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LETTER FROM THE CHAIR

On behalf of everyone at the Health Quality Council of Alberta, we are extremely proud of our significant 2019-20 accomplishments, and inspired by our mandate – to promote and improve patient safety and health service quality.

Healthcare has never been more top of mind for Albertans. This has been especially true since the COVID-19 pandemic has made its profound imprint on our world.

The pandemic reminded all Albertans how critical it is to have a quality healthcare system – one that’s backed by reliable information and credible advisors so patients, their loved ones and healthcare providers stay safe and feel emotionally supported.

At the HQCA, that’s always been our North Star.

Every day, our team makes sense of the information we collect in surveys and through our various measurement methods to monitor the healthcare system, identify challenges, and highlight best practices so they can be replicated.

This past year, we heard from thousands of Albertans via our surveys about their experiences with home care, primary healthcare, informal caregiving, and emergency department care.

Our report on the experiences of unpaid informal caregivers was the first of its kind to be released in Alberta. The report revealed these often unrecognized healthcare partners save Alberta’s health system approximately \$3 billion annually.

The voices of Albertans matter, and we will continue to tell their healthcare stories in a way that compels change.

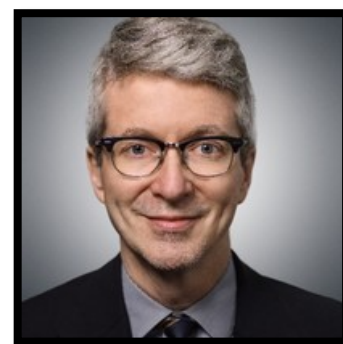
This past year saw us investing more time and energy into FOCUS on Healthcare, the HQCA’s provincial health system monitoring website. We added continuing care information (long term care, designated supportive living and home care). Albertans can now view and compare information across all Alberta Health Services Zones, or among the many continuing care sites. Work was initiated this year on the next sector, FOCUS on Hospital Care, and it will go live in this next year – another positive step in our journey to report across the full spectrum of healthcare services in Alberta.

We continue to lead the measurement of primary healthcare in Canada through our Primary Healthcare Panel Reports, and expanded our work in this area. In March, we moved exclusively to a digital format to help improve the efficiency of reporting to Primary Care Networks and family physicians. The digital format enables physicians to interact directly with their data, allowing comparisons with information most relevant to their improvement efforts.

We also ventured in new areas of study. This past year saw us shine a light on alternate funding models for primary healthcare providers. Our report reviewed the Crowfoot Village Family Practice and the Taber Clinic, which have operated successfully under an alternate funding structure – saving tens of millions in health system costs over the past 10 years. The HQCA report and recommendation to develop a transparent, adaptable funding model framework contributed to the conversation among healthcare leaders and provincial decision-makers about alternate ways to fund primary care practices in Alberta.

You’ll read more about our work during the past year in the pages that follow in this annual report. Behind each and every one of these achievements is the HQCA team - our staff, our Patient and Family Advisory Committee, and our Board of Directors.

As I have seen repeatedly since joining the HQCA in January, 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 involvement in HQCA projects is a tremendous asset and their wisdom consistently elevates the quality of our work. All of this is made possible by the guidance of our Board of Directors, who this year have brought newfound energy and perspectives to our governance activities.

Last but certainly not least, personally and on behalf of the HQCA, I want to express our warmest best wishes and thanks to Andrew Neuner, who retired in June 2020 as CEO. Andrew was a deeply committed leader and unwavering supporter of the high-performing HQCA team over the past six years. Andrew helped our team achieve so much, always keeping the HQCA laser-focused on the goal of promoting and improving patient safety and healthcare quality, for the benefit of all Albertans.

(Original signed by Brent Windwick)

Brent Windwick, QC
Board Chair



STRATEGIC FRAMEWORK

The HQCA's Board of Directors have established a strategic framework for the organization. The mission, vision, values, and four strategic priorities provide the overarching direction for the HQCA to ensure we align with and deliver on our legislated mandate, while supporting Alberta Health's direction for delivering 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 and health service quality on a province-wide basis. Our responsibilities are set forth in the *Health Quality Council of Alberta Act*. Our work is guided by a strategic framework that highlights our vision, mission, and values, and defines four strategic areas of focus. By aligning our work to this strategic framework, we will continue to support our partners in improving health system quality and patient safety for Albertans.

Vision

Excellence in health system quality and patient safety for Albertans

Mission

With our patient and health system partners, continue to improve the quality of Alberta's health system through innovative approaches to measuring and monitoring of performance, identifying opportunities for improvement and supporting implementation of improvement initiatives.

Values

- Hold patients and the population at the forefront
- Be informed by evidence
- Apply an ethical lens
- Analyze objectively
- Inform transparently
- Engage collaboratively

Strategic areas of focus



Build capacity

Develop knowledge and skills, and inform beliefs, internally and externally to support health system improvement.

- Quality and safety education
- Frameworks and related resources
- Stakeholder engagement
- High-performance and collaborative culture



Monitor the health system

Monitor and report on health system performance over time and enable comparison where appropriate to inform improvement.

- System level indicator development
- Population level surveys
- Clinical standards monitoring and reporting
- Health system performance reporting

STRATEGIES



Measure to improve

Measure, analyze and report on healthcare delivery to drive actionable improvement that enhances the quality of healthcare for Albertans.

- Patient-focused measurement
- Sector or service-focused measurement
- Assessments and studies



Engage the public

Bring the voice of Albertans to the HQCA's work.

- HQCA Patient and Family Advisory Committee
- A spectrum of public participation and awareness activities

Governance

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

Chair

Dr. Trevor Theman, Edmonton (November 2018 – January 2020)

Brent Windwick, Edmonton (January 2020 – present)

Board of Directors

Deborah Apps, Calgary

Bruce Harries, Edmonton

Shirley Kine, Canmore

Sandi Kossey, Edmonton

Masood Peracha, Edmonton

Dr. Ubaka Ogbogu, Edmonton

Marie Owen, Edmonton

Our deepest thanks go to outgoing Board Chair Dr. Trevor Theman and Board member Bruce Harries for their commitment, leadership, and service.

We would also like to acknowledge the contributions of Board member Mary Anne Robinson, who passed away on Sept. 16, 2019. Mary-Anne was appointed to the Board in October 2017 and made a number of contributions that will not be forgotten, including representing the Board on the HQCA's Patient and Family Advisory Committee and serving on the Audit and Finance Committee.

Mary-Anne dedicated her career to promoting change within Canadian and international healthcare environments. She was a leader in many ways; colleagues and co-workers described her as composed, collaborative, and graceful even under pressure.

Mary-Anne's contributions and positive spirit will be missed by all of us at the HQCA.

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

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 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 and health service quality principles, concepts, and actions in all aspects of Alberta's publicly funded health care system.

Members:

Greg Powell, Millarville, Calgary, Chair (November 2019 – present); Vice Chair (November 2017 – November 2019)

D'Arcy Duquette, Calgary, Chair (November 2017 – November 2019)

Sue Peters, St. Albert, Vice Chair (November 2019 – present)

Alta Magee, Bow Island

B Adair, Stettler

D'Arcy Duquette, Calgary

Geralyn L'Heureux, Magrath

Leona Ferguson, Brooks

Leonard J. Auger, Grande Prairie

Leslie Ayre-Jaschke, Peace River

Michelle Hill, Medicine Hat

Nemia Valencia Gomez, Medicine Hat

Nana Thaver, Sherwood Park

Teena Cormack, Lethbridge

Our deepest thanks go to outgoing PFAC members Geralyn L'Heureux and Leslie Ayre-Jaschke for their work as advocates for improving healthcare quality and patient safety and for their contributions to the HQCA.

ACTIVITIES & ACCOMPLISHMENTS

The HQCA's 2019-2020 activities and accomplishments describe how we furthered our legislated mandate to promote and improve patient safety and health service quality across the province.

Our work demonstrates how we build capacity, measure to improve, monitor the health system, and engage the public, while supporting Alberta Health's direction for delivering quality health services that result in the best outcomes for Albertans.



Build capacity

Develop knowledge and skills, and inform beliefs, internally and externally to support health system improvement.

TeamSTEPPS Canada™ Master Trainer

Since 2018, the HQCA has proudly partnered with the Canadian Patient Safety Institute (CPSI) to offer a foundational course that improves patient safety and transforms culture through better teamwork, communication, leadership, situational awareness, and mutual support: TeamSTEPPS Canada™ Master Trainer. The train-the-trainer format allows participants to learn how to adopt teamwork strategies, tools, and skills within their own teams to build capacity and momentum. Participants become part of a community of TeamSTEPPS Canada™ practitioners to ensure ongoing support and resource sharing.



To build capacity across Alberta for effective teamwork skills, the HQCA provides the **first, and only, regional training centre in Canada**. In 2019-20, we held a course in Calgary with participants representing a varied demographic of healthcare service providers. Another planned course in Edmonton was delayed because of COVID-19. Additionally, the HQCA introduced post-course coaching calls to support implementation of the TeamSTEPPS methodology and tools in Alberta's healthcare landscape.

TeamSTEPPS is an acronym for Team Strategies and Tools to Enhance Performance and Patient Safety.

Human Factors in Healthcare

In collaboration with the University of Calgary and Ward of the 21st Century (W21C), the HQCA introduced a Human Factors in Healthcare course. The course uses the HQCA's Simulation Based Mock-up Evaluation Framework as a foundation, and explores the role of human factors in healthcare across a variety of applications, including safety and quality improvement, procurement, process implementation, and capital planning. This 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 2019-20, we delivered the Human Factors in Healthcare course three times. In total, 42 participants representing a varied demographic of healthcare service providers from Alberta, B.C., Saskatchewan and Japan have taken the course. The level of engagement was high – evident by a community of practice that was initiated by one of the course participants to provide a forum for the ongoing sharing of resources and best practices.

BUILD CAPACITY

Healthcare Facility Mock-up Evaluation Guidelines

Work continued over the past year on the *Healthcare Facility Mock-up Evaluation Guidelines: Using Simulation to Optimize Return on Investment (ROI) for Quality and Patient Safety*. The intent is to present evidence-based guidelines outlining which mock-up type would optimize cost effectiveness and outcomes (quality and patient safety) as part of a healthcare facility design process.

Proactively identifying opportunities to enhance quality and patient safety through hospital design before construction can avoid costs associated with future renovations to achieve the same opportunities.

The guidelines will be useful to organizational leadership who are currently considering, planning, or conducting a simulation-based mock-up evaluation. We expect to release the guidelines in 2020 to key stakeholders, and share publicly at hqca.ca/humanfactors.

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 insight 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.

LONG-TERM CARE

The first Quality Exchange was a four-part series that profiled positive stories from long-term care facilities in Alberta. These facilities either demonstrated improvement or maintained strong results in the HQCA's Long-term Care Family Experience Surveys. This series wrapped up in 2019 with webinars and panel sessions that reached more than 100 healthcare professionals.

PRIMARY CARE

The second Quality Exchange was a two-part primary healthcare campaign. First, the focus was on colorectal cancer screening. A series of resources were developed to highlight how two primary care networks (Calgary Foothills and Big Horn), and one primary healthcare clinic (Evanston Medical Clinic in Calgary) achieved higher colorectal cancer screening rates than the provincial average. Our webinar was well attended and the related material on successful screening strategies was promoted and shared widely in the healthcare community.

The second primary healthcare campaign focused on relational continuity. The HQCA 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 lives of those living with COPD, and other chronic illnesses. The release of this material was put on hold due to the COVID-19 pandemic and will be published in summer 2020.

BUILD CAPACITY

Just culture



This collaborative project, supported by Health Quality Network (HQN) members¹, 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 to leverage existing knowledge to create a common understanding of what just culture is and developing resources to help organizations establish their own frameworks for just culture.

In the past year, the HQCA has been developing 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 will be available in 2020-2021 from the just culture website (justculture.hqca.ca).

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.

The Re-imagine project

At the HQCA, we sincerely believe leaders and mentors exist in all roles and at all levels of an organization and Re-imagine is a reflection of that belief. 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. Re-imagine is led by our employees and is sponsored by our executive team and Board of Directors.

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.



Measure to improve

Measure, analyze and report on healthcare delivery to drive actionable improvement that enhances the quality of healthcare for Albertans.

Primary Healthcare Panel Reports

Since 2011, the HQCA has been providing Primary Healthcare Panel Reports for primary healthcare providers at the individual physician, clinic, Primary Care Network (PCN), zone, and provincial levels. Working with other healthcare partners, (including Alberta Health, Alberta Health Services, PCNs, primary care providers, and patients) the HQCA enhanced the reports to increase their usability and uptake.

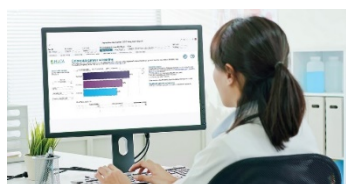


In 2020, the HQCA developed reports exclusively in an interactive **digital format**. The physician report includes more than **30 measures** that can be viewed by applying two to seven filters per measure, providing tens of thousands of **different ways to consider the data**.

The HQCA continues to promote the reports to family physicians in Alberta at conferences and through presentations and webinars.

Primary Healthcare Panel Reports are standardized reports that use administrative health data to provide information about the physician, clinic, or PCN patient panel. These confidential reports include measures related to patient demographics, health conditions, selected aspects of patient management and health service utilization – and new in 2020, laboratory utilization and sedating medications for older adults. The reports can be 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.

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



Primary healthcare panel reporting initiative for 2019-20:

- **Approximately 1,500** proxy physician reports **and 41** PCN reports were released in March 2020. The release of clinic-level and Confirmed Patient List reports were paused because of COVID-19.

MEASURE TO IMPROVE

Evaluation of alternative funding models

The HQCA completed our evaluation of alternative funding models at the Crowfoot Village Family Practice and Taber Clinic. The study was shared with key stakeholders and all Albertans in December 2019 – and attracted significant interest. It described the relationship between the funding model, the implementation of the respective practice models, the impact on provider and patient experience, outcomes of care, health system value, as well as how contextual factors influence these observed impacts. This work was conducted with external advisors who offered a broad range of expertise in primary healthcare delivery and structure, funding models, team processes and functions.



The HQCA learned that in 2016-17, the practice models delivered by Crowfoot Village and Taber Clinic realized health system cost savings of **\$4.3 million** and **\$7.2 million** respectively. This trend of health system cost savings has been consistent since 2007-08 with 10-year accumulated savings of **\$57.3 million** and **\$62.2 million** respectively.

Alberta PROMs & EQ-5D Research & Support Unit (APERSU)

The HQCA continued to support the use of EQ-5D, a patient-reported outcome measure (PROM) that captures five dimensions of health-related quality of life: mobility, self-care, usual activities, pain/discomfort, and anxiety/depression. It has been embedded into the HQCA's Emergency Department and Primary Care Experience Surveys.

We collaborated with the EuroQol Foundation, the University of Alberta, Alberta Health Services, and Alberta Health, to establish a research and support unit (APERSU) at the University of Alberta. Through this support, the APERSU has supported healthcare providers, particularly in primary care, implement the use of the ED-5D to assist in the assessment of patient outcomes.

Evaluation of the CII/CPAR initiative

Through a grant from Alberta Health, the HQCA is overseeing an evaluation of the Community Information Integration (CII) and Central Patient Attachment Registry (CPAR) initiative. The project goal is 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 is scheduled to be released in fall of 2020.

MEASURE TO IMPROVE

Advancing the addictions and mental health principles-based measurement framework: 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 is 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 report of the findings will be shared with Alberta Health in fall 2020. Following that, a summary of key findings will be made publicly available on the HQCA 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.

Indigenous cultural sensitivity

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. We also continued partnering with Alberta First Nation Information Governance Centre and the Emergency Department Strategic Clinical Network on exploring Indigenous quality of care experiences in the Emergency Department.



Monitor the health system

Monitor and report on health system performance over time and enable comparison where appropriate to inform improvement.

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, economic (cost-effectiveness), and clinical indicators that support our mandate to monitor and report on health service quality and patient safety.



The **FOCUS on Healthcare website** provides an integrated and systemic view of monitoring the health system. Upon completion, it will present more than **250 measures** that describe patient experiences, their health outcomes, and the costs of our healthcare system on an ongoing basis.

EMERGENCY DEPARTMENTS

The Emergency Departments website was the HQCA's first foray into the HQCA's FOCUS on Healthcare website. The Emergency Departments data 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 59,000 respondents who have recently visited an emergency department. We also include Emergency Department and hospital 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 will incorporate **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.

MONITOR THE HEALTH SYSTEM

PRIMARY HEALTHCARE

Primary Healthcare was the second area included in the HQCA's FOCUS on Healthcare monitoring website, and was launched in October 2018, with patient experience measures added in March 2019. This website features 15 interactive charts with information about what patients experience with primary healthcare in Alberta.

People can view an assortment of measures that have been identified as important to primary care providers and the HQCA. 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 between 41 Primary Care Networks (PCNs). The primary care data is updated annually.



In 2020, 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** and **Emergency Medical Services** in the coming year.

CONTINUING CARE

In November 2019, the HQCA expanded its FOCUS on Healthcare website to include the three areas of continuing care in Alberta: long term care, designated supportive living, and home care. The site was developed using input from the continuing care stakeholder community, including citizen advisors. The information on the website is reported via 68 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 in continuing care sites and at homes.

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.

MONITOR THE HEALTH SYSTEM

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

Work was initiated on the next area of the FOCUS on Healthcare website – FOCUS on Hospital Care. The HQCA consulted with clinical and analytic stakeholders as well as patient/family advisors to gain insight on the best data sources and measures for hospital care. The hospital care section of FOCUS on Healthcare will be released in 2020-2021.



Engage the public

Bring the voice of Albertans to the HQCA's work.

Primary Care Patient Experience Survey

The HQCA uses its 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. 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 grow and provincial-level survey results are included on the FOCUS on Healthcare website.

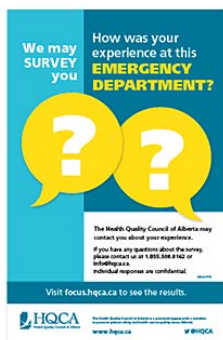


In 2019-20, more than **3,200 Albertans** participated in the clinic and provincial versions of the HQCA's Primary Care Patient Experience Survey.

Since launch, we've had more than **8,000 patients** respond to the survey.

Emergency Department Patient Experience Survey

The HQCA has surveyed patients who have visited Alberta emergency departments 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 emergency departments. 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. Results are shared with the facilities as well as in select measures on the FOCUS website.



Almost **59,000 completed surveys** since 2016.

ENGAGE THE PUBLIC

Alberta Seniors Home Care Client Experience Survey

After robust stakeholder consultations, the HQCA released the Alberta Seniors Home Care Client Experience Survey report in the fall 2019. The report highlighted areas of success and opportunities for improvement in home care services. The results indicate that the rating of overall home care experience is moving in a positive direction. Clients, who were asked questions on personal services, professional services as well as case management and case planning, rated their overall experience in home care at 8.3 out of 10, compared to 8.1 in 2015.



6,914 clients receiving home care services were surveyed in 2018. The provincial response rate was **59 per cent**.

77 per cent of clients said home care helped them stay home.

The Impact on Unpaid Informal Caregivers

A significant number of informal caregivers look after seniors in Alberta. This support enables their loved one to receive the additional care needed, beyond our province's healthcare services, to continue living at home. In the fall of 2019, the HQCA released *The Impact on Unpaid Informal Caregivers Who Support Their Aging Loved Ones* which involved in-depth in-person interviews with 29 informal caregivers who shared their personal experiences. Based on what we heard, the HQCA recommended healthcare system leaders take action – to recognize the informal caregiving role, ask about caregiver needs, and address the unmet needs of caregivers.



The projected healthcare system savings when caregivers help loved ones remain at home is **\$3 billion annually**.

The estimated number of support hours provided by informal caregivers in Alberta is **200 million annually**.

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. The analysis is underway, and results will be shared in the summer/fall of 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.

ENGAGE THE PUBLIC

Long Term Care Family Experience Survey

Work was initiated for the fifth iteration of the Long term Care Family Experience survey. This survey provides both a system-wide look at long term care across the province as well as detailed facility-level reports to help inform future improvements. The survey asks questions about staffing levels, care of belongings, food services, kindness and respect, meeting basic needs, and more. While the timeline for the 2020 Long Term Care Family Experience Survey is affected by COVID-19, the HQCA will continue to monitor the appropriate time to continue this important work.

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 citizen, 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 2019-20, 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 Reference 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; the Home Care Client Experience Survey; the Informal Caregivers report; the Just Culture website; Quality Exchange; and, HQCAMatters blog
- Supported to attend conference and events:
 - What Outcomes Matter to Albertans focus group (in collaboration with IMAGINE – Citizens and O'Brien Institute)
 - IMAGINE – Citizens Collaborating for Health (Partners in the Power of Information Sharing: Educate, Empower, Engage Conference)
- Participating in an Alberta Health working group on measuring patient experience
- Participating on the Canadian Patient Safety Institute's Patient Alliance
- Participating on the Canadian Foundation for Healthcare Improvement (CFHI) Diversity in Engagement Steering Committee



- **11 committee members**, representing **9 different locations** across Alberta
- Engaged in **dozens of health system quality and patient safety activities** in 2019-20

ENGAGE THE PUBLIC

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 \$2,500) 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.



- The Patient Experience Awards were featured on social media. Albertans engaged more than **2,100** times with the content celebrating the recipients.
- Videos commemorating the four initiatives were viewed more than **7,200** times.

The HQCA and its Patient and Family Advisory Committee selected the following four initiatives to receive awards for 2019:

- Through the NowICU project, the Neonatal Intensive Care Unit at the Misericordia Hospital in Edmonton uses customized, secured iPads to help bond parents with their baby, when the baby and parent are too sick to move.
- Pathologists and surgeons at the Head and Neck Surgery clinic at the University of Alberta Hospital collaborate to deliver a better biopsy experience. Patients and their family members benefit from specially trained pathologists who collect and interpret biopsy material, engage patients and family members in the procedure, and provide timely diagnosis (48 to 72 hours).
- The Edmonton Prostate Interdisciplinary Cancer Clinic provides a collaborative, multidisciplinary model of care for patients with advanced prostate cancer, who are no longer responding to standard care treatments. This includes providing patients with direct accessibility to their care team through a nurse coordinator.
- The Transitional Pain Service team at Alberta Health Services' South Health Campus takes a multi-modal approach to pain management and implements a standard system of communicating with primary healthcare providers that ensures safer and more transparent transitions in care for patients between the hospital and their home and community.

FINANCIAL STATEMENTS

Year Ended March 31, 2020

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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 Andrew Neuner)

Chief Executive Officer
Andrew Neuner
May 28, 2020

(Original signed by Jessica Wing)

Director, Financial Services
Jessica Wing
May 28, 2020

INDEPENDENT AUDITOR'S REPORT

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, 2020, 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, 2020, 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 28, 2020

Edmonton, Alberta

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

	2020		2019
	Budget	Actual	Actual
	(Note 4)		
Revenues			
Government transfers			
Alberta Health - operating grant	\$ 6,585	\$ 6,560	\$ 7,222
Investment income	20	27	22
Other revenue	-	25	70
	<u>6,605</u>	<u>6,612</u>	<u>7,314</u>
Expenses			
Administration	2,072	2,111	1,893
Health system analytics	2,563	2,596	2,348
Health system improvement	1,419	1,425	1,520
Communication	902	946	993
Ministerial assessment/study	220	79	719
	<u>7,176</u>	<u>7,157</u>	<u>7,473</u>
Annual operating (deficit)	(571)	(545)	(159)
Accumulated operating surplus, beginning of year	1,767	1,767	1,926
Accumulated operating surplus, end of year	<u>\$ 1,196</u>	<u>\$ 1,222</u>	<u>\$ 1,767</u>

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)

	2020	2019
Financial Assets		
Cash	\$ 1,017	\$ 1,462
Accounts receivable	30	60
	<u>1,047</u>	<u>1,522</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	686	757
Employee future benefits (Note 7)	134	121
Deferred revenue (Note 8)	-	-
Deferred lease inducements (Note 9)	111	147
	<u>931</u>	<u>1,025</u>
Net Financial Assets	<u>116</u>	<u>497</u>
Non-Financial Assets		
Tangible capital assets (Note 10)	936	1,188
Prepaid expenses	170	82
	<u>1,106</u>	<u>1,270</u>
Net Assets	<u>1,222</u>	<u>1,767</u>
Net Assets		
Accumulated operating surplus (Note 12)	<u>\$ 1,222</u>	<u>\$ 1,767</u>

Contractual obligations (Note 11)

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)

	2020		2019
	Budget	Actual	Actual
Annual operating (deficit)	\$ (571)	\$ (545)	\$ (159)
Acquisition of tangible capital assets (Note 10)	(74)	(44)	(374)
Amortization and write down of tangible capital assets (Note 10)	293	296	253
(Increase) in prepaid expenses	-	(88)	(15)
(Decrease) in net financial assets in the year	(352)	(381)	(295)
Net financial assets, beginning of year	497	497	792
Net financial assets, end of year	\$ 145	\$ 116	\$ 497

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)

	2020	2019
Operating Transactions		
Annual operating (deficit)	\$ (545)	\$ (159)
Non-cash items:		
Amortization and write down of tangible capital assets (Note 10)	296	253
Amortization of deferred lease inducements (Note 9)	(36)	(37)
Increase in employee future benefits (Note 7)	13	27
	(272)	84
Decrease (Increase) in accounts receivable	30	(11)
(Increase) in prepaid expenses	(88)	(15)
(Decrease) Increase in accounts payable & accrued liabilities (Note 6)	(71)	130
(Decrease) in deferred revenue	-	(6)
Increase in deferred lease inducements (Note 9)	-	86
Cash (used) provided by operating transactions	(401)	268
Capital Transactions		
Acquisition of tangible capital assets (Note 10)	(44)	(374)
Cash (applied to) capital transactions	(44)	(374)
(Decrease) in cash	(445)	(106)
Cash at beginning of year	1,462	1,568
Cash at end of year	\$ 1,017	\$ 1,462

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

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020
(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 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.

HEALTH QUALITY COUNCIL OF ALBERTA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

(thousands of dollars)

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:

<u>Financial Statement Component</u>	<u>Measurement</u>
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.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020
(in thousands)

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.

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020
(in thousands)

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 ACCOUNTING CHANGES

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

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**

Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

- **PS 3400 Revenue (effective April 1, 2022)**

This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

HEALTH QUALITY COUNCIL OF ALBERTA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

(in thousands)

Note 4 BUDGET

The HQCA's 2019-2020 operating budget with a budgeted deficit of (\$571) was approved by the Board of Directors on February 7, 2019 and submitted to the Ministry of Health.

Note 5 FINANCIAL RISK MANAGEMENT

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

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

(a) Interest rate risk

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

(b) Liquidity risk

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

(c) Other price risk

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

(d) Credit risk

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

Note 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities is \$160 (2019 - \$0) 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.

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 \$388 for the year ended March 31, 2020 (2019 - \$405).

At December 31, 2019, the Local Authorities Pension Plan reported a surplus of \$7,913,261 (2018 – surplus of \$3,469,347).

HEALTH QUALITY COUNCIL OF ALBERTA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

(in thousands)

The fair value of the pension plan is subject to significant market volatility due to the economic crisis stemming from the global pandemic COVID-19 virus. To the extent that the pension plan may not recover market-losses during the remainder of 2020, the funded status of the plan would experience a correlated decline. The financial market impact of the outbreak has been rapidly evolving, which precludes a reasonable estimate of the impact.

The Supplementary Executive Retirement Plan (SERP) payable at year ended March 31, 2020 is \$134 (2019 - \$121). The current year contribution related to this plan is \$13 (2019 - \$27).

Note 8 DEFERRED REVENUE

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

	2020	2019
Balance, beginning of the year	\$ -	\$ 6
Amount received during the year	-	-
Less: Amount recognized as revenue	-	(6)
Balance, end of the year	\$ -	\$ -

Note 9 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.

	2020	2019
Lease inducements - rent free periods	\$ 209	\$ 209
Less accumulated amortization	(98)	(62)
	\$ 111	\$ 147

Note 10 TANGIBLE CAPITAL ASSETS

	2020				2019
	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	\$ 813	\$ 1,013	\$ 2,227	\$ 1,880
Additions	-	44	-	44	374
Disposals, including write-downs	-	(38)	-	(38)	(27)

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020
(in thousands)

	401	819	1,013	2,233	2,227
Accumulated Amortization					
Beginning of year	217	300	522	1,039	813
Amortization expense	32	139	123	294	253
Effect of disposals, including write-downs	-	(36)	-	(36)	(27)
	249	403	645	1,297	1,039
Net book value at March 31, 2020	\$ 152	\$ 416	\$ 368	\$ 936	
Net book value at March 31, 2019	\$ 184	\$ 513	\$ 491		\$ 1,188

HEALTH QUALITY COUNCIL OF ALBERTA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

(in thousands)

Note 11 CONTRACTUAL OBLIGATIONS

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

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

Year ended March 31	Total lease payments
2020 - 21	\$ 475
2021 - 22	479
2022 - 23	479
Thereafter	-
	<u>\$ 1,433</u>

Note 12 ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus is comprised of the following:

	2020			2019	
	Investment in Tangible Capital Assets ^(a)	Internally Restricted Surplus ^(b)	Unrestricted Surplus (Deficit)	Total	Total
Balance, April 1, 2019	\$ 1,186	\$ 581	\$ -	\$ 1,767	\$ 1,926
Annual operating (deficit)	-	-	(545)	(545)	(159)
Net investments in capital assets	(250)	-	250	-	-
Transfers, prior year restricted	-	(581)	581	-	-
Transfers, current year restricted	-	286	(286)	-	-
Balance, March 31, 2020	<u>\$ 936</u>	<u>\$ 286</u>	<u>\$ -</u>	<u>\$ 1,222</u>	<u>\$ 1,767</u>

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

HEALTH QUALITY COUNCIL OF ALBERTA

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2020

(in thousands)

Note 12 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:

	2020	2019
Experience surveys	\$ 218	\$ -
FOCUS on Healthcare	50	-
Ministerial assessments and studies	18	-
Measure to improve	-	240
Monitor the health system	-	37
Engage with the public	-	304
	<u>\$ 286</u>	<u>\$ 581</u>

Note 13 COMPARATIVE FIGURES

Certain 2019 figures have been reclassified to conform to the 2020 presentation.

Note 14 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the HQCA Board of Directors on May 28, 2020.

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

	2020		2019
	Budget	Actual	Actual
Salaries and benefits	\$ 3,819	\$ 3,979	\$ 4,207
Supplies, services and other	3,064	2,884	3,013
Amortization of tangible capital assets (Note 10)	293	294	253
	\$ 7,176	\$ 7,157	\$ 7,473

HEALTH QUALITY COUNCIL OF ALBERTA

SCHEDULE 2 – SALARY AND BENEFITS DISCLOSURE

Year ended March 31
(thousands of dollars)

	2020			2019	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non- Cash Benefits ⁽³⁾	Total	Total
Board of Directors-Chair	\$ -	\$ 19	\$ -	\$ 19	\$ 13
Board of Directors-Members	-	54	-	54	50
Chief Executive Officer	249	6	43	298	453
Executive Director	184	-	34	218	219
	\$ 433	\$ 79	\$ 77	\$ 589	\$ 735

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include honoraria for board members and vehicle allowance, flexible spending allowance and vacation payouts to employees. There were no bonuses paid in 2019/2020.

(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.

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.

	2020	2019
Revenues		
Grants	\$ 6,560	\$ 7,222
Other	6	33
	<u>\$ 6,566</u>	<u>\$ 7,255</u>
Expenses		
Other services	\$ 114	\$ 301
	<u></u>	<u></u>
Receivable from related parties	<u>\$ 1</u>	<u>\$ -</u>
	<u></u>	<u></u>
Payable to related parties	<u>\$ 29</u>	<u>\$ 19</u>



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