing Care Education and Research (ICCER) on the application of Human Factors in Continuing Care.

More examples of how the Human Factors course helped healthcare facilities emerged in 2020. The Fox Creek Health Centre shared its story of how a Human Factors course participant applied course learnings to enhance efficiency and safety.

And Human Factors awareness and promotion continued throughout the past year. The HQCA's Human Factors' specialist chaired a competition (Let's Talk Patient Safety) as part of the International Ergonomics Association (IEA) Tri-annual Congress which sought exemplar projects that used Human Factors or Ergonomics to advance patient safety. The competition ended in October 2020, and the four winners will be given featured talks at the 2021 IEA Congress.

In addition, our Human Factors' specialist also participated in panel discussions with HIROC on patient safety and Human Factors in the past year.

Healthcare System Patient Concerns Management Review

Thousands of Albertans bring forward their concerns every year through a variety of formal and informal channels across every level and sector of the healthcare system. A wide range of concerns are raised including unmet expectations or dissatisfaction with their care, patient safety issues, health system access, scheduling, communication, and interactions with healthcare providers.

In response to a formal request from the Minister of Health in 2020, we conducted a comprehensive review of patient complaints/concerns processes in Alberta.

As part of the review, we engaged with Albertans and various health system partners across the province to gain an understanding of the current state of concerns management processes. This included healthcare providers as well as members of the regulatory colleges. We also considered past work from the HQCA, such as the Patient Concerns Management Framework.

In addition, the HQCA conducted a scan of select jurisdictions across Canada and internationally for leading practices in concerns management to inform our findings and recommendations.

In February 2021, the HQCA submitted a final report to the Minister of Health of our findings and recommendations to improve upon the current systems. Subsequently, the HQCA in partnership with Alberta Health, will hold a consensus conference to support next steps regarding improvements to Alberta's patient concerns management systems.

- We engaged with more than **70** patients, family members, and community-based programs and organizations to hear first-hand stories from those with insight or experience navigating Alberta's concern management processes during the past year. Another **1,719** patients and family members responded to an online survey.
- We also engaged with more than **300** healthcare professionals, leaders and patient concerns management subject matter experts via focus groups and interviews, and **1,748** via online surveys.

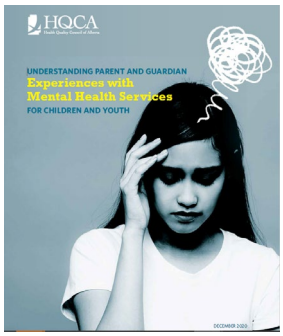
Understanding parent and guardian experiences with mental health services for children and youth

In partnership with Alberta Health, the HQCA launched a project to assist in the evaluation of addictions and mental health services in the province. Particularly, the project was designed to inform stakeholder conversations about ways to improve care connections and flow for children and their families in five target communities (Grande Prairie, St. Albert, Red Deer, Airdrie, and Lethbridge) in each of Alberta's Health Services Zones.

The project included a brief online survey to select and invite 30 parents/guardians for in-depth interviews. The individuals selected had family between the ages of 6 and 22 who needed or received care for a mental, behavioural, or emotional concern.

The preliminary findings were reviewed by more than a dozen stakeholder groups including Alberta Health, Alberta Health Services, the Canadian Mental Health Association, and Indigenous organizations.

The final report was shared in 2021 with stakeholders who have an interest in addiction and mental health services for children and youth, and posted on the HQCA's public website.



Close to **400** Albertans responded to the survey.

30 interviews with individuals with a broad range of lived experiences, and across the five target communities.

For some parents and guardians, obtaining mental health services for their child or youth took **20 years**.

Evaluation of the CII/CPAR initiative

Through a grant from Alberta Health, the HQCA completed an evaluation of the Community Information Integration (CII) and Central Patient Attachment Registry (CPAR) initiative. The project goal was to improve Albertans' continuity of care across the health system through better access to primary care information by healthcare providers. Following a series of surveys, interviews, and focus group discussions in 2019-2020, a final report was provided to Alberta Health in July 2020 to inform the continued rollout of the initiative.

Indigenous cultural sensitivity and humility

The HQCA implemented an organization-wide Indigenous cultural safety training program in 2018 for all Board members, staff, and Patient and Family Advisory Committee members. Relationship building and collaboration is key to supporting the Truth and Reconciliation Commission of Canada's calls to action – and the HQCA is committed to taking steps on this front. We've worked with the Alberta First Nations Information Governance Centre about when children and youth seek addiction and mental health services in Alberta. Moreover, we are currently partnering with the Blackfoot Confederacy to understand Indigenous experiences and impacts during the pandemic, and we've started conversations with Treaty 8 communities and Friendship Centres about pandemic experiences and impacts. Over the past years, we have continued to build strong relationships with the Indigenous Wellness portfolio of Alberta Health Services.

Partnering with quality and safety organizations

We collaborate and/or partner with a number of quality and safety organizations at the provincial, national, and international level. This includes continued participation in the Institute for Healthcare Improvement's European Alliance. Additionally, we have ongoing conversations with other provincial and Canadian quality and safety organizations to share information on projects and activities.

Supporting our team

At the HQCA, we sincerely believe leaders and mentors exist in all roles and at all levels of an organization. We've imbedded a social contract into our 'way of being' which includes a shared language and key principles by which we interact and engage both internally and externally. Together, this supports and enables our journey towards a high-performing organization. This is led by our employees and is sponsored by our executive team and Board of Directors. In January 2021, the HQCA was recognized as one of Alberta's Top Employers, an annual competition organized by the editors of *Canada's Top 100 Employers*.

FINANCIAL STATEMENTS

Year Ended March 31, 2021

Financial Statements - Table of Contents

HEALTH QUALITY COUNCIL OF ALBERTA
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

On behalf of the Health Quality Council of Alberta.

(Original signed by Charlene McBrien-Morrison)

Acting Chief Executive Officer
Charlene McBrien-Morrison
May 31, 2021

(Original signed by Jessica Wing)

Director, Financial Services
Jessica Wing
May 31, 2021

Auditor General
OF ALBERTA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

Opinion

I have audited the financial statements of the Health Quality Council of Alberta, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, change 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.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Health Quality Council of Alberta as at March 31, 2021, and the results of its operations, its 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

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Health Quality Council of Alberta in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

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 the 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 Health Quality Council of Alberta'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 an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Health Quality Council of Alberta's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Health Quality Council of Alberta'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 Health Quality Council of Alberta's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Health Quality Council of Alberta 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.

I 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 I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]

Auditor General

May 31, 2021

Edmonton, Alberta

HEALTH QUALITY COUNCIL OF ALBERTA
STATEMENT OF OPERATIONS
Year ended March 31
(thousands of dollars)

	2021		2020
	Budget	Actual	Actual
	(Note 4)		
Revenues			
Government transfers			
Alberta Health - operating grant	$ 7,560	$ 7,560	$ 6,560
Investment income	25	5	27
Other revenue	-	20	25
	7,585	7,585	6,612
Expenses (Schedule 1)			
Administration	2,318	1,681	2,111
Health system analytics	2,881	2,477	2,596
Health system improvement	2,300	884	1,425
Communication	1,013	672	946
Ministerial assessment/study	-	18	79
Minister's priorities	-	674	-
	8,512	6,406	7,157
Annual operating surplus (deficit)	(927)	1,179	(545)
Accumulated operating surplus, beginning of year	2,168	1,222	1,767
Accumulated operating surplus, end of year	$ 1,241	$ 2,401	$ 1,222

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

HEALTH QUALITY COUNCIL OF ALBERTA
STATEMENT OF FINANCIAL POSITION
As at March 31
(thousands of dollars)

	2021	2020
Financial Assets		
Cash	$ 2,193	$ 1,017
Accounts receivable	18	30
	2,211	1,047
Liabilities		
Accounts payable and other accrued liabilities (Note 6)	624	686
Employee future benefits (Note 7)	21	134
Deferred lease inducements (Note 8)	74	111
	719	931
Net Financial Assets	1,492	116
Non-Financial Assets		
Tangible capital assets (Note 9)	769	936
Prepaid expenses	140	170
	909	1,106
Net Assets	2,401	1,222
Net Assets		
Accumulated operating surplus (Note 11)	$ 2,401	$ 1,222

Contractual obligations (Note 10)

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

HEALTH QUALITY COUNCIL OF ALBERTA
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31
(thousands of dollars)

	2021		2020
	Budget	Actual	Actual
Annual operating surplus (deficit)	$ (927)	$ 1,179	$ (545)
Acquisition of tangible capital assets (Note 9)	(43)	(127)	(44)
Amortization and write down of tangible capital assets (Note 9)	296	294	296
Decrease (Increase) in prepaid expenses	-	30	(88)
Increase (Decrease) in net financial assets in the year	(674)	1,376	(381)
Net financial assets, beginning of year	116	116	497
Net financial assets, end of year	$ (558)	$ 1,492	$ 116

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

HEALTH QUALITY COUNCIL OF ALBERTA
STATEMENT OF CASH FLOWS
Year ended March 31
(thousands of dollars)

	2021	2020
Operating Transactions		
Annual operating surplus (deficit)	$ 1,179	$ (545)
Non-cash items:		
Amortization and write down of tangible capital assets (Note 9)	294	296
Amortization of deferred lease inducements (Note 8)	(37)	(36)
(Decrease) Increase in employee future benefits (Note 7)	(113)	13
	1,323	(272)
Decrease in accounts receivable	12	30
Decrease (Increase) in prepaid expenses	30	(88)
(Decrease) in accounts payable and other accrued liabilities (Note 6)	(62)	(71)
Cash provided by (applied to) operating transactions	1,303	(401)
Capital Transactions		
Acquisition of tangible capital assets (Note 9)	(127)	(44)
Cash (applied to) capital transactions	(127)	(44)
Increase (Decrease) in cash	1,176	(445)
Cash at beginning of year	1,017	1,462
Cash at end of year	$ 2,193	$ 1,017

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

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2021
(thousands of dollars)

Note 1 AUTHORITY

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

Pursuant to the Act, the HQCA has a mandate to promote and improve patient safety, person-centered care and health service quality on a province-wide basis.

The HQCA is exempt from income taxes under the *Income Tax Act*.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards (PSAS).

(a) Reporting Entity

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

(b) Basis of Financial Reporting

Revenues

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

Government transfers

Transfers from all governments are referred to as government transfers.

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

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the transfer is authorized and the HQCA meets the eligibility criteria (if any).

Expenses

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

Grants and transfers are recognized as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONT'D)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities

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

Financial Statement Component	Measurement
Cash	Cost
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost

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

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the HQCA's financial claims on external organizations and individuals at the year end.

Cash

Cash comprises cash on hand and demand deposits.

Accounts Receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities represent present obligations of the HQCA to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONT'D)

(b) Basis of Financial Reporting (Cont'd)

Deferred Lease Inducements

Deferred lease inducements represent amounts received for leasehold improvements and the value of a rent-free period. Lease inducements are deferred and amortized on a straight-line basis over the term of the related lease and the amortization is recognized as a reduction of rent expense for the year.

Employee Future Benefits

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

Non-Financial Assets

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;
(b) may be consumed in the normal course of operations; and
(c) are not for sale in the normal course of operations.

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible Capital Assets

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

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

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

Tangible capital assets are written down when conditions indicate that they no longer contribute to the HQCA's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their book value. The net write-downs are accounted for as expenses in the Statement of Operations.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONT'D)

(b) Basis of Financial Reporting (Cont'd)

Prepaid Expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

Funds and Reserves

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

Measurement Uncertainty

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

Note 3 FUTURE CHANGES IN ACCOUNTING STANDARDS AND GUIDELINE

The Public Sector Accounting Board has approved the following accounting standards and guideline:

- PS 3280 Asset Retirement Obligations (effective April 1, 2022)

  This standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

- PS 3400 Revenue (effective April 1, 2023)

  This standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions.

- PSG-8 Intangible Assets (effective April 1, 2023)

  PSG-8 provides guidance on the recognition, accounting, and classification of purchased intangible assets.

The HQCA has not adopted these standards and guideline. Management is currently assessing the impact of these standards and guideline on the financial statements.

Note 4 BUDGET

The HQCA's 2020-2021 operating budget with a budgeted deficit of ($927) was approved by the Board of Directors on January 22, 2020 and submitted to the Ministry of Health.

Note 5 FINANCIAL RISK MANAGEMENT

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

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

(a) Interest rate risk

The HQCA is exposed to the interest rate associated with cash held in the bank. The interest rate risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the HQCA will encounter difficulty in meeting obligations associated with financial liabilities. The HQCA enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing the HQCA's future net cash flows for the possibility of negative net cash flow. The HQCA manages the liquidity risk resulting from its accounts payable obligations by maintaining adequate cash resources.

(c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

(d) Credit risk

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

Note 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities is $58 (2020 - $160) of funds held on behalf of the partners of PROactive: Partners in Professionalism initiative to cover expenses which the HQCA will incur on their behalf.

(in thousands)

Note 7 EMPLOYEE FUTURE BENEFITS

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

The HQCA accounts for this multi-employer pension plan on a defined contribution basis. The HQCA is not responsible for future funding of the plan deficit other than through contribution increases. Pension expense recorded in the financial statements is equivalent to HQCA's annual contributions of $374 for the year ended March 31, 2021 (2020 - $388).

At December 31, 2020, the Local Authorities Pension Plan reported a surplus of $4,961,337 (2019 – surplus of $7,913,261).

As a result of the COVID-19 outbreak, declared a global pandemic on March 11, 2020, global financial markets and world economies have experienced significant volatility. Given the extent of the crisis, and varying levels of response and recovery of countries across the globe, additional uncertainty remains and will continue to exist with regards to fair value measurement of the pension plan's investments.

The Supplementary Executive Retirement Plan (SERP) payable at year ended March 31, 2021 is $21 (2020 - $134). A payment of $119 (2020 - $0) has been made to plan member at retirement. The current year contribution related to this plan is $6 (2020 - $13).

Note 8 DEFERRED LEASE INDUCEMENTS

The HQCA received a lease inducement in the form of free rent relating to a lease renewal of the premises effective 2018. This amount will be amortized on a straight-line basis over the term of the related lease and the amortization is recognized as a reduction of rent expense.

	2021	2020
Lease inducements - rent free periods	$ 209	$ 209
Less accumulated amortization	(135)	(98)
	$ 74	$ 111

(in thousands)

Note 9 TANGIBLE CAPITAL ASSETS

	2021				2020
	Office Equipment	Computer Hardware & Software	Leasehold improvements	Total	Total
Estimated useful life	10 years	5 years	5-10 years		
Historical Cost					
Beginning of year	$ 401	$ 819	$ 1,013	$ 2,233	$ 2,227
Additions	-	127	-	127	44
Disposals, including write-downs	(6)	(14)	-	(20)	(38)
	395	932	1,013	2,340	2,233
Accumulated Amortization					
Beginning of year	249	403	645	1,297	1,039
Amortization expense	32	139	123	294	294
Effect of disposals, including write-downs	(6)	(14)	-	(20)	(36)
	275	528	768	1,571	1,297
Net book value at March 31, 2021	$ 120	$ 404	$ 245	$ 769	
Net book value at March 31, 2020	$ 152	$ 416	$ 368		$ 936

(in thousands)

Note 10 CONTRACTUAL OBLIGATIONS

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

Estimated payment requirements for each of the next three years and thereafter are as follows:

Year ended March 31	Total lease payments
2021 - 22	$ 479
2022 - 23	479
2023 - 24	-
Thereafter	-
	$ 958

Note 11 ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus is comprised of the following:

	2021				2020
	Investment in Tangible Capital Assets[a]	Internally Restricted Surplus[b]	Unrestricted Surplus (Deficit)	Total	Total
Balance, April 1, 2020	$ 936	$ 286	$ -	$ 1,222	$ 1,767
Annual operating surplus (deficit)	-	-	1,179	1,179	(545)
Net investments in capital assets	(167)	-	167	-	-
Transfers, prior year restricted	-	(286)	286	-	-
Transfers, current year restricted	-	1,632	(1,632)	-	-
Balance, March 31, 2021	$ 769	$ 1,632	$ -	$ 2,401	$ 1,222

(a) Investment in tangible capital assets equals to net book value of internally funded tangible capital assets. These assets are restricted and are not available for any other purpose.

(in thousands)

Note 11 ACCUMULATED OPERATING SURPLUS (CONT'D)

(b) The internally restricted surplus represents amounts set aside by the Board for future purposes. Those amounts are not available for other purposes without the approval of the Board. Internally restricted surplus based on the business plan is summarized as follows:

	2021	2020
Engage	$ 750	$ -
Assess	450	-
Improve	432	-
Experience surveys	-	218
FOCUS on Healthcare	-	50
Ministerial assessments and studies	-	18
	$ 1,632	$ 286

Note 12 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the HQCA Board of Directors on May 31, 2021.

HEALTH QUALITY COUNCIL OF ALBERTA
SCHEDULE 1 – EXPENSES – DETAILED BY OBJECT
Year ended March 31
(thousands of dollars)

	2021		2020
	Budget	Actual	Actual
Salaries and benefits	$ 4,557	$ 4,088	$ 3,979
Supplies, services and other	3,659	2,024	2,884
Amortization of tangible capital assets (Note 10)	296	294	294
	$ 8,512	$ 6,406	$ 7,157

HEALTH QUALITY COUNCIL OF ALBERTA
SCHEDULE 2 – SALARY AND BENEFITS DISCLOSURE
Year ended March 31
(thousands of dollars)

	2021				2020
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Board of Directors-Chair	$ -	$ 24	$ -	$ 24	$ 19
Board of Directors-Members	-	41	-	41	54
Chief Executive Officer [4]	50	153	7	210	298
Acting Chief Executive Officer [4]	173	5	14	192	-
Executive Director [4]	37	-	4	41	218
	$ 260	$ 223	$ 24	$ 508	$ 589

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include honoraria for board members and vehicle allowance, flexible spending allowance, Supplementary Executive Retirement Plan payments and vacation payouts to employees. There were no bonuses paid in 2020/2021.

(3) Other non-cash benefits include: employer's portion of all employee benefits and contributions or payments made on behalf of employees, including pension, Supplementary Executive Retirement Plan, health care benefits, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, employee assistance program, Canadian Pension Plan, Employment Insurance and fair market value parking.

(4) The Chief Executive Officer retired effective June 11, 2020. The Executive Director assumed the role of Acting Chief Executive Officer effective June 12, 2020. The Executive Director position has been vacant since June 12, 2020.

HEALTH QUALITY COUNCIL OF ALBERTA
SCHEDULE 3 – RELATED PARTY TRANSACTIONS
Year ended March 31
(thousands of dollars)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the HQCA. The HQCA and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

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

	2021	2020
Revenues		
Grants	$ 7,560	$ 6,560
Other	6	6
	$ 7,566	$ 6,566
Expenses		
Other services	$ 54	$ 114
Receivable from related parties	$ -	$ 1
Payable to related parties	$ 18	$ 29

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