

Engage. Assess. Improve.

2022-23 Annual Report



Improving Healthcare Together

Table of Contents



Letter From the Chair	1
Letter From the CEO	2
Strategic Framework	3
Governance	5
Board Committees	6
Activities and Accomplishments	8
Financial Statements	19
Management's Responsibility for Financial Reporting	21
Independent Auditor's Report	22
Statement of Operations	25
Statement of Financial Position	26
Statement of Change in Net Financial Assets	27
Statement of Cash Flows	28
Notes to the Consolidated Financial Statements	29
Schedule 1 – Expenses – Detailed by Object	38
Schedule 2 – Salary and Benefits Disclosure	39
Schedule 3 – Related Party Transactions	40

Letter from the Chair



As my term as Board Chair ends, I reflect on the past three years of opportunity and growth for the HQCA. During this time the organization saw and responded to a change in legislation that significantly reframed our mandate and role, recruited a new chief executive officer, rebuilt the Board, and managed the challenges and uncertainties the pandemic introduced to the healthcare system and our work.

It is a credit to our talented staff, exceptional leadership team, and highly committed Board members, present and past, that the HQCA has moved forward so steadily and successfully through this period of extraordinary change. The rebuilding and sustaining of relationships with our strategic partners in healthcare must also be highlighted as the foundation for this resilience.

In 2022-23, the HQCA delivered on its role to inspire improvement in person-centred care, health service quality and patient safety. Working closely and collaboratively with partner organizations, we contributed to system measurement and improvement through the many initiatives, activities, and tools described in this annual report.

Going forward, the HQCA will continue to serve as a trusted and objective advisor to the healthcare system. Our team has the specialized knowledge and tools both to respond to the priorities of government and other health system stakeholders, and to anticipate areas of need and opportunity. Clear attention, deep thinking, and a will to action are critical to system sustainability, and these are all areas of strength for the HQCA.

The Board has seen firsthand what we have often heard others praise: the remarkable quality and integrity of the people, their work, and the way they are led. The staff, together with the Patient and Family Advisory Committee (PFAC), bring the expertise and insights that make the achievements highlighted in this report possible.

Serving as Board Chair has been a great privilege, and I wish the team, PFAC, and the Board continued success under the leadership of incoming Board Chair Jacquelyn Colville. She, too, will take the measure of the excellence of the organization, knowing what it does and how well it does it. Many important conversations are underway to guide improvement in the healthcare experience of Albertans, and there is much to look forward to.

(Original signed by Brent Windwick)

Brent Windwick, QC
Outgoing Board Chair
May 2023



“In 2022-23, the HQCA delivered on its role to inspire improvement in person-centred care, health service quality and patient safety.”

Letter from the CEO



Preparing the annual report is a welcome opportunity to take stock of where we have been and where we are headed. In 2022-23 we enjoyed a return to some of the in-person activities that support our mandate “to promote and improve patient safety, person-centred care, and health service quality.”

This included delivery of our Human Factors in Healthcare course, which had been paused since 2020, some onsite survey work, and our Patient and Family Advisory Committee meetings. After two years of remote work, our staff transitioned to a hybrid work environment on our return to the office. We continued to engage both in person and virtually with stakeholders, across Alberta and elsewhere, on priority projects in support of healthcare improvement.

Interest in our Primary Healthcare Panel Reports grew again last year, and we made considerable progress in enhancing some of the other tools that support quality improvement. This included our FOCUS on Healthcare website, Systematic Systems Analysis methodology, and other online resources for healthcare providers.

Our public information campaign aimed at helping Albertans become more active in their own healthcare was expanded. We engaged with members of the South-Asian and Filipino communities to create targeted resources translated in five languages. This project aligned well with our work to develop an effective public engagement program, and it was an example of how we are integrating the concept of person/people-centred care into our work.

Trusted for our objectivity, we were asked by Alberta Health to identify key performance indicators for emergency medical services (EMS) in Alberta, and to assess why Albertans may have experienced a care deficit during the pandemic and how

it may have affected their health. Alberta Health Services (AHS) asked us to review the EMS response time to a fatal dog attack in Calgary in June 2022. Our extensive survey program enabled us to gather rich data from Albertans about their experiences in emergency departments, primary care, home care, and continuing care. For the first time, we conducted our long-term care and designated supportive living resident and family experiences surveys simultaneously, thereby shortening the survey cycle in the future to allow for more frequent reporting of Albertans’ feedback. We engaged key stakeholders and partners in the automated survey response process, including the Blackfoot Confederacy, academic partners, and AHS, and we moved closer to transitioning to a digital reporting format for all survey findings.

In these and other ways, our team continued to demonstrate a passion and aptitude for exploring innovative approaches to our work. I’m proud of these accomplishments and the many others our team achieved in 2022-23, and I look forward to sharing further progress in one year’s time.

(Original signed by Charlene McBrien-Morrison)

Charlene McBrien-Morrison

Chief Executive Officer

May 2023

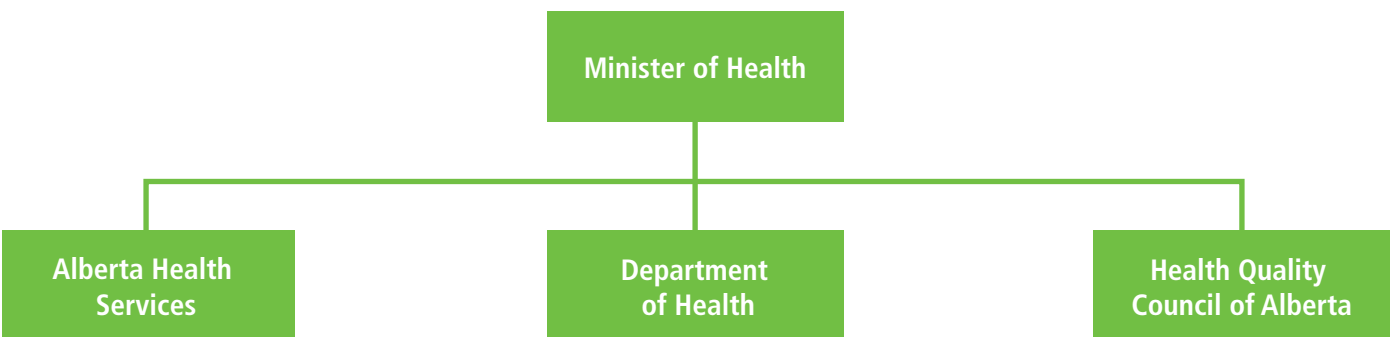
Strategic Framework



The mission, vision, values, and three strategic priorities for 2022-23, established by our Board of Directors, provided overarching direction for the HQCA.

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 establishes the Government of Alberta's strategic direction for health, including advising government on health policy, legislation and standards, and public health concerns; monitoring and reporting health system performance; setting policies and priorities for the electronic/digital health environment; and, providing oversight and ensuring accountability across the health system. AHS is the provincial health authority responsible for planning and delivering health supports and services for adults and children living in Alberta.

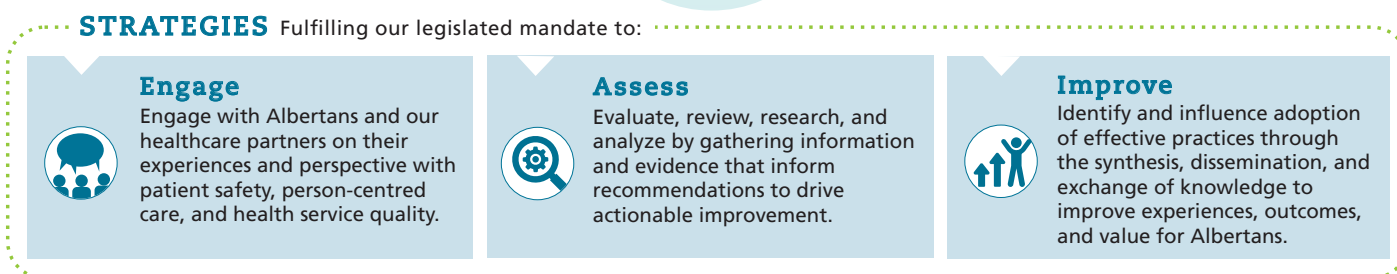
The HQCA has a legislated mandate to promote and improve patient safety, person-centred care, and health service quality on a province-wide basis. Our responsibilities are set forth in the *Health Quality Council of Alberta Act*. Our work is guided by a strategic framework that highlights our vision, mission, and values, and defines our strategic areas of focus.

Strategic Framework



Strategic Areas of Focus

The Strategic View provides the framework that guides the HQCA's strategic decision-making and planning.



Governance



Our Board of Directors includes health professionals, business leaders, academic representatives, and members of the public. The Health Minister is responsible for appointing our Board members, including a new Board Chair effective May 2023.

Chair

- Brent Windwick, Edmonton (January 2020 – May 2023)

Board of Directors, 2022-23

- Jacquelyn Colville, Edmonton (2017* – present; Chair effective May 2023)
- Dr. Pamela Hawranik, Airdrie (2021 – present)
- Clifford D. Johnson, Calgary (2021 – present)
- Masood Peracha, Edmonton (2018 – present)
- Dr. Greg Powell, Foothills County (2021 – present)
- Dr. Carlyn Volume-Smith, Sherwood Park (2021 – present)

The HQCA Board is also supported by Chief Executive Officer Charlene McBrien-Morrison, who serves as an ex-officio member of the Board.



From left: Masood Peracha, Dr. Pamela Hawranik, Dr. Greg Powell, Brent Windwick, Jacquelyn Colville, Clifford D. Johnson, and Dr. Carlyn Volume-Smith.

* Jacquelyn Colville served as an external (non-voting) member of the Board from 2017 – 2021. She was appointed to the Board by the Minister in 2021, and in April 2023 she was appointed Board Chair.

Board Committees



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 objectives 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 and 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. It 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 was created as a strategic initiative through the provincial Patient Safety Framework for Albertans published by the HQCA in September 2010. The committee 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.



Board Committees



Patient and Family Advisory Committee



Sue Peters,
St. Albert
(Chair*)



Alta Magee,
Bow Island
(Vice-Chair*)



B Adair,
Stettler



Jamie Hodge,
Calgary



Jenny Ye,
Calgary



Katelyn Greer,
Calgary



Krystal Reusch,
Edmonton



Leona Ferguson,
Brooks



Leonard J. Auger,
Grande Prairie



Medgine Mathurin,
Edmonton



Nana Thaver,
Sherwood Park



Teena Cormack,
Lethbridge

* June 2021 – June 2023

Engage. Assess. Improve.



In 2022-23, the HQCA furthered its legislated mandate to promote and improve patient safety, person-centred care, and health service quality across the province.

Patient and Family Advisory Committee

The committee contributes to numerous HQCA initiatives year-round. For example:

- Partnering on the Patient Experience Awards program
- Participating on the Inclusivity and Diversity Committee
- Providing a patient/family perspective on many other major projects, such as:
 - patient engagement program
 - person-centred care and the Alberta Quality Matrix for Health review
 - experience surveys
 - public information campaign
 - Quality Exchange
 - Alberta Health Services Emergency Medical Services Incident Review
 - disclosure of harm materials review and refresh
 - FOCUS on Healthcare website
- Supporting initiatives organized by HQCA external partners



Engage. Assess. Improve.



Patient Experience Awards

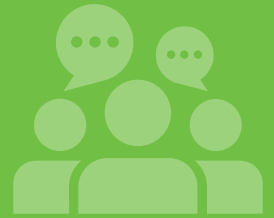
The annual Patient Experience Awards, a collaboration between the HQCA and our Patient and Family Advisory Committee, recognize and celebrate initiatives that improve the patient experience. We receive applications from across the province and from a variety of care settings. The selected initiatives receive \$2,000 in funding to attend or host a patient experience, quality, or education event. Additionally, details about their initiative are shared through a video profile widely promoted by the HQCA.

Four initiatives received awards in 2022:

- Improved integration of radiology, surgery, and pathology for early breast cancer patients at the Cross Cancer Institute in Edmonton is reducing the frequency of repeat surgery. Radiologists detecting tiny cancers will target the location for surgery. Previously, pathologists would determine successful removal of those targets and cancer days later, and if anything was missed, a repeat operation might become necessary. Now, pathologists in the operating room create X-ray images of the tissue being removed in real time to support the surgeon and enable precise cancer location and removal in one step. The initiative is improving surgery outcomes for patients and reducing the overall number of surgeries performed.
- The Infant and Preschool Assessment Service (IPAS) at the Glenrose Rehabilitation Hospital in Edmonton sought to improve access to early diagnosis of autism spectrum disorder, made more difficult during the COVID pandemic. In place of the traditional in-person assessments at the hospital, the IPAS team redesigned intake and assessment processes, partnered with community service providers, and created a now internationally recognized virtual diagnostic tool. This flexible approach increased access, enhanced family involvement, and provided a more complete and realistic assessment of children by observing them in their homes. For rural and remote communities, it has removed the stress and financial strain associated with travel.



Engage. Assess. Improve.



- The Complex Care Hub provides a Home Hospital care model as an alternative to traditional hospitalization for patients with complex conditions who require hospital-level care but can sleep at home. Operating out of Rockyview General Hospital and South Health Campus in Calgary, doctors and nurse navigators together oversee the care plan, coordinate services, and connect with primary care. Daily visits occur in patients' homes either by community paramedics who consult with the doctors, or through virtual doctor appointments. The program envelopes patients with the medical care and services they need to heal from their acute illness and empower them to manage their chronic conditions, regain their function and independence, and reduce their risk of readmission.
- The Low-Stimulus Immunization Clinic in Calgary was created in March 2021 to support neurologically diverse clients in accessing COVID immunizations. Clients expressed the need for a quieter, calmer environment to support them in being immunized. Clients included those with severe needle phobias, PTSD, autism, and a variety of other neurodiversities. The staff worked with the client's family or guardian to design a care plan and gather information before the appointment. This planning helped to adapt the appointment to the individual's needs and reduce the time needed in the clinic.



PATIENT EXPERIENCE AWARDS

Since launching in 2016, the Patient Experience Awards have celebrated 32 initiatives across the province that had:

- Evidence from the patient perspective that something needed to be improved
- Engaged patients and/or their family members in the process to improve
- Acted on patient and/or family feedback
- Demonstrated how their patients' and their families' experiences were improved by this approach or initiative



Engage. Assess. Improve.



Public Outreach – Engaging Albertans in Their Health

At the close of our last fiscal year in March 2022, we launched our first public information campaign, which offered new resources designed to support patients, families, and caregivers to be active partners in their healthcare. These resources included ‘Tips for Talking with Your Healthcare Team,’ ‘Questions to ask About Your Treatment Options,’ and more.

In the second quarter of 2022-23 we piloted a campaign focused on the South-Asian population in Calgary, with content and promotion customized for this audience, including materials made available in Punjabi, Hindi, Urdu, and Pashto. We engaged with healthcare providers to ensure the content was relevant to their clinical settings as well as multiple health system partners to promote use of the resources. We ran our South-Asian campaign throughout Alberta in the fall, and in our fourth quarter we introduced a province-wide campaign featuring Tagalog materials for Alberta’s Filipino population. This most recent campaign used learnings from our pilot campaign to address areas for improvement.



ENGAGING ALBERTANS IN THEIR HEALTHCARE

- The video advertisements for the South-Asian community campaign received more than **291,000 views** between July 18 to August 19, 2022, a significant number in comparison to our YouTube channel’s total views of 12,000 as of July 18, 2022.
- The Filipino community resources webpage received over **16,000 page views** over a three-week period starting in March 2023 – more than double the page views received in the previous community-specific campaigns.
- To develop the Filipino and South-Asian community resources, **57 individuals** were engaged, including focus group participants, community advisors, patient advisors, healthcare providers, translation reviewers, and website usability study participants.
- Since March 2022, the HQCA has launched three campaigns providing **33 online resources** for patients and families in seven languages (English, French, Tagalog, Punjabi, Hindi, Urdu, and Pashto).

ACTIVITIES AND ACCOMPLISHMENTS

Engage. Assess. Improve.



Public Engagement Program

With the update to our mandate to include engaging with Albertans, we undertook a scoping and literature review in 2022-23 to understand leading approaches to engagement and ensure we implement ethical and effective practices. We also conducted a gap analysis of HQCA staff, Board, and PFAC knowledge and attitudes toward diversity, equity, and inclusion (DEI) concepts and issues. These activities informed efforts and plans to grow our internal capacity to better hear and reflect the diverse voices of the many populations in Alberta with whom we engage. Relationship-building with Indigenous health peers and other community-based groups grew as opportunities to meet in person became available. Learnings from all engagement activities in 2022-23 informed planning for ongoing, thoughtful opportunities to connect with and learn from more than 5,500 Albertans who have opted in to participate in future HQCA engagement opportunities.

Emergency Department Patient Experience Survey

Thousands of Albertans were surveyed about their experiences at Alberta's 16 busiest emergency departments in 2022-23. This telephone survey asks patients about staff care and communication, wait time and crowding, pain management, facility cleanliness, and more. Datasets are shared monthly with Alberta Health Services, and results are used to inform their patient experience improvement efforts. Select measures are reported on the HQCA's FOCUS on Healthcare website. Last year, we partnered and completed a data-sharing agreement with the Compassion Research Lab at the University of Calgary to supplement our patient experience survey with the Sinclair Compassion Questionnaire, considered the gold standard in measuring compassion in clinic settings.



EMERGENCY DEPARTMENT PATIENT EXPERIENCE SURVEY

More than **100,000 Albertans** have been surveyed about their experiences in emergency departments since the current survey was introduced in 2016. Roughly 20,000 were interviewed in 2022-23.

Facility-based Resident and Family Experience Survey

In 2022-23, for the first time, we conducted our long-term care and designated supportive living resident and family experience surveys at the same time, as part of our new Facility-based Continuing Care Survey. This process shortens the HQCA's continuing care survey cycle to enable more frequent reporting of resident and family feedback. The HQCA surveys family members and residents in long-term care and designated supportive living facilities across Alberta. The information we collect and analyze is shared with each facility, Alberta Health Services, and the Department of Health to help inform future improvements. Data collection initiated in 2022 was interrupted by numerous COVID outbreaks at facilities; results will be available in 2023.

Engage. Assess. Improve.



Home Care Client Experience Survey

The HQCA periodically surveys home care clients through the Alberta Seniors Home Care Client Experience Survey. Last year we focused on preparing for the survey launch in 2023-24 to ensure alignment with overall direction of the sector. We consulted stakeholders about expanding the survey scope to include additional client types not surveyed previously, and to survey all adults instead of seniors only. In response to overwhelming support of these changes, we also consulted with stakeholders about redesigning the survey. This survey work is done in collaboration with Alberta Health Services and Alberta Health, and previous surveys were carried out in 2015 and 2018.

Primary Care Patient Experience Survey

In 2022-23, the HQCA continued its work to provide survey data to clinics and primary care networks (PCNs) that have already signed on to receive it, and to recruit new clinics and PCNs. The Primary Care Patient Experience Survey reports offer meaningful information to providers from the patients who visit them. Confidential survey results are provided directly to the physician for practice improvement. Aggregate information is provided to participating clinics and PCNs. Provincial-level results are reported on the HQCA's FOCUS on Healthcare website. Last year we engaged with stakeholders to review the survey process and content and to ensure the reports we provide continue to meet their needs. Survey content was revised with their input along with the Provincial Primary Care Network Committee mandate and two-year priorities. Work has begun to revamp the survey and processes, shifting to digital reporting within the Primary Healthcare Panel Reports. The HQCA has been conducting the Primary Care Patient Experience Survey since 2016.

COVID-19 Care Deficit and Impacts and Experience Survey

Difficulty accessing healthcare services was among the many issues facing Albertans during the COVID-19 pandemic. At the request of Alberta Health, the HQCA undertook a project to better understand the reasons why Albertans may have experienced a care deficit during the pandemic and how that deficit may have affected their health. Results were presented to Alberta Health in early 2023, and presentations to other groups continue.



Engage. Assess. Improve.



Experience Surveys Program

The work of transitioning traditional survey methodologies to leading-edge, computer-adaptive technologies continued in 2022-23. These technologies can automate the administration, scoring, and reporting on our surveys, which provides rapid feedback tailored to the needs of health system partners and communities who use HQCA survey findings to improve the patient experience. Engagement last year involved survey respondents, the Blackfoot Confederacy, academic partners, and Alberta Health Services. Survey software was determined in 2022-23, and pilot testing of survey methods will begin in the next fiscal year.

EMS Key Performance Indicators

In 2022-23 we submitted a report to the Minister of Health recommending key performance indicators for emergency medical services in Alberta. The report was based on work begun the previous fiscal year to identify indicators through the lens of the Alberta Quality Matrix for Health and the Quadruple Aim dimensions (patient experience, provider experience, patient outcomes, costs of care). Our final report included a comprehensive set of 30 KPIs appropriate to Alberta, resulting from engagement with various health system partners across the province, including patients and family members, an extensive literature review of 4,600 articles screened and 74 publications reviewed in detail, as well as engagement with expert advisors. The scope of this work included most aspects of the EMS system in Alberta, including ground and air ambulance, inter-facility transfers, and EMS dispatch.



EMS KPIs INTERVIEWS AND FEEDBACK SURVEYS

To more fully understand their perspectives on EMS delivery and their thoughts on important things to measure, we engaged with:

- **45 patient and family members**
- **53 EMS system operators,**
administrators, and providers, including
four First Nations EMS providers
- **Five Indigenous-led agencies**
or groups plus Métis health leaders from Métis
settlements and Métis Nation of Alberta
- **27 staff members and 23 clients**
from community organizations supporting people
experiencing homelessness or housing insecurity

Engage. Assess. Improve.



FOCUS on Healthcare

Together with health system stakeholders, the HQCA identifies, develops, and reports publicly on key patient experience data, health outcome data, and where possible, quality indicators through the FOCUS on Healthcare website (FOCUS). The goal of FOCUS is to present data from all areas of the healthcare system to create a whole system view that supports transparency and quality improvement. Visitors to the website can find information about what patients experience in Alberta's emergency departments, primary care networks and in long term care, home care, and designated supportive living in Alberta.

In 2022-23 we continued implementing recommendations to improve the tool's utility and effectiveness, which stemmed from an independent evaluation in 2021. Over the past year we also worked with stakeholders, including patient and family advisors, to identify new healthcare areas to add to the site as we to continue to grow toward a whole system view. Through a consultative process, stakeholders prioritized cancer care and palliative and end-of-life care as new areas to be added as part of this multi-year improvement project. We began work to add these new healthcare areas by first forming survey groups to help identify important measures in cancer care and palliative/end-of-life care. The survey groups narrowed down and selected measures using a Dephi method, which uses numerous rounds of surveys to reach agreement.

In 2023-24 we will work with advisory committees to support the next steps in the development of the new cancer care and palliative/end-of-life care areas. We will also launch a new hospital care area and introduce a redesigned website that provides user-friendly navigation and up-to-date design.

Palliative Care and End-of-life Experience

Aligned with Alberta Health's business plan and a focus on understanding Albertans' awareness of and access to palliative and end-of-life care (PEOLC), the HQCA engaged with stakeholders to explore ways to support assessment and

measurement in this area. An environmental scan and literature review were completed to understand current measures of high-quality palliative care and a list drafted of PEOLC indicators for stakeholder consideration for reporting on the FOCUS on Healthcare website. A second literature review was done to identify validated study tools that assess patients, families and caregivers, and providers' experiences and awareness of PEOLC and advance care planning. This work continues in 2023-24.

Patient Safety Culture in Community-based Healthcare Settings

In 2022-23 we recruited six primary care clinics to participate in a pilot survey of patient safety culture. Surveys can be used to increase staff awareness of patient safety, evaluate the status of patient safety culture, identify strengths and areas for improvement, identify changes, and evaluate changes in culture over time. The survey was launched in early 2023, and work got underway to develop a resource guide – in consultation with local, national, and international experts in patient safety culture – to help the pilot sites identify actionable improvements based on their survey results.

Virtual Care

The HQCA was asked by Alberta Health to develop a quality framework to measure and evaluate the efficiency, effectiveness, safety, and other related measures for virtual care, as part of the *Virtual Care Strategic Policy Framework*. A working group was formed with the Alberta Virtual Care Coordinating Body, which will be led by, and function as an advisory committee to, the HQCA.

Through this working group, we spoke with researchers, front-line workers/clinicians, project coordinators, medical leads, and patient and family advisors and have learned that the virtual care evaluation landscape is rich with activity and opportunity. Many organizations in Alberta and across Canada have developed, or are developing, a virtual care evaluation framework, and we will focus on adding value to that work in a way that fits the Alberta context.

Engage. Assess. Improve.



Primary Healthcare Panel Reports

These standardized reports use administrative health data to provide information to family physicians about their patient panels. The confidential reports include measures related to patient demographics, health conditions, selected aspects of patient management and use of health services, COVID-19 vaccination data, and virtual visit measures.

The HQCA started providing Primary Healthcare Panel Reports at the individual family physician, clinic, and primary care network (PCN) level more than 10 years ago. Each year, we work with healthcare partners (including Alberta Health, Alberta Health Services, PCNs, primary care providers, the Alberta Medical Association, and patients) to continually increase their usability and uptake. Last year we conducted a user evaluation to identify improvements in access, usability, content, and supporting resources. We also met with specific stakeholders to look at adding new measures for the 2023 reports. This included working with the AHS Medicine Strategic Clinical Network to add spirometry and pulmonary function testing for chronic obstructive pulmonary disease (COPD) to the reports for 2023.

With the overall goal of improving patient care, the reports are used to support quality improvement, health system management and policy development, and panel management activities.

Quality Exchange

The HQCA's Quality Exchange program shares examples of inspiring 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 similar quality improvement initiatives. Our approach includes storytelling, infographics, whiteboard animation, videos, webinars, and podcasts.

Continuing care during COVID-19

A review of the data collected from our Continuing Care COVID-19 Family Experience Survey revealed 10 sites that performed better than others in the province. In discussions with these sites, we heard four prevailing themes that were central in supporting residents and family experiences in continuing care during the pandemic: communication and engagement, teamwork and collaboration, person-centred care, and leadership. In addition to summarizing our findings in a Quality Exchange report, we presented our project at the Alberta Continuing Care Association conference and produced short videos highlighting two of the 10 sites to further help spread learnings.



PRIMARY HEALTHCARE PANEL REPORTS

- More than **2,000 family physicians**, quality improvement professionals, clinic representatives, and 40 PCN executive directors received a panel report in early 2023.
- **Two physician advisors and a practice facilitator** joined our panel reports team to advise on report design and help promote the value of the reports to their peers.

Engage. Assess. Improve.



Human Factors in Healthcare course

In collaboration with the University of Calgary Ward of the 21st Century (W21C), and Alberta Health Services, the HQCA offers a three-day Human Factors in Healthcare course. In 2022-23, we were pleased to be able to resume delivery of the course, which had been placed on hold during the COVID-19 pandemic. The course was offered for delivery in Calgary in March 2023 and in Edmonton in April 2023 (a first quarter 2023-24 activity). The 34 participants were from across Alberta as well as British Columbia and Ontario.

The course covers a variety of application areas such as patient safety, quality improvement, human error, medication safety, procurement, system evaluation, and capital planning. This course includes content from the HQCA's framework and guidelines on conducting mock-up evaluations for healthcare design.



STANDARDS FOR NEWBORN ICU DESIGN

The HQCA participates as a member of the Consensus Committee on Recommended Standards for Newborn ICU (intensive care unit) Design. The standards have been amended to include the guiding principles from the HQCA's Simulation-based Mock-up Evaluation Framework, a link to the HQCA website, as well as referencing the HQCA's Mock-up Evaluation Guidelines in the standards.

Review, Refresh, and Promote Improvement Resources

Last year we undertook a review of many of the resources we make available to support patient safety, person-centred care, and health service quality. These resources include leading practice frameworks, tools, and online information.

To ensure they continue to reflect current thinking and leading practice, we consulted health system partners and users of the resources, conducted an environmental scan of similar materials, drafted revisions for feedback, and published revised versions and supported uptake among health system partners.

This included:

- The Systematic Systems Analysis (SSA) Guidebook and an education module to support use of the guidebook (completed)
- The Abbreviations webpage (completed)
- Medication Safety Checklist for Supportive Living (in progress)
- The Disclosure of Harm Framework and Disclosure Patient Information Brochure (in progress)
- The Alberta Quality Matrix for Health (in progress)
- The HQCA Patient Safety Framework (in progress)

Engage. Assess. Improve.



Promoting and Improving Person/People-centred Care

Since person-centred care was added to our mandate in 2020, we have deepened our understanding of this concept and people-centred care and how both can be applied at the system and care-delivery levels across Alberta. In 2022-23 we undertook a scoping review of how quality and safety frameworks consider elements of person/people-centred care, which led us to bring together into one project this work and our review and refresh of the Alberta Quality Matrix for Health. This refresh was further informed by our literature review on partnership in the context of person/people-centred care, as was our public engagement program.

Last year we partnered with Spinal Cord Injury Alberta to deliver a presentation on partnership and person-centred care at the Alberta Health Services i4 conference. Moving forward, our ongoing engagement with health system partners will help support the application of person/people-centred care at the system level and in the delivery of care.

AHS EMS Review

In June 2022 Alberta Health Services asked the HQCA to conduct an independent review of the response time of Emergency Medical Services (EMS) to a patient who was fatally injured in a dog attack in Calgary. The review was carried out under Section 9 of the *Alberta Evidence Act* and the HQCA's Quality Assurance Committee. A final report with recommendations was submitted to Alberta Health Services in our third quarter. Our recommendations to AHS concerned system factors for improvement and were accepted in full.

Alberta PROMS and EQ-5D Research and Support Unit (APERSU)

Last year we continued our support for APERSU at the University of Alberta, whose goal is to improve health and healthcare decision-making by promoting, coordinating, and supporting the use of patient-reported outcome measures (PROMs), including the EQ-5D for the measurement and valuation of health status. A specific area of focus for APERSU is supporting primary care networks in their implementation of patient-reported outcome measurement. The HQCA is a member of the APERSU Board of Directors.



Financial Statements

YEAR ENDED MARCH 31, 2023

Table of Contents

Management's Responsibility for Financial Reporting	21
Independent Auditor's Report	22
Statement of Operations	25
Statement of Financial Position	26
Statement of Change in Net Financial Assets	27
Statement of Cash Flows	28
Notes to the Consolidated Financial Statements	29
Schedule 1 – Expenses – Detailed by Object	38
Schedule 2 – Salary and Benefits Disclosure	39
Schedule 3 – Related Party Transactions	40

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)

Chief Executive Officer
Charlene McBrien-Morrison
June 1, 2023

(Original signed by Jessica Wing)

Director, Financial Services
Jessica Wing
June 1, 2023

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, 2023, 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, 2023, 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

June 1, 2023
Edmonton, Alberta

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

	2023		2022
	Budget	Actual	Actual
	(Note 4)		
Revenues			
Alberta Health transfers			
Base operating	\$ 7,559	\$ 7,559	\$ 7,559
Restricted operating	-	92	21
Investment income	6	58	8
Other revenue	-	94	-
	7,565	7,803	7,588
Expenses (Schedule 1)			
Administration	1,753	1,834	1,714
Health system analytics	3,389	3,477	2,724
Health system improvement	2,023	1,724	1,386
Communications and engagement	1,451	1,619	1,269
Other assessment/study	-	94	-
	8,616	8,748	7,093
Annual operating (deficit) surplus	(1,051)	(945)	495
Accumulated operating surplus, beginning of year	1,933	2,896	2,401
Accumulated operating surplus, end of year	\$ 882	\$ 1,951	\$ 2,896

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)

	2023	2022
Financial Assets		
Cash	\$ 2,600	\$ 2,993
Accounts receivable (Note 6)	709	321
	<u>3,309</u>	<u>3,314</u>
Liabilities		
Accounts payable and other accrued liabilities	691	708
Unspent deferred contributions (Note 7)	1,387	279
Employee future benefits (Note 8)	35	27
Deferred lease inducements (Note 9)	-	37
	<u>2,113</u>	<u>1,051</u>
Net Financial Assets	<u>1,196</u>	<u>2,263</u>
Non-Financial Assets		
Tangible capital assets (Note 10)	657	507
Prepaid expenses	98	126
	<u>755</u>	<u>633</u>
Net Assets	<u>1,951</u>	<u>2,896</u>
Net Assets		
Accumulated operating surplus (Note 12)	<u>\$ 1,951</u>	<u>\$ 2,896</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)

	2023		2022
	Budget	Actual	Actual
Annual operating (deficit) surplus	\$ (1,051)	\$ (945)	\$ 495
Acquisition of tangible capital assets (Note 10)	(53)	(572)	(53)
Amortization of tangible capital assets (Note 10)	373	389	315
Loss on disposal and write down of tangible capital assets (Note 10)	-	33	-
Decrease in prepaid expenses	-	28	14
(Decrease) / Increase in net financial assets in the year	(731)	(1,067)	771
Net financial assets, beginning of year	2,263	2,263	1,492
Net financial assets, end of year	\$ 1,532	\$ 1,196	\$ 2,263

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)

	2023	2022
Operating Transactions		
Annual operating (deficit) surplus	\$ (945)	\$ 495
Non-cash items:		
Amortization of tangible capital assets (Note 10)	389	315
Loss on disposal and write down of tangible capital assets (Note 10)	33	-
Amortization of deferred lease inducements (Note 9)	(37)	(37)
Increase in employee future benefits (Note 8)	8	6
	(552)	779
Increase in accounts receivable (Note 6)	(388)	(303)
Decrease in prepaid expenses	28	14
(Decrease) Increase in accounts payable and other accrued liabilities	(17)	84
Increase in unspent deferred contributions (Note 7)	1,108	279
Cash provided by operating transactions	179	853
Capital Transactions		
Acquisition of tangible capital assets (Note 10)	(572)	(53)
Cash applied to capital transactions	(572)	(53)
(Decrease) Increase in cash	(393)	800
Cash at beginning of year	2,993	2,193
Cash at end of year	\$ 2,600	\$ 2,993

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

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023
(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 unearned 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 contribution 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, 2023
(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 other 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 the 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

On April 1, 2023, the HQCA will adopt the following new accounting standards approved by the Public Sector Accounting Board:

- **PS 3400 Revenue**

This accounting 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.

- **PS 3160 Public Private Partnerships**

This standard provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner.

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, 2023

(in thousands)

Note 4 BUDGET

The HQCA's 2022-2023 operating budget was approved by the Board of Directors on March 24, 2022 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 RECEIVABLE

	2023	2022
Accounts receivable	\$ 109	\$ 21
Restricted operating grant receivable	600	300
	<u>\$ 709</u>	<u>\$ 321</u>

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023
(in thousands)

Note 7 UNSPENT DEFERRED CONTRIBUTIONS

	2023	2022
Balance at beginning of the year	\$ 279	\$ -
Restricted operating grant received/ receivable	1,200	300
Amount recognized as restricted operating revenue	(92)	(21)
Balance at end of year	<u>\$ 1,387</u>	<u>\$ 279</u>

Note 8 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, 2023 (2022 - \$365).

At December 31, 2022, the Local Authorities Pension Plan reported a surplus of \$12,671,000 (2021 – surplus of \$11,922,000).

The Supplementary Executive Retirement Plan (SERP) payable at year ended March 31, 2023 is \$35 (2022 - \$27). The current year contribution related to this plan is \$8 (2022 - \$6). No payment has been made to plan member at retirement in the current 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.

	2023	2022
Lease inducements - rent free periods	\$ 209	\$ 209
Less accumulated amortization	(209)	(172)
	<u>\$ -</u>	<u>\$ 37</u>

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023
(in thousands)

Note 10 TANGIBLE CAPITAL ASSETS

	2023			2022	
	Office Equipment	Computer Hardware & Software	Leasehold improvements	Total	Total
Estimated useful life	10 years	5 years	Over term of the lease		
Historical Cost					
Beginning of year	\$ 395	\$ 970	\$ 1,013	\$ 2,378	\$ 2,340
Additions	8	564	-	572	53
Disposals, including write-downs	-	(147)	-	(147)	(15)
	403	1,387	1,013	2,803	2,378
Accumulated Amortization					
Beginning of year	307	685	879	1,871	1,571
Amortization expense	29	226	134	389	315
Effect of disposals, including write-downs	-	(114)	-	(114)	(15)
	336	797	1,013	2,146	1,871
Net book value at March 31, 2023	\$ 67	\$ 590	\$ -	\$ 657	
Net book value at March 31, 2022	\$ 88	\$ 285	\$ 134		\$ 507

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023
(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	Operating Lease
2023 - 24	\$ 295
2024 - 25	295
2025 - 26	307
2026 - 27	307
Thereafter	2,090
	<u>\$ 3,294</u>

Note 12 ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus is comprised of the following:

	2023			2022	
	Investment in Tangible Capital Assets ^(a)	Internally Restricted Surplus ^(b)	Unrestricted Surplus (Deficit)	Total	Total
Balance, April 1, 2022	\$ 507	\$ 2,389	\$ -	\$ 2,896	\$ 2,401
Annual operating (deficit) surplus	-	-	(945)	(945)	495
Net investments in capital assets	150	-	(150)	-	-
Transfers, prior year restricted	-	(2,389)	2,389	-	-
Transfers, current year restricted	-	1,294	(1,294)	-	-
Balance, March 31, 2023	<u>\$ 657</u>	<u>\$ 1,294</u>	<u>\$ -</u>	<u>\$ 1,951</u>	<u>\$ 2,896</u>

HEALTH QUALITY COUNCIL OF ALBERTA
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023
(in thousands)

Note 12 ACCUMULATED OPERATING SURPLUS (CONT'D)

- (a) Investment in tangible capital assets represents the net book value of internally funded tangible capital assets. These assets are restricted and are not available for any other purpose.
- (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 annual work plan is summarized as follows:

	2023	2022
Person-centeredness	\$ 702	\$ -
Continuing care	424	-
Primary health care	168	-
Engage	-	1,396
Assess	-	484
Improve	-	509
	<u>\$ 1,294</u>	<u>\$ 2,389</u>

Note 13 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the HQCA Board of Directors on June 1, 2023.

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

	2023		2022	
	Budget	Actual	Actual	
Salaries and benefits	\$ 4,580	\$ 4,807	\$ 4,120	
Supplies, services and other	3,663	3,552	2,658	
Amortization of tangible capital assets (Note 10)	373	389	315	
	\$ 8,616	\$ 8,748	\$ 7,093	

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

	2023			2022	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non- Cash Benefits ⁽³⁾	Total	Total
Board of Directors-Chair	\$ -	\$ 19	\$ -	\$ 19	\$ 18
Board of Directors-Members	-	34	-	34	40
Chief Executive Officer ⁽⁴⁾	249	6	21	276	117
Acting Chief Executive Officer ⁽⁴⁾	-	-	-	-	133
	\$ 249	\$ 59	\$ 21	\$ 329	\$ 308

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include honoraria for board members and vehicle allowance. There were no bonuses paid in 2023.

(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 Acting Chief Executive Officer assumed the role of the Chief Executive Officer effective October 26, 2021.

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.

	2023	2022
Revenues		
Grants	\$ 7,651	\$ 7,580
Other	94	-
	<u>\$ 7,745</u>	<u>\$ 7,580</u>
Expenses		
Other services	\$ 117	\$ 173
	<u></u>	<u></u>
Amount due from related parties	<u>\$ 694</u>	<u>\$ 300</u>
	<u></u>	<u></u>
Amount due to related parties	<u>\$ 33</u>	<u>\$ 279</u>

Notes



Improving Healthcare Together