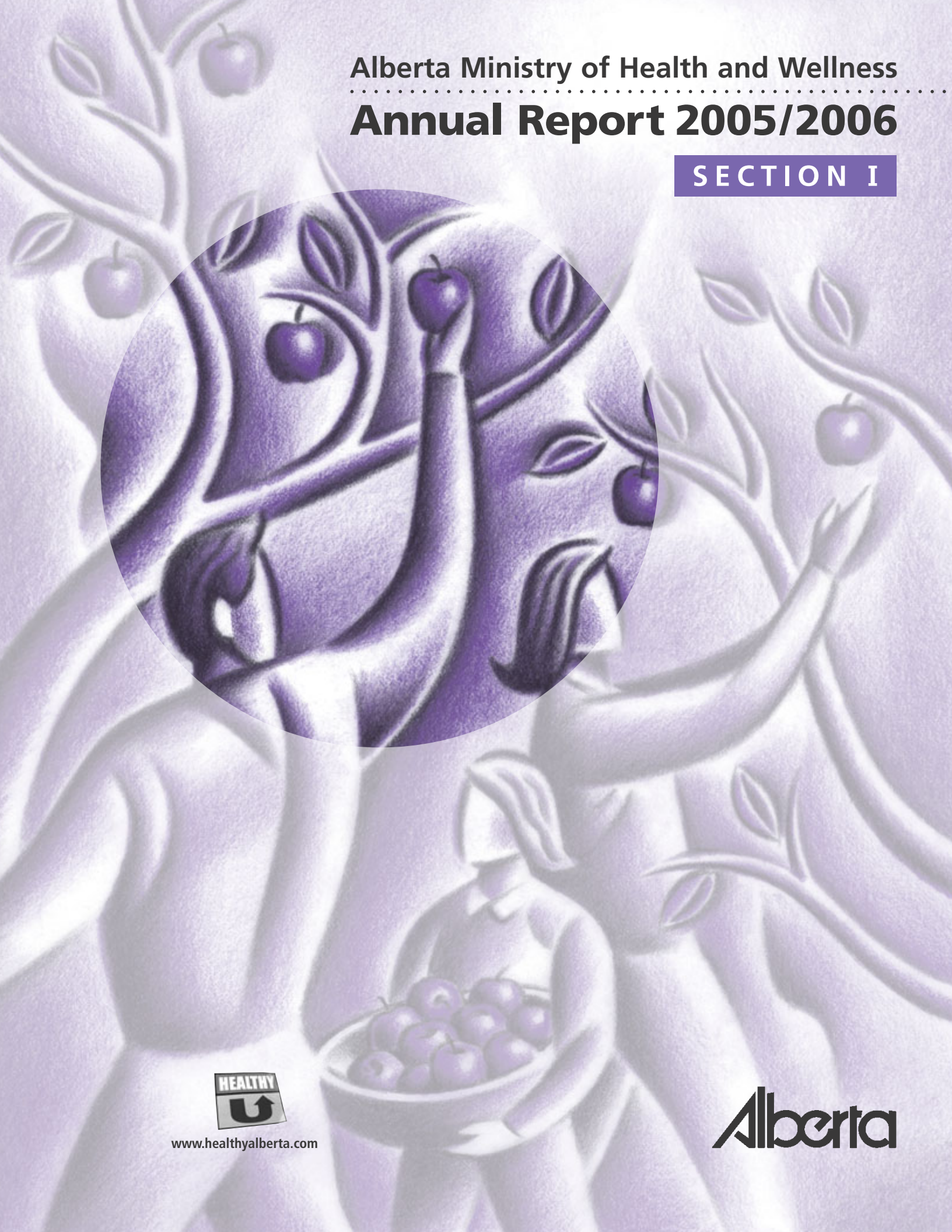
Alberta Ministry of Health and Wellness

# Annual Report 2005/2006

## SECTION I



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## Section I



## Section II

Section II of this report is published under a separate cover. It provides the financial statements of the regional health authorities and provincial health boards. To obtain financial statements of individual regional health authorities and provincial health boards, please contact the health authority directly.

# Preface

## Public Accounts 2005/2006

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta, released June 26, 2006, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

**This annual report of the Ministry of Alberta Health and Wellness contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan.**

**This ministry annual report also includes:**

- **the financial statements of entities making up the ministry, including the provincial agencies for which the Minister is responsible, and**
- **other financial information as required by the *Financial Administration Act* and the *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent the ministry has anything to report.**

**Financial information relating to regional health authorities and provincial health boards is also included in this annual report as supplementary information. Section II of this report provides financial statements of the regional health authorities and provincial health boards, which are accountable to the Minister of Alberta Health and Wellness.**

# Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2006, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 11, 2006 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original Signed]

Iris Evans
Minister of Health and Wellness
September 11, 2006

# Message from the Minister

To ensure we have a strong, publicly-funded health system in the years ahead, system renewal remains a major priority for Alberta Health and Wellness.

During the past year, a number of activities were undertaken to advance health system reform and innovation. Hundreds of delegates gathered for a health symposium to discuss innovations that drive exceptional health systems and healthier populations around the world. The symposium showed us that although there is no single solution to health care issues, health teams must work together with an attitude of openness in order for new possibilities and the best health care options to emerge.

The Supreme Court of Canada's ruling in June 2005, that Canadians have the right to timely access to health services, further stimulated health renewal discussions across the country. We support change that will allow Canadians more choice in getting timely access to the health services they want.

As part of our health renewal efforts, a package of 13 priority action areas entitled Getting on with Better Health Care was announced in the summer of 2005. Priorities included access, continuing care, wellness, mental health, primary health care, children's health, pharmaceuticals, electronic health records, health care providers, and rural health. Many initiatives in these areas have already begun. Putting them into action remains a top priority.

Another step along the path to health renewal took place when a new *Health Policy Framework* was released. The framework opened the discussion about health care sustainability and was a catalyst for Albertans to provide their ideas about how the system needs to change. A public opinion survey conducted in the two months prior to the framework's release found that nearly two-thirds of Albertans believe the health care system requires major changes if it is going to be sustainable for future generations.

The ministry continued its efforts in the past year to improve health care access and reduce wait times for Albertans. A one-year pilot project was announced to provide better access to hip and knee replacements and to improve the overall way orthopaedic care is delivered. The project gained national accolades when preliminary results showed that during the first eight months of the Alberta Hip and Knee Replacement Project, the new care pathway met its goal for patients to receive surgery within four months of initial consultation. The pilot's goal, to perform 1,200 additional hip and knee surgeries, was met.

We believe so strongly in the need for innovative care models that following such promising results, we invested $12 million to sustain the hip and knee replacement project. A further investment of $42 million will support the development of similar approaches in areas such as cardiac care as well as breast and prostate cancer care.

To address continuing care issues in Alberta, an MLA task force was established to look at ways to improve health services and accommodation standards. The task force travelled across the province to meet with Albertans and continuing care stakeholders. Everything the task force heard was reflected in their final report, which was presented to the government. The recommendations cover a broad range of

concerns in health services, accommodation and quality of life issues and are a big step toward improving long-term care for Albertans.

Alberta Health and Wellness committed $26.3 million that enables health regions to increase paid hours of care per resident from 3.1 to 3.4 per day, to implement a safe lift policy in all nursing homes and auxiliary hospitals, to speed up implementation of new resident assessment and care planning tools, and to review medication use and administration in continuing care facilities. The task force's recommendation that new and updated health service and accommodation standards be put in place for all continuing care facilities will be implemented in 2006. New monitoring, reporting, enforcement and concerns resolution processes will also become effective concurrently with the new standards.

I was excited about the significant progress made by the ministry to improve mental health service delivery in Alberta. Over 30 new projects, ranging from outreach programs to day treatment and crisis intervention services, were approved under the Mental Health Innovation Fund. The new projects will share $75 million over three years as part of new mental health plans developed by all nine regional health authorities. I strongly believe that in order to improve our health care system, we need meaningful progress in the area of mental health.

A number of health technology advances occurred in 2005/2006. The ministry has funded new diagnostic imaging systems that allow hospitals and clinics to electronically share patient X-rays and computed tomography (CT), and magnetic resonance imaging (MRI) scans through Alberta Netcare (Alberta's electronic health record). An additional investment was made in the electronic health record system to support province-wide technology enhancements and connect more health professionals to the system. Additional funding was also announced over two years for 21 telehealth initiatives across Alberta. Telehealth programs allow Albertans, regardless of location, access to needed medical professionals and specialists through the latest video conferencing systems.

Passage of the *Cancer Prevention Legacy Act* established funding to put Alberta at the forefront of cancer prevention, screening and research. The new legislation is designed to make Alberta a leader in the fight against cancer and build a cancer-free future for Albertans. Funding will go toward new and expanded cancer screening programs to detect signs of cancer as early as possible, toward the creation of a virtual cancer research institute to coordinate all cancer research in the province, and toward the promotion of coordinated research and screening programs.

Other significant legislative changes in the past year include amending provincial regulations so that one of the main ingredients used in the production of crystal methamphetamine was put behind the pharmacists' counter, and the new *Smoke-Free Places Act* that took effect January 1, 2006 to protect minors from smoke in public places.

We have accomplished so much to improve our health system in the past fiscal year. Ensuring a strong system for future generations of Albertans will remain a priority for the Health and Wellness Ministry. We will also continue promoting children's health issues, advancing primary health care and developing workforce strategies to ensure the health needs of Albertans are met today and in the years ahead.

[Original Signed]

Iris Evans
Minister of Health and Wellness

## Management's

# Responsibility for Reporting

The Ministry of Alberta Health and Wellness includes the Department of Health and Wellness and the Alberta Alcohol and Drug Abuse Commission.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Alberta Health and Wellness. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under ministry administration,
- provide Executive Council, Treasury Board, the Minister of Alberta Finance and the Minister of Alberta Health and Wellness any information needed to fulfill their responsibilities, and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

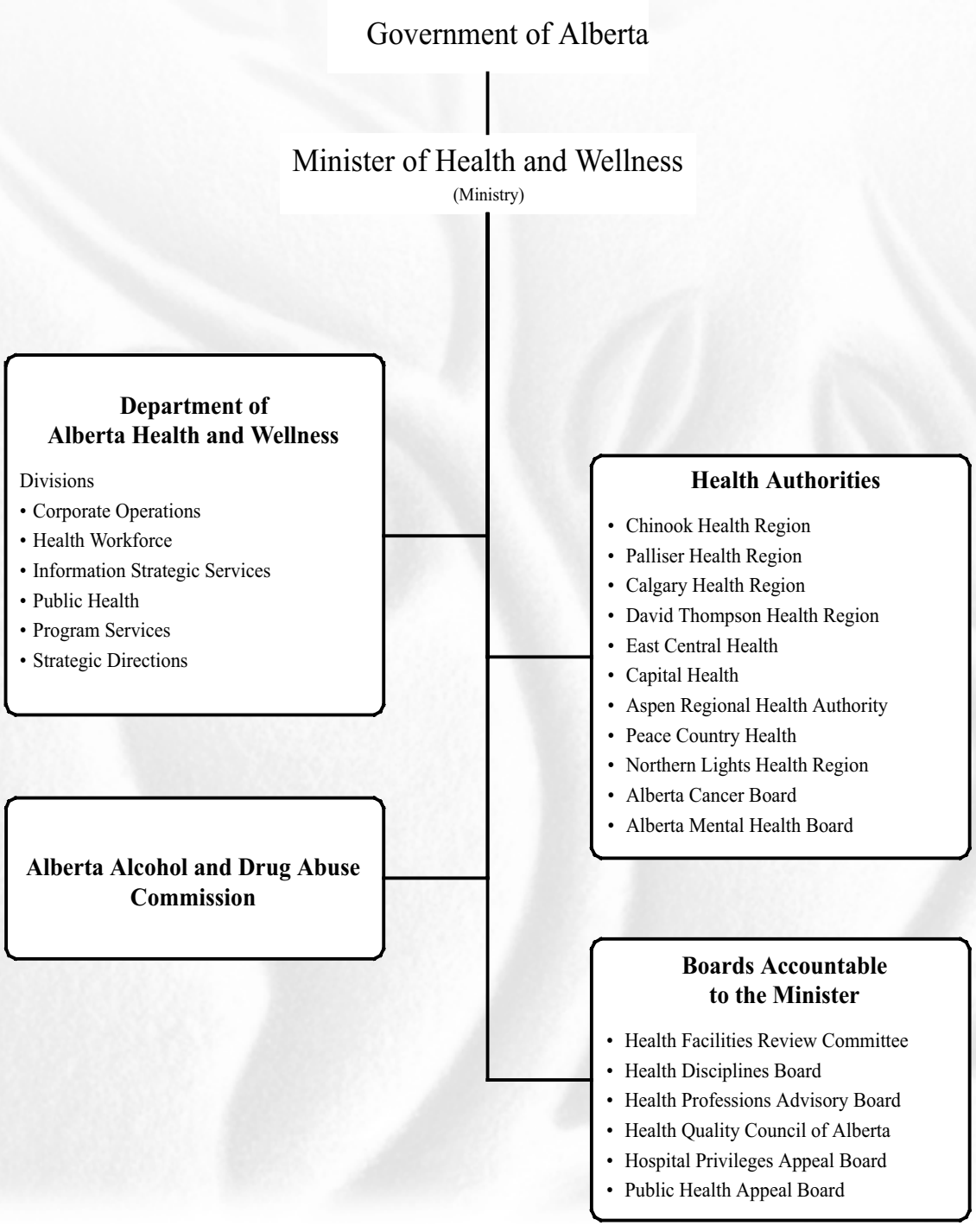
[Original Signed]

Paddy Meade
Deputy Minister
Ministry of Health and Wellness
September 11, 2006

# Overview

## Ministry of
## Health and Wellness Organization

**(For the year ended March 31. 2006)**



# Vision, Mission and Core Businesses

## Vision

The Government of Alberta's vision for Alberta is:

> *A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.*

That vision is supported by Alberta Health and Wellness' vision:

> *Albertans are healthy and live work and play in a healthy environment.*

The achievement of this vision is everybody's responsibility. The Ministry of Alberta Health and Wellness plays a leadership role in achieving this vision through our mission, core businesses and goals.

## Mission and Core Businesses

The two part mission of the ministry as set out in the 2005 to 2008 business plan is:

> *Provide leadership and work collaboratively with partners to help Albertans be healthy and respond to opportunities and change.*
>
> *Support individuals, families and service providers in making the best decisions about their health.*

The ministry fulfills this mission through three core businesses, each of which is supported by corresponding business plan goals.

**Core Business 1: Advocate and educate for healthy living.**

Goal 1 – Albertans make choices for healthier lifestyles.

Goal 2 – Albertans' health is protected.

**Core Business 2: Provide quality health and wellness services.**

Goal 3 – Improved access to health services.

Goal 4 – Contemporary health workforce.

Goal 5 – Improved health service outcomes.

**Core Business 3: Lead and participate in continuous improvement in the health system.**

Goal 6 – Health system efficiency, effectiveness and innovation.

# Highlights for 2005/2006

In 2005/2006 the ministry began work on a new approach to health renewal. Work began with the fundamental commitment that a person's ability to pay will never determine their ability to access health care in Alberta. This approach to health care renewal is about being open to new options and choices – choices that strengthen our health care system. Alberta's new *Health Policy Framework* is about getting on with the things we know can be done. Simply put, it's about improving choice and access, and about curbing health care costs to meet our ultimate goal of providing Albertans with a sustainable and high performing health system for the future.

In May 2005, the provincial government hosted the Alberta Symposium on Health. The symposium provided a unique opportunity for representatives of Alberta's health regions, communities, health organizations and professional groups to exchange information and experience and to consult with international experts. Some of the important lessons learned at the symposium were: (1) there is no single solution to the challenges in the health system; rather, improvements must evolve over time, (2) improvements must focus on the patient and emphasize evidence-based outcomes, and (3) solutions must meet the expectations and values of the society in which they take place.

Based on what was learned, the premier and the minister announced, in July 2005, a series of action items in the Getting on with Better Health Care package. The action items identify ways for improving the health system in areas such as: disease and injury prevention, children's health, mental health, and the health needs of rural communities. They also included important strategies such as primary health care, in which the needs of patients are looked after by teams of professionals with different kinds of training and expertise; new quality standards for long term care; the use of new technology such as Alberta Netcare (Alberta's electronic health record) to improve communications and reduce error; and increasing the number of health system providers. These action items are a driving force for continued improvement in the health system.

The following are highlights of the ministry's achievements in relation to each core business in its 2005 to 2008 business plan.

## Advocate and educate for healthy living.

Twelve Alberta employers will be recognized in April 2006, for their commitment to improving the health of their employees over the last year as the winners of the first annual Premier's Award for Healthy Workplaces. As part of the Alberta government's Healthy U @ work initiative, the award celebrates employers who encourage their staff to make healthy eating choices and incorporate active living into their workday. Awards of distinction will be presented to the University of Calgary, Alberta Blue Cross, Alberta Newsprint Company, and the Arthritis Society.

Type 2 diabetes awareness and promotion programs continued in three Alberta communities (Edmonton/city centre, Bonnyville/St. Paul and Medicine Hat) through the Keep Your Body in Check Program. This program included a general media campaign

across Alberta, and used social marketing and community education to engage individuals in reducing their risk of developing type 2 diabetes. The three-year program was completed on March 31, 2006. Over 8,500 Albertans from the target communities were registered for the program. Participants in the program showed significant improvement in the intensity of their planned activities, and significant changes in eating habits. The evaluation of the general media campaign showed that the campaign was successful in raising awareness among Albertans that type 2 diabetes is largely preventable.

The Minister of Health and Wellness approved the *Alberta Provincial Stroke Strategy*, to reduce stroke incidence, improve care, optimize recovery and reduce financial burden. The Alberta Stroke Council, established in June 2005, is comprised of representatives from Alberta Health and Wellness, the Heart and Stroke Foundation of Alberta, North West Territories, Nunavut and all nine Alberta health regions. The Council has implemented a work plan for the four pillar components of stroke care: stroke prevention and health promotion; acute stroke care; stroke rehabilitation and community reintegration; and network evaluation and quality improvement.

### Provide quality health and wellness services.

Alberta mental health services were expanded, through funding from the three-year Mental Health Innovation Fund, with the approval of 36 new projects ranging from outreach programs to day treatment and crisis intervention services. The projects will provide a variety of services across the province, including a seniors' mental health outreach service in the Chinook Health Region, a program to address mental health services for high needs children and their families in the Calgary Health Region, a day treatment and learning centre for youth in the David Thompson Health Region, and crisis intervention services in rural and aboriginal communities.

The government made a significant $2.26 billion commitment to additional capital investment in health infrastructure in 2005/2006. This will allow us to continue to preserve and expand our infrastructure to improve access to health services. The current provincial Capital Plan will provide for nearly 2,200 additional acute care beds at various hospitals throughout the province over the next several years as well as targeted growth in capacity in areas such as surgical, diagnostic, ambulatory and emergency care.

As of March 2006 there were 14 Local Primary Care Initiatives, now known as Primary Care Networks, in operation, involving approximately 550 family physicians and providing services to more than 700,000 patients. Primary Care Networks use a team approach to coordinate care for their patients. Family physicians work with health regions to better integrate health services by linking to regional services such as home care. Family physicians also work with other health providers such as nurses, dietitians, pharmacists, physiotherapists and mental health workers who help to provide some services within the Primary Care Networks.

As part of its comprehensive program to educate, recruit and retain physicians for rural Alberta medical practice, a new program of the Alberta Rural Physician Action Plan offered 10 bursaries to medical students from rural areas of Alberta. The program reimburses tuition costs throughout their medical school training. Up to 10 bursaries will continue to be offered

annually to rural Alberta students attending medical school in Alberta in return for a five-year commitment to practice in rural Alberta upon graduation. In addition, the Alberta Rural Family Medical Network was expanded by 10 entry positions (to 30 entry positions annually) to place more medical residents in rural Alberta, as preparation for rural Alberta practice upon graduation.

In August 2005, regional health authorities were advised to increase the paid hours for nursing and personal care in continuing care facilities from 3.1 to 3.4 hours. By November 2005, all regional health authorities indicated that personal care and nursing paid hours had been increased and the target of 3.4 hours was met in January 2006 as requested by the department.

### Lead and participate in continuous improvement in the health system.

On February 28, 2006, the government released Alberta's new *Health Policy Framework*, which set the stage for sustainable, flexible and accessible health services for Albertans. The framework took into account the many factors that impact the public health care system, such as the rising cost of pharmaceuticals; the need to keep up with rapidly changing technology; and the fact that Alberta's aging population is increasing. Stakeholder and public consultations occurred during March 2006, and a consultation report will be released in April 2006.

In October 2005 an economic and actuarial analyses was conducted to develop conceptual insurance models in four areas: prescription drugs, continuing care, non-emergency health care and supplemental health products and services. The *Health Benefit Design Options Report* was completed; it will be released in April 2006, and posted on the Alberta Health and Wellness website at **www.health.gov.ab.ca**.

There were several key findings in the report, one of which is that regardless of the type of funding model, health services in the four key areas are rising at unsustainable rates. The report also found that insurance may only be part of the sustainability solution, as any new funding model must be accompanied by strong cost control measures.

Alberta invested an additional $157.5 million into Alberta Netcare to support province-wide technology enhancements and connect more health professionals to the patient information they need to make the best care decisions. The number of health regions, physician offices and pharmacies with access to Alberta Netcare was increased. A total of 1,193 physicians and 1,144 physician office staff, as well as 1,440 pharmacies now have access to Alberta Netcare. In total, Alberta Netcare has been expanded to 8,864 users in Alberta.

## Financial Results

The ministry spent $9.2 billion in 2005/2006 to provide health care services for Albertans, $912 million higher than 2004/2005. Explanations of major changes from 2004/2005 are provided below for both revenues and expenses.

### Revenues

The Ministry of Health and Wellness revenues in 2005/2006 were $3.1 billion, almost $97 million higher than 2004/2005. This is primarily the result of increased revenue from the Government of Canada partially offset by reduced Alberta Health Care Insurance Premium revenue due to the discontinuation of premiums for seniors in October 2004.

## Expenses

The ministry expense reflects the increased cost of providing services through the regional health authorities and the provincial health boards due to issues such as inflation and increased demand for services. In addition, utilization of physician services continues to increase and its effect is compounded by the rate increase of 3.5 per cent effective October 1, 2004. Increases in the non-group health care benefits program are primarily due to the rising cost of prescription drugs and increased utilization of the program.

Significant investments were made in Alberta Netcare to support province-wide technology enhancements and connect more health professionals to the patient information they need to make the best care decisions. This was also the first year for the *Diagnostic Imaging Strategy* which saw $51.6 million provided to digitize X-rays, computed tomography (CT) and magnetic resonance imaging (MRI) scans across the province to improve quality of care for Albertans by providing doctors and patients with faster access to reports and images.

Additional funding was provided to address the recommendations of the MLA Task Force on Continuing Care Health Services and Accommodation Standards. Funding was provided to increase the number of nursing hours in long-term care facilities from 3.1 to 3.4 hours per resident day, support the implementation of new standards for medication management and accelerate the implementation of continuing care systems projects to improve the availability of information used in decision making.

Capital Health, the Calgary Health Region and David Thompson Regional Health Authority received additional funding to continue the Alberta Hip and Knee Joint Replacement pilot project. Interim results show decreased wait times for first orthopaedic consult from 35 to 6 weeks, decreased wait times between first orthopaedic consult and surgery from 47 to 4.7 weeks, decreased length of stay in hospital from 6.2 to 4.3 days and satisfaction with the care provided among surveyed patients and physicians. Funding was also provided to support the development of innovative models of care for health services such as cardiac care, breast and prostate cancer care.

In 2005/2006, responsibility for health facilities infrastructure was transferred to the joint responsibility of the Ministers of Infrastructure and Transportation, and Health and Wellness. In October 2005, $1.4 billion was announced for 20 capital projects of which $64.6 million was provided to the health authorities in 2005/2006.

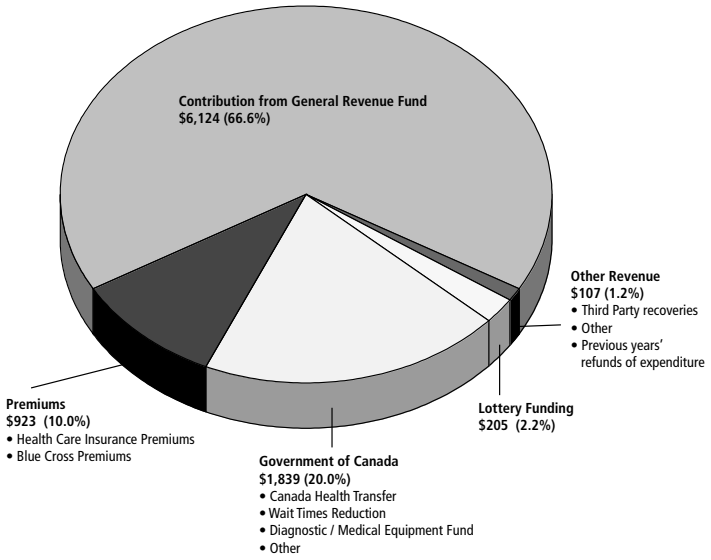
The Alberta Alcohol and Drug Abuse Commission (AADAC) received funds, which the Commission allocated towards the development of youth detoxification and residential programs. AADAC opened 24 new addiction treatment beds to serve youth aged 12 to 17 years. This includes two four-bed detoxification programs and two eight-bed residential programs in Edmonton and Calgary. The residential program in Edmonton incorporates a group care model, while the Calgary program utilizes an adventure therapy wilderness model.

This was the first year funding was provided to help municipalities provide pre-hospital ground ambulance transportation. In addition, regional health authorities and the Alberta Mental Health Board received the first year of funding for Mental Health Innovation for 36 new projects ranging from outreach programs, to day treatment and crisis intervention services. Funding was also provided to the

Alberta Mental Health Board for two justice related mental health programs. The Provincial Family Violence Treatment Program provides mandatory assessment and treatment services for perpetrators of family violence and the Provincial Diversion Program redirects individuals with mental illness who have committed minor offences from the criminal justice system into appropriate mental health, social and support services.

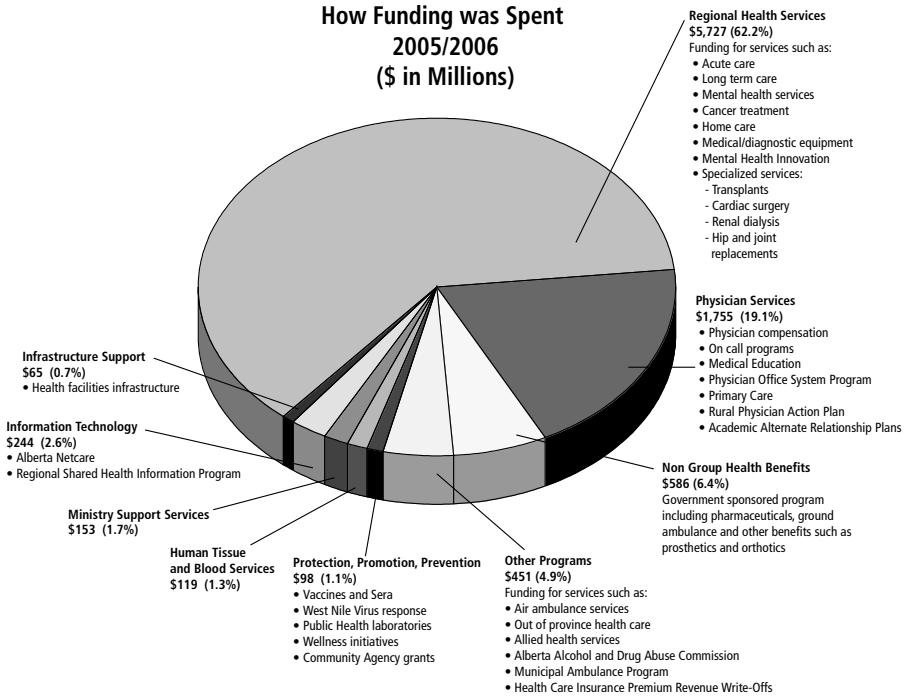
Funding provided to the health authorities for diagnostic/medical equipment was significantly less than in 2004/2005 due to one-time funding of $150 million provided in that year. This is partially offset by funding provided to purchase and install patient lift devices in long term care facilities to implement a safe lift policy, computed tomography (CT) equipment for Lloydminster and Grande Prairie and a magnetic resonance imaging (MRI) unit for Fort McMurray.

**Source of Funding**
**2005/2006**
**($ in Millions)**




**Total – $9,198 Million**

**How Funding was Spent**
**2005/2006**
**($ in Millions)**




**Total – $9,198 Million**

# Results Analysis

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

## Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

Management is responsible for the integrity and objectivity of the performance results included in the *Ministry of Health and Wellness' 2005-06 Annual Report.* My responsibility is to carry out the following specified auditing procedures on performance measures in the annual report. I verified:

Completeness

1. Performance measures and targets matched those included in Budget 2005. Actual results are presented for all performance measures.

Reliability

2. Information in reports from external organizations, such as Statistics Canada, matched information that the Ministry used to calculate the actual results.
3. Information in reports that originated in the Ministry matched information that the Ministry used to calculate the actual results. In addition, I tested the processes the Ministry used to compile the results.

Comparability and Understandability

4. Actual results are presented clearly and consistently with the stated methodology and are presented on the same basis as targets and prior years' information.

I found the following exceptions: I was unable to complete procedures 3 and 4 for the measures: *Diabetes: Number of New Cases of Type 2 Diabetes* and *Number of Care Providers Accessing the Electronic Health Record* due to the late receipt of the information.

Also, my examination was limited to the completeness, reliability, comparability and understandability of all measures. Accordingly, I do not express an opinion on whether the set of measures is relevant and sufficient to assess the performance of the Ministry in achieving its goals.

[Original Signed by Fred J. Dunn, FCA] FCA
Auditor General

Edmonton, Alberta
September 1, 2006

# Ministry Role

## The Ministry

In Canada, the jurisdiction over health is shared between the federal and provincial levels of government and is defined in the Canadian constitution. Provincial governments have jurisdiction over the delivery of medical and hospital services to the majority of Canadians. The federal government has jurisdiction over the delivery of health services to members of the Royal Canadian Mounted Police, Canadian Forces, and federal prisoners. The federal government also provides some health services to veterans and persons with status under the *Indian Act*. Both federal and provincial governments share the responsibility for protecting public health.

Alberta's health care system is defined in provincial legislation and is governed by the Minister of Alberta Health and Wellness. The Ministry of Alberta Health and Wellness provides strategic direction and leadership to the provincial health system. This role includes developing the overall vision for the health system, defining provincial goals, objectives, standards and policies, encouraging innovation, setting priorities and allocating resources. The ministry's role is to assure accountability and to balance health service needs with fiscal responsibility. Alberta Health and Wellness also has a major role in protecting and promoting public health. This role includes: 1) monitoring the health status of the population, 2) identifying and working toward reducing or eliminating risks posed by communicable diseases, and food-borne, drug and environmental hazards, 3) providing appropriate information to prevent the onset of disease and injury and 4) promoting healthy choices.

The ministry administers the Alberta Health Care Insurance Plan. The ministry registers eligible Alberta residents for coverage under the plan and compensates practitioners for the insured services they provide. The ministry also provides funding to regional health authorities and provincial health boards. They are responsible to the minister for providing services in accordance with their legislated mandate. The role of regional health authorities and provincial health boards includes assessing needs, setting priorities, allocating resources and monitoring performance for the continuous improvement of health service quality, effectiveness and accessibility.

The following six sections of this annual report are organized according to the six goals of the 2005 to 2008 ministry business plan. Specific information is provided about actions, key achievements, performance indicators and results, in relation to the planned strategies under each goal. The strategies are highlighted in bold print.

# Goal 1 Albertans make choices for healthier lifestyles.

Early childhood development, education, employment, lifestyle choices, socio-economic environments and genetic make-up are among the many factors that determine the health of an individual and society. Albertans are encouraged to realize their full health potential through informed lifestyle choices. A healthy lifestyle greatly contributes to the quality and length of a person's life. The ministry, health authorities and health service providers play an important role in providing the information to Albertans so that they can make the best choices for their health.

## What We Did

### Promote self-reliance by helping Albertans self-manage their health needs and make appropriate use of the health system through counseling and information services like Health Link Alberta and http://www.healthyalberta.com

- The Healthy U website (healthyalberta.com) continues to provide Albertans with links to credible sources of information on healthy eating and active living. Information is updated regularly to ensure the most current information is available and now includes simple active living tips and recipes to support the Healthy U media campaign. The subscription list for the Healthy U Hot Tips has grown to more than 2,000 subscribers who receive weekly healthy eating/active living e-mails.

### Collaborate with community stakeholders to strengthen the ability of individuals and communities to increase healthy behaviours and reduce the risk of disease, illness and injury.

- Twelve Alberta employers will be recognized in April 2006, for their commitment to improving the health of their employees over the last year as the winners of the first annual Premier's Award for Healthy Workplaces. As part of the Alberta government's Healthy U @ work initiative, the award acknowledges employers who encourage their staff to make healthy eating choices and incorporate active living into their workday. Awards of distinction will be presented to the University of Calgary, Alberta Blue Cross, Alberta Newsprint Company and the Arthritis Society.
- The Snacktivity Box was launched as a resource for child care providers to promote healthy eating and active play with young children. A total of 1,800 copies of the Snacktivity Box were produced, 800 were distributed in January 2006 and another 1,000 were distributed in February 2006 to registered daycares and day homes across the province.

### Provide health and lifestyle information to help people make healthy choices to reduce the risk of disease and injury (e.g., fetal alcohol spectrum disorder (FASD), obesity, sexually transmitted infections, human immunodeficiency virus (HIV), etc).

- The *Child Health Surveillance Report* and the *Report on the Health of Albertans* (to be released July 2006) were completed.

- The *Alberta Child Health Surveillance Report* is a comprehensive cross-ministry report aimed at developing an understanding of, and ultimately improving the health of Alberta's children. The report presents an extensive and current survey of the health determinants, health status, and health service utilization by children in Alberta. Changes over time, effects of age group, the First Nations status, and region of residence are discussed. Findings include:
  - Rates of teenage pregnancy and invasive pneumococcal and meningococcal diseases are decreasing.
  - More than one quarter of Alberta children are overweight.
  - Most Alberta children engage in physical activities outside of school at least once a week.
  - Rates of trying smoking are decreasing among students in grades five to nine.
  - After one year of age, the most common cause of death is injury.
  - Childhood mortality is low in Alberta.
- The *Report on the Health of Albertans* is a comprehensive report on the health status of Albertans. It provides information on demographics, determinants of health, non-communicable (chronic) disease, mental health, injury, and communicable disease. A historical context is provided on key health indicators, with key historical events in the evolution of Alberta's health care system highlighted. Highlights of the report include:
  - By 2033, the Alberta population will surpass five million with 19 per cent over the age of 65 years. Currently, 10.5 per cent of the population is over age 65.
  - A significant decrease in the incidence of vaccine-preventable diseases has occurred following the introduction of a provincial immunization program.
  - One in five Alberta women and one in 10 Alberta men received care in the past year for a mental health problem.
  - Only 45 per cent of women and 30 per cent of men consume five or more servings of fruits and vegetables per day.
  - In the past year, 15 per cent of men and 12 per cent of women were treated for cardiovascular disease.
- Since the Mobile Diabetes Screening Initiative was started in 2003, a total of 17 Aboriginal communities have been screened. In 2005/2006, five new Aboriginal and off-reserve communities were screened.
- Type 2 diabetes awareness and promotion programs continued in three Alberta communities (Edmonton/city centre, Bonnyville/St. Paul and Medicine Hat) through the Keep Your Body in Check Program. This program included a general media campaign across Alberta, and used social marketing and community education to engage individuals in reducing their risks of developing type 2 diabetes. The three-year program was completed on March 31, 2006. Over 8,500 Albertans from the target communities were registered for the program. Participants in the program showed significant improvement in the intensity of their planned activities, and significant changes in eating habits. The evaluation of the general media campaign showed that the campaign was successful in raising awareness among Albertans that type 2 diabetes is largely preventable. A general increase in knowledge about diabetes, prevention strategies and sources of information

about diabetes was also observed. The complementary nature of this program with other provincial and local initiatives, such as Healthy U and the Healthy Alberta Communities project contributed to its success.

- The Healthy Alberta Communities project, led by the Centre for Health Promotion Studies (CHPS), focuses on the prevention of type 2 diabetes and other chronic diseases in three communities. This project builds on the work that was initiated by the Canadian Diabetes Association's Keep Your Body in Check program and the Alberta Heart Health Project. Specific interventions are determined by community needs and participation. The impact in each community will be determined by the physiological data collected (e.g. blood pressure, blood glucose, cholesterol levels, waist to hip ratio, and body mass index). In addition, behavioural data and psychosocial factors related to smoking, healthy eating and physical activity will also be collected.

### Ensure that addiction information, prevention and treatment services are available province-wide.

- On December 15, 2005, following an amendment to provincial regulations, single-entity pseudoephedrine, a main ingredient used in the production of crystal methamphetamine, was reclassified as a schedule 2 drug, requiring it to be placed behind the pharmacist's counter. The regulation change helped impose greater restrictions on the sale of precursors to the production of crystal methamphetamine.
- On January 1, 2006, the *Smoke-Free Places Act* was enacted to protect minors from smoke in public places. The new legislation prohibits smoking in any public place or workplace (including vehicles) that is accessible to anyone under the age of 18. The law introduces a minimum provincial standard of protection from second-hand smoke in public places.

### Work with other ministries to target strategic health and wellness initiatives that address the health needs of children, youth, seniors, Aboriginal communities and Albertans with disabilities or who are disadvantaged.

- In response to the establishment of the Improving the Health System cross-ministry initiative, in December 2005, Health and Wellness consulted with government ministries, regional stakeholders and partners on an overall approach to building a wellness strategy for Alberta's children and youth. Beginning in January 2006, the cross-ministry steering committee and working group commenced development of the *Healthy Kids Alberta Strategy*. Eleven ministries, the Public Health Agency of Canada, the Alberta Alcohol and Drug Abuse Commission and the Alberta Mental Health Board have committed to participating. The strategy will be developed along two tracks: priority areas for immediate action and the development of a long term (10 year) cross-ministry wellness strategy.
- In partnership with the First Nations Inuit Health Branch (FNIHB) – Health Canada, clinical telehealth services have been initiated in four Aboriginal communities that already had the technology available but were not being utilized for clinical services. Now residents can access rehabilitation services, pediatric care/child health, as well as discharge planning between specialized centers and the client's home community health center.

- Through funding from Alberta Health and Wellness and in conjunction with the Ministry of Seniors and Community Supports, the Alberta Centre for Active Living implemented the Seniors Wellness Campaign throughout Alberta to train homecare workers to assist seniors to be independent in their homes.

### Coordinate and integrate the department's leadership and the quality of its contribution to cross-ministry initiatives to ensure optimum strategic investments.

- Alberta Health and Wellness played a strong role in collaboration with other ministries in the achievement of the goals and targets of the Health Innovation and Wellness Initiative. They include:
  - The Healthy U campaign, Young Family Wellness Initiative, Diabetes Prevention campaign, and the *Alberta Tobacco Reduction Strategy* all raised the awareness of health promoting behaviours.
  - Youth addiction services were enhanced with AADAC opening 24 new youth detoxification and residential treatment beds in Edmonton and Calgary.
  - Continuing care services were enhanced. The MLA task force released the *Achieving Excellence in Continuing Care* report, and regional health authorities have begun implementing the recommendations. The *Aging in Place Strategies* that have already been implemented have resulted in more Albertans receiving community-based continuing care services. Exceeding the original goal of 750 spaces, 1,225 new Rural Affordable Living spaces were approved for development.
  - The Alberta Alcohol and Drug Abuse Commission successfully implemented two demonstration projects designed to enhance addictions and mental health services. An urban-based project focused on ensuring a seamless continuum of services for adult clients, while a rural-based project focused on enhancing access to services for youth and their families.
  - Fourteen Primary Care Networks (PCNs) are in operation across the province, with another 15 in various stages of development. This exceeded the original target of 12.
  - The International Symposium on Health was successfully held in Calgary May 3 to 5, 2005 and helped lay the groundwork for one of government's top eight new cross-ministry priorities: Improving Alberta's Health System
- Alberta Secure Access Service (ASAS); a cross-ministry initiative, continues to be a priority. This service helps Alberta Netcare users save time. It gives them common, trusted credentials that, once logged in, will provide access to multiple applications. All users benefit from self-service features like password resets, single sign-on and self-registration.

# Key Performance Measures and Results

## MEASURE 1.A

### Self reported health status

Self-reported health status is a good indicator of the health and well being of Albertans. It is accepted nationally and internationally as a means of reporting on population health. How people rate their own health is affected by a variety of factors, including genetic factors, early childhood development, education, employment status, chronic disease, disability, temporary illness, mental health and the environment. Self-reported health status result for those 65 years old and over was slightly below target in 2005 but increased in 2006. For the 18 to 64 years category, the self reported health status result increased slightly in 2005 but dropped again in 2006. The self-reported health status of Albertans has been at or near the target values for the past five years.

**Self reported health status**

| | 2002 | 2003 | 2004 | 2005 | 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Age 18 – 64<br>Per cent reporting excellent, very good, or good health | 88 | 90 | 88 | 89 | 88 | 90 |
| Age 65+<br>Per cent reporting excellent, very good, or good health | 78 | 80 | 78 | 78 | 86 | 80 |

**Source**: 2006 HQCA Satisfaction with Healthcare Survey, conducted by IPSOS.
Data are collected through a telephone survey of 4,780 randomly selected Alberta households. The survey is commissioned by the HQCA and is conducted by IPSOS.
Adult Albertans are asked: "In general, compared with other people your age, would you say your health is: excellent, very good, good, fair, or poor?" The sample size for the 18 – 64 group is about 4,100, and estimates are accurate within about two per cent 19 times out of 20. The sample size for the 65+ group is about 662 and these estimates are accurate within about four per cent 19 times out of 20.
2002 – 2005, Public Survey about Health and the Health System in Alberta, conducted by the Population Research Laboratory, University of Alberta, for the Health Quality Council of Alberta (HQCA).

## MEASURE 1.B

### Life expectancy

Life expectancy at birth is the average number of years a newborn is expected to live. It is assumed that current mortality rates will remain constant throughout their lives. One of the biggest jumps in life expectancy coincided with the introduction of sanitation, which greatly reduced the spread of disease. In the last century life expectancy has greatly increased in the western world due to the eradication and control of many infectious diseases and the near elimination of infant mortality. Past improvements in medicine, public health, and nutrition mainly increased the number of people living beyond childhood having little effect on overall life expectancy. It is believed, however, that future medical advancements aimed at better disease monitoring and simple intervention such as blood pressure and clotting level control will prevent many sudden deaths or strokes increasing life expectancy

further. On the other hand, the rising prevalence of obesity is thought to reduce the potential for longer life by contributing to the rise of cancers, heart disease and diabetes in the developed world. Life expectancy for males and females in Alberta has slightly increased over the last five years but remains just below the targets of 78 and 83 years respectively.

**Life expectancy at birth (in years)**

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Target 2005 |
|---|---|---|---|---|---|---|---|
| Male | 77.1 | 77.0 | 77.4 | 77.5 | 77.8 | 77.6 | 78 |
| Female | 82.0 | 82.4 | 82.0 | 82.3 | 82.6 | 82.7 | 83 |

**Source:** Alberta Vital Statistics Registry, Alberta Health Care Insurance Plan Registry.
The 95 per cent confidence interval for Alberta life expectancy estimates is about ±0.2 years. Life expectancy at birth is an estimate of the number of years that a person born in that year will live, based upon current mortality statistics.

## MEASURE 1.C

### Birth Weight

Birth weight is an indicator of the health status of newborns. Adequate prenatal growth is essential for future growth and development. Low birth weight (LBW) babies are more likely to have birth related complications, disabilities, and other health problems. They are also more likely to have developmental delays, learning, and behavioural problems and long term health problems. Low birth weight is a major factor in infant mortality. Very low birth weight babies (under 1500 grams) are especially likely to have long term health problems and to require higher levels of health care throughout their lives. The percentage of low birth weight babies in Alberta has increased over the last decade. The percentage of low birth weight babies during the period from 2003 to 2005 was slightly higher than the 2005 target of 6 per cent.

**Per cent of low birth weight babies**

| | 1994/1996 | 1997/1999 | 2000/2002 | 2003/2005 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|---|
| Per cent of Alberta newborns who have a birth weight less than 2500 grams | 5.9 | 6.1 | 6.2 | 6.4 | 6.0 | 5.5 |

**Source:** Alberta Vital Statistics Birth File, includes newborns who have a birth weight less than 2500 grams.

## MEASURE 1.D

### Exercise

Healthy U is a provincial initiative to promote the benefits of healthy eating and active living; important lifestyle factors that contribute to reducing the risk of chronic diseases. The initiative includes the website **www.healthyalberta.com**, Healthy U Crew, Community Choosewell Challenge, Healthy U @ work, the Premier's Award for Healthy Workplaces, the Snacktivity Box, and recipe cards. Physical activity can help protect an individual against heart disease, obesity, high blood pressure, diabetes, osteoporosis, stroke, depression and certain kinds of cancers. The results show that, over the past decade, Albertans have become increasingly active in their leisure-time activity. Albertans who maintain an active lifestyle can improve their quality of life and long term health outcomes.

**Per cent of Albertans age 12 and over who are "active or moderately active"**

| | 1998/1999 | 2000/2001 | 2002/2003 | 2004/2005 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|---|
| Per cent of Albertans age 12 and over reporting they are "active or moderately active" | 53 | 52 | 56 | 55 | 60 | 80 |

**Source:** Statistics Canada – Canadian Community Health Survey (CCHS) (2000/2001, 2002/2003, 2004/2005), National Population Health Survey (1999).
Approximate sample size for Alberta is 12,000 households, which provides a 95 per cent confidence interval of about 1 per cent above or below the reported result. Excluded from CCHS sampling framework were residents of institutions, full-time members of the Canadian armed forces, residents of Indian reserves and of Crown lands, and residents of a few remote areas. Results are adjusted for non-respondents.
Albertans age 12 and older who reported their level of physical activity, based on their responses to questions about the frequency, duration and intensity of their participation in leisure-time physical activity.
Respondents are classified as active, moderately active or inactive based on an index of average daily physical activity over the past 3 months. For each leisure time physical activity engaged in by the respondent, average daily energy expenditure is calculated by multiplying the number of times the activity was performed by the average duration of the activity by the energy cost (kilocalories per kilogram of body weight per hour) of the activity. The index is calculated as the sum of the average daily energy expenditures of all activities. Respondents are classified as follows: 3.0 kcal/kg/day or more = physically active; 1.5 – 2.9 kcal/kg/day = moderately active; less than 1.5 kcal per day = inactive.

## MEASURE 1.E

### Healthy Diet

Eating the right amount of food is as important as what you choose to eat. Eating well provides the fuel for an active, healthy lifestyle. Vegetables and fruit help people stay healthy. They are loaded with vitamins, fiber and antioxidants, all known to help fight disease and allow our bodies to perform at their best. Choosing nutritious foods can also help to lower the risk for heart disease, stroke, diabetes, cancer and osteoporosis. Through the Healthy U campaign, Albertans have been educated that it is important to eat a variety of foods from each of the four food groups in Canada's Food Guide to Healthy Eating. The Healthy U campaign promotes choosing a serving of fruit and vegetables at every meal and snack to reach the goal of at least five servings every day.

**Per cent of Albertans who eat at least 5 to 10 servings of fruit and vegetables each day**

| | 2000/2001 | 2002/2003 | 2004/2005 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|
| Per cent of Albertans age 12 and over reporting they ate at least 5 to 10 servings of fruit and vegetables each day | 33 | 39 | 39 | 40 | 50 |

**Source:** Statistics Canada – Canadian Community Health Survey (CCHS) (2000/2001, 2002/2003, 2004/2005).
Approximate sample size for Alberta is 12,000 households, which provides a 95 per cent confidence interval of about 1 per cent above or below the reported result. Excluded from CCHS sampling framework were residents of institutions, full-time members of the Canadian armed forces, residents of Indian reserves and of Crown lands, and residents of a few remote areas. Results are adjusted for non-respondents.
Albertans age 12 and older who reported they ate at least 5 – 10 servings of fruit and vegetables each day.

## MEASURE 1.F

### Healthy Weight

There are four categories of body mass index (BMI) ranges in the Canadian weight classification system. These are: underweight (BMIs less than 18.5); normal weight (BMIs 18.5 to 24.9); overweight (BMIs 25 to 29.9), and obese (BMIs 30 and over).

Most adults with a high BMI (overweight or obese) have a high percentage of body fat. Extra body fat is associated with increased risk of health problems such as diabetes, heart disease, high blood pressure, gallbladder disease and some forms of cancer.

**Per cent of Albertans with a "healthy" body mass index (BMI). Note: Normal BMI is considered "healthy".**

| | 1998/1999 | 2000/2001 | 2002/2003 | 2004/2005 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|---|
| Per cent of Albertans whose body mass index (BMI) is in the range of 18.5 – 24.9 | 46 | 49 | 47 | 46 | 50 | 55 |

**Source:** Statistics Canada – Canadian Community Health Survey (CCHS) (2000/2001, 2002/2003, 2004/2005), National Population Health Survey (1999).
Approximate sample size for Alberta is 12,000 households, which provides a 95 per cent confidence interval of about 1 per cent above or below the reported result. Excluded from CCHS sampling framework were residents of institutions, full-time members of the Canadian armed forces, residents of Indian reserves and of Crown lands, and residents of a few remote areas. Results are adjusted for non-respondents. The index excludes pregnant women and persons less than 3 feet (0.914 meters) tall or greater than 6 feet 11 inches (2.108 meters).
Albertans age 18 and older who reported Body Mass Index (BMI), based on their responses to questions about their height and weight. "Acceptable" BMI includes respondents with a normal weight (BMI 18.5 – 24.9).
BMI is calculated as follows: weight in kilograms divided by height in meters squared. The index is: under 18.5 (underweight); 18.5 – 24.9 (normal weight); 25.0 – 29.9 (overweight); 30.0 – 34.9 (obese – Class I); 35.0 – 39.9 (obese – Class II); 40 or greater (obese – Class III).

## MEASURE 1.G

### Diabetes

Type 2 diabetes accounts for 90 to 95 per cent of all cases of diabetes. Type 2 diabetes is largely preventable. Diabetes is a serious, chronic health condition and a major cause of and contributor to disease and death among Albertans. People with diabetes are 2.5 times more likely to have heart disease, 11 times more likely to have kidney failure, 17 times more likely to have an amputation, and eight times more likely to undergo bypass surgery. Under the *Alberta Diabetes Strategy*, the Alberta Monitoring for Health program helps low-income Albertans buy supplies, while the Mobile Diabetes Screening Initiative screens Aboriginal people living off-reserve for diabetes and its complications.

As the number of people with diabetes grows, the disease takes an ever-increasing proportion of the health care budgets. Without primary prevention, the diabetes epidemic will continue to grow. Immediate actions are needed to help slow the rate of growth and to introduce cost-effective treatment strategies that will reverse this trend. Because of its chronic nature, the severity of complications and the means required to control them, diabetes is a costly disease, not only for the affected individual and his/her family, but also for the health system. The three-year Keep Your Body in Check program that used public awareness and community education to heighten awareness and reduce the rate of type 2 diabetes in Alberta and has helped at-risk Albertans to take positive actions in their health was completed March 31, 2006.

**Number of new case of type 2 diabetes (per 1000 population at risk)**

| | 2001 | 2002 | 2003 | 2004 | 2005 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|---|---|
| General Population | 3.8 | 4.0 | 3.8 | 4.2 | 4.3 | 4.3 | 4.1 |
| First Nations Population | 7.8 | 7.5 | 7.9 | 8.1 | 8.3 | 8.7 | 8.5 |

**Source:** Alberta Health and Wellness, Public Health Surveillance and Environmental Health Branch.
Incidence rates are calculated based on the date an individual meets the surveillance case definition. The values are a proxy for type 2 diabetes based on calculations using type 1 and 2 diabetes. An individual is identified as having diabetes if they have had two or more physician visits within a five-year period. If they have residency in Alberta for longer than 5 years, they require 3 or more physician services. The incident date is the date that the person met the surveillance case definition.
**Note:** The Auditor General was not able to complete auditing procedures on this measure prior to publication of the 2005/2006 annual report.

## MEASURE 1.H

### Alcohol Consumption

The results show that the number of pregnant women who consume alcohol is declining. Consuming alcohol during pregnancy can result in fetal alcohol spectrum disorder. A baby born with fetal alcohol spectrum disorder can have serious disabilities and therefore could require a lifetime of special care. Alberta's goal is to have zero per cent of women consume alcohol during pregnancy by 2012.

**Per cent of Alberta women who reported that they consumed alcohol during pregnancy**

| | 2000 | 2001 | 2002 | 2003 | 2004 | Target 2005 | Target 2012 |
|---|---|---|---|---|---|---|---|
| Per cent of Alberta women reporting that they consumed alcohol during pregnancy | 4.0 | 3.9 | 4.0 | 4.1* | 3.7* | 3.5 | 0 |

**Source:** Vital Statistics Birth File.
Includes Albertan women who gave birth and reported they consumed alcohol during pregnancy.
Data excludes non-Albertan residents and is adjusted for non-respondents.
* Data is preliminary

## MEASURE 1.I

### HIV

Since 2000, the rate of new human immunodeficiency virus (HIV) cases has been gradually declining but the risk factor has changed with a decline in new infections among injection drug users and a rise in sexual transmission of HIV; in 2005, 73 per cent of all new HIV infections were sexually transmitted. Alberta's first *Blood Borne Pathogen and Sexually Transmitted Infections Strategy*, which will address these important challenges, is awaiting final approval and implementation.

**Age adjusted rate of newly reported HIV cases (per 100,000 population)**

| | 2001 | 2002 | 2003 | 2004 | 2005 | Target 2005 |
|---|---|---|---|---|---|---|
| Age adjusted rate of newly reported HIV cases | 6.0 | 6.0 | 5.3 | 5.6 | 5.2 | 5.2 |

**Source:** Alberta Health and Wellness, Disease Control and Prevention Branch

## MEASURE 1.J

### Sexually Transmitted Infections

Since 2000, the rate of all reportable sexually transmitted infections (STI) in Alberta has been increasing significantly each year. In 2005, STI represented 64 per cent of all communicable diseases reported in Alberta. Currently, Alberta rates for syphilis, chlamydia and gonorrhea are higher than and rising at a greater rate than the national rate. The significant increase in newly reported infection rates for syphilis and gonorrhea may be due to a decrease in safer sex practices and links to the sex trade where partners remain anonymous making the testing and treating of partners very difficult. Alberta's first *Blood Borne Pathogen and Sexually Transmitted Infections Strategy* will address these important challenges.

**Rates of newly reported infections (per 100,000 population)**

| | 2001 | 2002 | 2003 | 2004 | 2005 | Target 2005 |
|---|---|---|---|---|---|---|
| Syphilis | 0.8 | 0.6 | 1.2 | 2.3 | 4.5* | 1.45 |
| Gonorrhea | 26 | 32 | 33 | 43 | 48 | 35 |
| Chlamydia | 215 | 238 | 252 | 263 | 274 | 260 |

**Source:** Alberta Health and Wellness, Disease Control and Prevention Branch

* Based on preliminary data, in 2005, the definition of infectious syphilis was broadened to include cases of neuronsyphilis that are determined, through clinical evaluation, to be infectious.

# Goal 2 Albertans' health is protected.

As public health issues such as avian influenza gain attention worldwide, Albertans need to know that their health system is ready and able to protect their health. Alberta Health and Wellness, in collaboration with health authorities and other partners, continues to protect Albertans from disease and injury.

## What We Did

### Reduce suicide and the risk of serious injury through education and targeted interventions in collaboration with other agencies. Work with AADAC, Children's Services and Solicitor General to reduce the number of youth suicides.

- Alberta Health and Wellness is co-chair of the cross-ministry *Aboriginal Youth Suicide Prevention Strategy*, which is utilizing a community development approach to youth suicide prevention. The three initial pilot sites – Lethbridge and surrounding First Nations, High Prairie and surrounding Métis Tri-Settlements, and Eden Valley First Nations – prepared their first year reports for submission and review. In addition, their second year action plans have been prepared for review and approval. Two new communities – Assumption and surrounding First Nations, and Hobbema and surrounding First Nations, were identified as potential pilot sites for expanded implementation of the *Aboriginal Youth Suicide Prevention Strategy* in 2006/2007. Action plans are expected to be developed for review and approval in spring 2006.
- The Aboriginal Youth Suicide Prevention Strategy Education and Awareness Subcommittee developed a preliminary communications plan that describes the overall goals and target audience for the campaign. Focus groups with Aboriginal youth, organizations and social service providers were conducted, as part of a provincial youth forum, to determine the most effective ways to reach youth. A provincial sponsorship allowed the attendance of many Aboriginal youth from off-reserve.
- The Alberta Centre for Injury Control and Research (ACICR) received $1.5 million in funding for core operations. This included a pilot project in Grande Prairie where ACICR staff worked to assist the Grande Prairie and Area Safe Communities Committee in clearly identifying goals, objectives and strategies to address awareness issues. The goal of the project was to develop a model for community development which empowers communities and supports them in more effectively evaluating their injury prevention initiatives. Work on this project continues.

### Protect Albertans against communicable diseases by strengthening the health system's capacity to prevent, be prepared for and respond to public health risks such as vaccine-preventable diseases, emerging threats like avian influenza and increases in sexually transmitted infections.

- A new campaign, called It's in Your Hands, was initiated to increase the public's confidence in their ability to recognize, prevent and treat influenza, and know when to access the health care system. Self-care and information materials were made

available online through the Alberta Health and Wellness website, and in all public health centres where immunizations were given.

- Funding of $2.3 million was given to the Alberta Community Council on HIV to support 14 community-based HIV service organizations, and 13 community-based HIV projects. These organizations and projects work to provide prevention, care and support for those infected and affected by HIV.
- Provincial public health management guidelines were developed to define a consistent approach for those who are "unwilling and unable." This includes HIV infected persons who refuse or neglect to comply with behaviours to prevent the transmission of HIV to others.
- An Outbreak Response Procedure Manual was completed for communicable disease outbreaks.
- A Smallpox Emergency Response Plan has been developed, and all regional health authorities were provided with grants to develop and implement the plan.
- Work was initiated on updating the 2002 Alberta Pandemic Influenza Contingency Plan. It is now called the Pandemic Influenza Plan.
- A pandemic communications exercise with Alberta Health and Wellness, regional health authorities and the First Nations and Inuit Branch was held on October 4, 2005. The exercise provided a functional test of the Emergency Operations Centre. The Communicable Disease Emergency Response Group for Pandemic was tested as part of the annual Department Business Continuity Plan using a pandemic scenario on November 9, 2005. These exercises provided the opportunity to identify gaps in planning and the opportunity to strengthen overall planning processes.

### Protect Albertans from environmental health risks transmitted via air, water, food and physical environments through education, environmental and air quality monitoring, regulatory compliance and enforcement in partnership with other ministries.

- Environmental Impact Assessments for industrial development, submitted to Alberta Health and Wellness by development proponents through Alberta Environment, were reviewed to ensure that the impacts of these projects on human health were understood and addressed. Projects included: Altalink SW 240 kV transmission line; AltaLink 500 kV N-S Power line; CNRL Primrose East; Deer Creek North Mine; Dodds Coal Mine; EXXON/Mobil Oil Kearl Lake; Husky Energy – Sunrise Thermal Project; MEG Energy Christina Lake; Northwest Upgrader; PetroCanada MacKay; Shell Scotford Upgrader; Suncor Voyageur.
- In response to recommendations made by the Advisory Committee on Public Safety and Sour Gas, Alberta Health and Wellness completed a review of the scientific literature on the health effects associated with exposure to sulphur dioxide and published a report entitled *"Health Effects Associated with Short-term Exposure to Low Levels of Sulphur Dioxide (SO2) — A Technical Review"*.
- Developed a revised Food and Food Establishments Regulation. This involved the development of a Guideline specifically designed to address food venues for community and volunteer organizations and development of a complete new regulation.

### Develop networks and initiatives that improve access to disease screening and prevention services such as the Alberta Stroke Network.

- Work to implement the *Alberta Provincial Stroke Strategy* (to reduce stroke incidence, improve care, optimize recovery and reduce financial burden) throughout the province began in 2005/2006. The Alberta Stroke Council, established in June 2005, is comprised of representatives from Alberta Health and Wellness, the Heart and Stroke Foundation of Alberta, North West Territories, Nunavut and all nine Alberta health regions. The Council has established priorities and budget allocations, inventoried current stroke services and identified gaps. They have also developed a work plan for the four pillar components of stroke care: stroke prevention and health promotion; acute stroke care; stroke rehabilitation and community reintegration; and network evaluation and quality improvement.
- The Alberta Cervical Cancer Screening Program (ACCSP) has been implemented in two health regions; Calgary Health Region and Palliser Health Region, incorporating 40 per cent of their target population. The ACCSP aims to improve prevention and early detection of cervical cancer by increasing the number of women aged 18 to 69 years who receive regular pap tests. The ACCSP will strengthen cervical screening services already available in the province by working with physicians and labs to ensure women in the target group are screened regularly and appropriately, and that those with abnormal pap tests receive consistent follow-up care.
- Implementation of the ACCSP program into other regions was delayed due to technical difficulties with the information system. Based on the review of the cervical cancer screening (CCS) application, the Alberta Cancer Board will build a new application that will better support program operation and on-going implementation. An annual report for the Alberta Cervical Cancer Screening Program is available through the Alberta Cancer Board.

### Work with other ministries on the *Alberta Water Strategy* to ensure safe and secure drinking water for Albertans.

- Alberta Health and Wellness and other government departments have been actively working with Alberta Environment on the cross-ministry *Water for Life: Alberta's Strategy for Sustainability*. The three key strategic directions in the strategy are: a) Safe secure drinking water; b) Healthy aquatic ecosystems; and c) Reliable, quality water supplies for a sustainable future. Alberta Health and Wellness is primarily focused on safe drinking water. Alberta Health and Wellness has allocated $2.1 million per year for the next three years to provide enhancements in the interests of safe and secure drinking water.

## Key Performance Measures and Results

### MEASURE 2.A

Mortality Rates

Alberta has one of the highest injury mortality rates among provinces. Through the use of standardized mortality rates for injury and suicide the ministry and several other government departments are able to design better safety and injury prevention strategies. These rates have changed little since 1998. It is clear that all sectors of society need to collaborate and focus their efforts on preventing injury and accidental death and suicide.

A change in diagnostic coding to the International Classification for Diseases occurred beginning in 2000; Land Transport Accidents replaces the previously reported category of Motor Vehicle Collisions. Approximately 95 per cent of land transport accidents are motor vehicle collisions.

**Mortality rates (per 100,000 population)**

| | 2000 | 2001 | 2002 | 2003 | 2004 | Target 2005 |
|---|---|---|---|---|---|---|
| Land Transport Accidents (Motor vehicle collisions included) | 12 | 13 | 12 | 12 | 12 | 12 |
| Suicide | 14 | 16 | 14 | 14 | 14 | 13 |

**Source:** Vital Statistics and Alberta Health Registration File
Includes Albertan's who's death was coded as follows: Land Transport Accident = V01-V89 and Suicide = X60-X84, Y87.0 as the cause of death within Alberta Vital Statistics Death File. Results are based on ICD-10 diagnostic coding. Results are age standardized (per 100,000 population) to the 1996 Canadian Census population and exclude non-Alberta residents.

## MEASURE 2.B

### Childhood Immunization Coverage Rates

A high rate of immunization for a population can help ensure that the incidence of childhood diseases remains low and outbreaks are controlled. Immunization rates for Alberta remain steady, but below target. Additional efforts are required in remote areas of the province and with specific groups of residents to ensure children receive appropriate immunization for adequate health protection. A 10 year *Alberta Immunization Strategy* is being developed in an attempt to address these issues.

**Per cent of children 2 years or under who have been immunized**

| | 2000 | 2001 | 2002 | 2003 | 2004 | Target 2005 |
|---|---|---|---|---|---|---|
| Diphtheria, tetanus, pertussis, polio, Hib | 79 | 78 | 78 | 78 | 82 | 88* |
| Measles, mumps, rubella | 90 | 87 | 90 | 90 | 91 | 98*** |
| Pneumococcal and Meningococcal ** | - | - | - | - | - | 98*** |

**Source:** Alberta Health and Wellness, CAIT Report 2413, data on childhood immunization are provided by regional health authorities and the First Nations Inuit Health Branch of Health Canada.
The number of children immunized is provided by the health regions immunization registries based on provincial policies. Population age two years is estimated from mid-year registry population file. Health Canada provides results for immunizations provided to children on First Nations reserves; these are included.
* This is the interim target with health regions moving towards 97 per cent as outlined in the Alberta Immunization Manual, 2001 in accordance with national standards.
** Data not available for Meningococcal and Pneumococcal conjugates due to complex immunization schedules and challenges in data collection.
*** Targets are for 2008.

## MEASURE 2.C

### Influenza Vaccination

The annual influenza season can have serious consequences on the health of older people, particularly those with chronic health conditions. Annual vaccination is recommended to reduce the severity of influenza on Albertans and on health system resources. The percentage of seniors aged 65 and over who received the flu vaccine has increased over the past four years but remains below the target of 75 per cent.

**Per cent of seniors who have received the recommended annual influenza (flu) vaccine**

| | 2002* | 2003* | 2004* | 2005* | 2006* | Target 2005/2006 |
|---|---|---|---|---|---|---|
| Per cent of seniors aged 65 and over who have received the recommended annual influenza (flu) vaccine | 67 | 66 | 68 | 69 | 68** | 75 |

**Source:** Alberta Health and Wellness, data is collected from regional health authorities.
* Includes data from immunization campaign that runs October – April
** Based on preliminary data.

## MEASURE 2.D

### Screening Rate for Breast Cancer

Regular mammography screening (every two years) for women age 50 to 69 has been shown to be effective in reducing breast cancer mortality rates. The provincial target is 58 per cent of women in this age group screened regularly. The results for 2004/2005 are close to this target. A new breast cancer screening program will actively support women who are typically underscreened to participate in screening. The program will include education, community and outreach programs for "hard to reach" groups of women – such as ethnic communities for which breast health is an especially sensitive matter.

**Screening rate for breast cancer**

| | 2000/2001 | 2002/2003 | 2004/2005 | Target 2005 |
|---|---|---|---|---|
| Per cent of women age 50 – 69 receiving screening for breast cancer within the recommended screening guidelines. | 54* | 52* | 53 | 58 |

**Source:** Statistics Canada – Canadian Community Health Survey (CCHS) (2000/2001, 2002/2003, 2004/2005).
Approximate sample size for Alberta is 12,000 household, which provides a 95 per cent confidence interval of about 1 per cent above or below the reported results. Excluded form CCHS sampling framework were residents of institutions, full-time members of the Canadian armed forces of Indian reserve and of Crown lands, and residents of a few remote areas. Includes women aged 50 to 69 who reported when they had their last mammogram for routine screening or other reasons. The values stated only include the per cent of women who reported they have "Received a screening mammogram". The values have been adjusted for non-response.
*Figures have been restated due to change in methodology to include only women who have received a screening mammogram.

# Goal 3 Improved access to health services.

Albertans expect to have timely access to the health services they need. Alberta Health and Wellness sets standards for access to health services in collaboration with health authorities and service providers. Access standards include wait times and geographic access guidelines for specific services. Alberta's approach to improving accessibility also includes greater opportunities for choice in the mode of health service delivery. Access standards and corresponding targets must reflect the complex interrelationships among different services and providers.

## What We Did

### Provide for continuing care services that allow Albertans to "age in place" in their homes and communities. Work with regions to coordinate access to continuing care services like nursing homes and home care; consolidate and modernize continuing care policy and regulations; and collaborate with Ministry of Seniors and Community Supports to address barriers/access to continuum of care and encourage innovation.

- A new coordinated access system has been implemented to provide single streamlined contact points for clients requiring continuing care services. The system operates 24 hours a day, seven days a week. Regional health authorities implemented an inter-regional transfer policy so that there is no barrier to services if a client moves from one region to another.
- Regional health authorities are expected to continue to implement the *Aging in Place Strategy*, shifting services from facility-based stream to home living and supportive living stream. The provincial resident ratio target set for both 2005/2006 and 2006/2007 was exceeded in 2004/2005. The latest resident ratio result for 2005/2006 is 67.3 residents per 1,000 versus the target of 69 residents per 1,000.
- New provincial targets for "aging in place" continuing care services were communicated to regional health authorities and will be included in their 2006/2007 health plans.

### Find innovative and culturally appropriate ways to improve access to health services for all Albertans, especially populations who have not taken advantage of health services in the past.

- Enhancements were made to the Alberta Waitlist Registry, providing management and trend reporting features, making the registry more functional. Data from the registry was also consistently used to monitor the performance of regional health authorities, for inter-provincial comparisons, as well as federal benchmark comparisons.
- The government made a significant $2.26 billion commitment to additional capital investment in health infrastructure in 2005/2006. This will allow us to continue to preserve and expand our infrastructure to improve access to health services. The current provincial Capital Plan will provide for nearly 2,200 additional acute care beds at various hospitals throughout the province

over the next ten years as well as targeted growth in capacity in areas such as surgical, diagnostic, ambulatory and emergency care.

- In Edmonton, the new Mazankowski Alberta Heart Institute and Edmonton Clinic will enhance treatment options available to Albertans and advance priority research and innovation initiatives for both Capital Health and the University of Alberta. At the Royal Alexandra Hospital, construction of the new Robbins Pavilion is well underway. In Calgary, the new Children's Hospital and South Calgary Health Campus will respond to the unprecedented growth in population in the Calgary health region.
- There are currently 26 Alternate Relationship Plans (ARPs) that are implemented and in operation in Alberta. Many of these ARPs have provided increased access to their target population. Health service delivery in such areas as Shared Mental Health Care, Shared Care Maternity and Paediatric Anesthesia Pain Services are just a few programs that offer innovative avenues of access.
- On December 12, 2005, Alberta, along with all the territories and provinces, announced wait time benchmarks agreed to as part of the 10-Year Plan to Strengthen Health Care, which was reached by First Ministers in September 2004.
- The *Access Standards Gating Framework* was developed as a tool to assist selected health service areas to progressively address the reduction of wait times. This is accomplished through standards development, pilot testing and implementation in six service areas: cardiac; children's mental health; MRI/CT scans; breast and prostate cancer; hip and knee replacements and vision restoration. The implementation is at varying phases for each service.

**Cardiac Services:**

- Wait time goals for coronary artery bypass graft (CABG) and angioplasty have been established. Patients face waits at all points along the care continuum. From seeking relief of initial symptoms to treatment and rehabilitation. It is recognized that improvements in access must consider the entire patient journey. The Cardiac Services committee is consulting with a broad range of health care providers from across the province to develop a three-year plan aimed at improving access along the full patient care path.

**Children's Mental Health Services:**

- Alberta is the first province to state that it will set wait time standards for children's mental health services and begin tracking wait times. Drafting of wait time standards has begun. Setting wait time standards will benefit Alberta's children by ensuring that the wait times are safe for them and their families, that health regions are providing care in an efficient manner and that all children needing mental health services have equitable access.

**MRI/CT Scans:**

- In consultation with experts, wait-time-goals for distinct urgency levels have been established. Prioritization tools to determine the level of urgency were developed and implemented province wide.

**Cancer Services:**

- Breast Cancer: an expert panel of Albertans, including physicians, health authority representatives and other stakeholders has identified provincial wait time goals for breast cancer services. Goals were identified for each stage throughout the patient journey. The goals match with,

the benchmarks for radiation therapy cancer treatment agreed upon by the provinces and territories and announced in December 2005. A multidisciplinary team, lead by Capital Health and the Alberta Cancer Board, is planning a demonstration project to test the new care path beginning in the fall of 2006. The new care path will shorten the wait time for breast cancer services from as long as eight months to a maximum of 12 weeks. Patient navigation services will be available to ensure patients move smoothly through the care path.

- Prostate Cancer: an expert panel of Albertans, including physicians, health authority representatives and other stakeholders are developing provincial wait time goals for prostate cancer services. Goals were identified for each stage throughout the patient journey. A multidisciplinary team in Calgary, which includes urologists from the Prostate Cancer Rapid Access Clinic, is working with an expert panel to develop and test the new care path following the approval of the provincial goals. The prostate Cancer Rapid Access Clinic has decreased wait times for specialist consultation from several months to between two and three weeks through system redesign.
- The Alberta Hip and Knee Joint Replacement pilot project was launched in April 2005. It tested a new care pathway for providing better access to hip and knee joint replacement surgeries, and for improving the delivery of orthopaedic care. Capital Health, the Calgary Health Region and the David Thompson Health Region participated in the pilot along with the Alberta Medical Association, the Alberta Orthopaedic Society and the Alberta Bone and Joint Health Institute. Interim findings showed: decreased wait time for first orthopaedic consult; decreased wait time between first orthopaedic consult and surgery; decreased length of stay in hospital; and improved satisfaction with the care provided among surveyed patients and physicians.

**Vision Restoration:**

- A group of experts was assembled and is working to establish acceptable wait times goals for cataract surgery in Alberta using the Provincial/territorial benchmarks as a starting point.

### Work with the Alberta Mental Health Board, Regional Health Authorities (RHAs) and other partners to support their community-based implementation of the Provincial Mental Health Plan.

- Alberta mental health services were expanded, through funding from the three-year Mental Health Innovation Fund, with the approval of 36 new projects ranging from outreach programs to day treatment and crisis intervention services. The projects will provide a variety of services across the province, including a seniors' mental health outreach service in the Chinook Health Region, a program to address mental health services for high needs children and their families in the Calgary Health Region, a day treatment and learning centre for youth in the David Thompson Health Region, and crisis intervention services in rural and aboriginal communities. Each regional health authority developed a regional mental health plan aligned with the Provincial Mental Health Plan following consultations with mental health organizations, local care providers and community partners.

- The Alberta Mental Health Board received $5.6 million for two justice related mental health programs. The Provincial Family Violence Treatment Program provides mandated assessment and treatment services for perpetrators of family violence, and the Provincial Diversion Program redirects individuals with mental illness who have committed low risk offences from the criminal justice system into appropriate mental health services.

### Provide leadership on federal/provincial/territorial work to manage the growing cost of pharmaceuticals including the protection of Albertans from catastrophic drug costs.

- Alberta was an active participant in and significantly contributed to the *National Pharmaceuticals Strategy* as part of an integrated, comprehensive and collaborative approach to pharmaceuticals in Canada, including the ongoing development of options for catastrophic pharmaceutical coverage.
- Access to drug coverage for eligible children with Multiple Sclerosis and Crohn's Disease was provided through Province Wide Services.
- The number of Albertans covered by government sponsored prescription drug programs (Non-Group Coverage) increased by 3.4 per cent from 2003/2004 to 2004/2005.
- Alberta conducted a comprehensive, evidence-based review of the benefit status for antibiotic therapies on the Alberta Health and Wellness Drug Benefit List. The listing status of several products was updated and a new Optional Special Authorization policy was implemented to encourage optimal utilization and prevent antimicrobial resistance for the quinolone antibiotics.

## Key Performance Measures and Results

### MEASURE 3.A

Waiting Times

Wait times for health services are one measure of how well the health system is doing. Patients whose needs are very urgent will receive immediate service, while patients with less urgent needs are placed on waiting lists. The Alberta Waitlist Registry displays current wait time information for a variety of services, excluding emergent patients. Patients have the opportunity to view wait times by facility and physician prior to scheduling an appointment. This allows them to be more informed on how long they can expect to wait for their procedure. The Alberta Wait List Registry can be found at **www.health.gov.ab.ca**.

The ministry is working with health service providers and the regional health authorities to develop and implement wait time goals and targets for selected health services. The work includes wait time standards, guidelines for determining urgency and the development of management processes to ensure Albertans have timely access to these services.

## Hip and Knee Replacement Surgery

The aging population combined with people with a more active lifestyle has increased the demand for hip and knee joint replacement surgery. The Alberta Hip and Knee Joint Replacement Pilot Project, launched in April 2005 in the Capital, Calgary, and David Thompson health regions followed 1,200 patients through a newly designed patient flow process intended to improve the way orthopaedic care is delivered.

The findings of the project's interim evaluation report, released in December 2005, revealed a significant reduction in average wait times for hip and knee surgeries. Patients have reported improved outcomes as well as satisfaction with the assessment clinic and their hospital experience. The final evaluation of the pilot will be submitted in June 2006, before the new care process is expanded across the province.

The number of persons waiting for hip replacement surgery and the 90th percentile wait time has decreased from March 2005 to March 2006. The number of elective hip replacement surgeries has increased from 2004/2005 fiscal year to the 2005/2006 fiscal year.

**Hip Replacement Surgery**

| | March 2005* | June 2005 | September 2005 | December 2005 | March 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Total number waiting | 1,898 | 1,917 | 1,901 | 1,950 | 1,793 | - |
| 50th percentile wait time in weeks | 19.9 | 19.4 | 18.3 | 16.9 | 16.3 | - |
| 90th percentile wait time in weeks | 58.9 | 53.7 | 54.6 | 51.6 | 47.7 | 50 |
| Number of surgeries done | 238 | 267 | 252 | 178 | 237 | - |

**Source:** Alberta Health and Wellness, Alberta Waitlist Registry.
Total number waiting is the number of people waiting on the last day of the month stated.
50th percentile means that 50 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
90th percentile means that 90 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
Number of surgeries done is the number of elective surgeries performed in the month stated.
* Data is restated from 2004/2005 annual report as the Alberta Waitlist Registry is a dynamic database. The 2004/2005 data was as of April 22, 2005 and the 2005/2006 data is as of June 22, 2006.

The number of persons waiting for knee replacement surgery and the 90th percentile wait time has decreased from March 2005 to March 2006. The number of elective knee replacement surgeries completed has increased from the 2004/2005 fiscal year to the 2005/2006 fiscal year.

**Knee Replacement Surgery**

| | March 2005 | June 2005 | September 2005 | December 2005 | March 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Total number waiting | 3,605 | 3,670 | 3,792 | 3,856 | 3,462 | - |
| 50th percentile wait time in weeks | 25.1 | 25.1 | 24.4 | 24.1 | 22.9 | - |
| 90th percentile wait time in weeks | 64.6 | 66.9 | 63.9 | 60.0 | 59.7 | 50 |
| Number of surgeries done | 324 | 372 | 351 | 279 | 415 | - |

**Source:** Alberta Health and Wellness, Alberta Waitlist Registry.
Total number waiting is the number of people waiting on the last day of the month stated.
50th percentile means that 50 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
90th percentile means that 90 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
Number of surgeries done is the number of elective surgeries performed in the month stated.

## Heart Surgery

The most common open-heart surgery in adults is the coronary artery bypass graft (CABG) procedure. This is done to improve blood flow to the heart muscle, and is usually performed on middle-aged or older adults when their arteries have become blocked. It is a specialized service provided by the Capital and Calgary health regions for all Albertans. Patients needing emergency heart surgery receive it within hours. Changes in treatment methodology have resulted in fewer people requiring CABG; many more patients are now undergoing angioplasty, which is a less invasive procedure.

The ministry is working with physicians, administrators and other experts in the health regions to redesign services to improve efficiency. Projects are planned or are underway to test new ways to deliver service and to ensure safety and efficiency. The new Mazankowski Alberta Heart Institute is scheduled to open in Edmonton in 2007. This facility will provide more resources for cardiac care, including cardiac surgery, research and education.

**Heart Surgery (Coronary Artery Bypass Graft)**

| | March 2005* | June 2005 | September 2005 | December 2005 | March 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Total number waiting | 133 | 133 | 174 | 187 | 176 | - |
| 50th percentile wait time in weeks | 1.0 | 1.9 | 2.4 | 3.9 | 3.0 | - |
| 90th percentile wait time in weeks | 10.4 | 8.9 | 10.9 | 13.7 | 15.0 | 8 |
| Number of surgeries done | 125 | 89 | 77 | 70 | 79 | - |

**Source:** Alberta Health and Wellness, Alberta Waitlist Registry.
Total number waiting is the number of people waiting on the last day of the month stated.
50th percentile means that 50 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
90th percentile means that 90 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
Number of surgeries done is the number of elective surgeries performed in the month stated.
* Data is restated from 2004/2005 annual report as the Alberta Waitlist Registry is a dynamic database. The 2004/2005 data was as of April 22, 2005 and the 2005/2006 data is as of June 22, 2006.

## Magnetic Resonance Imaging (MRI)

Magnetic Resonance Imaging (MRI) is an emerging technology and as its utility increases, so does its demand. To assist in managing waiting lists, an out-patient prioritization tool was developed in partnership with radiologists and regional health authorities and implemented across the province. Radiologists apply the tool to determine how urgently an MRI scan is required. The wait times by urgency are currently charted on the Alberta Waitlist Registry and can assist in determining whether wait time targets are being met.

Patients needing emergency MRI scans receive them within hours. Despite the increased demand for MRI services, the 90th percentile wait times for non-emergent scans decreased over the past fiscal year while the number of scans completed increased. This trend further demonstrates the commitment and collaboration between Alberta Health and Wellness, the regional health authorities, and physicians towards improving access to MRI services.

**Magnetic Resonance Imaging (MRI)**

| | March 2005* | June 2005 | September 2005 | December 2005 | March 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Total number waiting | 17,835 | 17,104 | 18,260 | 20,700 | 23,533 | - |
| 50th percentile wait time in weeks | 7.1 | 7.1 | 9.0 | 9.0 | 9.1 | - |
| 90th percentile wait time in weeks | 20.7 | 16.7 | 18.0 | 18.3 | 17.6 | 20 |
| Number of scans completed | 7,565 | 6,256 | 6,431 | 6,050 | 7,799 | - |

**Source:** Alberta Health and Wellness, Alberta Waitlist Registry.
Total number waiting is the number of people waiting on the last day of the month stated.
50th percentile means that 50 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
90th percentile means that 90 per cent of patients who received service waited that length of time or less and is calculated using data 90 days prior to the last day of the month stated.
Number of surgeries done is the number of elective MRI scans performed in the month stated.
* Data is restated from 2004/2005 annual report as the Alberta Waitlist Registry is a dynamic database. The 2004/2005 data was as of April 22, 2005 and the 2005/2006 data is as of June 22, 2006.

## MEASURE 3.B

### Number Waiting for Long-Term Care Facility Placement

Continuing a trend since 2003, the number of persons waiting for long-term care facility placement has declined in 2006. The decrease in number of persons waiting was an improvement, as targeted. As Alberta's population ages, the demand for long-term care placements increases. These results reflect the success of new continuing care models, such as supportive living, which enable more Albertans to find living arrangements suited to their need for care.

Promotion of options for continuing care that allow Albertans to "age in place", and implementation of recommendations of the Healthy Aging: New Directions for Care report contributed to the favorable changes in this measure.

**Long-Term Care Placement**

| | 2003 | 2004 | 2005 | 2006 | Target 2005 |
|---|---|---|---|---|---|
| Number waiting in an acute care hospital | 340 | 267 | 268 | 251 | 224 |
| Number of urgent cases waiting in the community | 457 | 339 | 272 | 265 | 299 |

**Source:** Alberta Health and Wellness. Data provided by regional health authorities. Number waiting is on March 31 of the given year.

## MEASURE 3.C

### Household Spending on Drugs

The appropriate use of prescription drugs plays an important role in effectively managing chronic conditions. In 2004/2005, the Alberta government spent close to $1 billion on prescription drugs.

Prescription drug costs have been growing at 13 per cent per year on average for the past five years of prescription drugs paid for by provincial, federal and private sources.

**Percentage of households spending over five per cent of household income after taxes on prescription drugs**

| | 2001 | 2002 | 2003 | Target 2005 |
|---|---|---|---|---|
| Percentage of households spending over five per cent of household income after taxes on prescription drugs | 2.9 | 2.5[E] | 2.7[E] | 2.5 |

**Source:** Statistics Canada – Survey of Household Spending, 2001 – 2003.
Data are collected from a sample of over 2,000 households from the province of Alberta. Results for the province are accurate within 1 per cent, 19 times out of 20.
E – use with caution, high incidence of variation.

## MEASURE 3.D

### Health Link Alberta

Health Link Alberta is a 24 hour a day, 7 day a week telephone advice and health information service. Albertans can call from anywhere in the province by dialing: Calgary (403) 943-5465, Edmonton (780) 408-5465, or Toll-Free 1-866-408-5465. Highly trained registered nurses will provide Albertans with advice and information about their health symptoms and concerns or those a family member may be experiencing. Health Link Alberta can also help residents find appropriate services and health information.

**Percentage of Albertans who have used Health Link Alberta**

| | 2006 | Target 2005 |
|---|---|---|
| Percentage of Albertans who have used Health Link Alberta (per cent) | 39 | 27 |

**Source:** HQCA Satisfaction with Healthcare Survey, conducted by IPSOS.
Data are collected through a telephone survey of 4,780 randomly selected Alberta households. The survey is commissioned by the HQCA and is conducted IPSOS. Results for the entire sample are accurate within one per cent 19 times out of 20.
Adult Albertans are asked: "Alberta has a province-wide service called "Health Link" which provides Albertans with toll-free access to nurse advice and, general health and services information, 24-hours a day, 7 days a week. Were you aware of the Health Link service before today?" If the respondent answered yes, they were asked "Have you called Health Link within the past year? Yes or no? Sample size is about 3,120 and estimates are accurate within about one per cent 19 times out of 20.
Previous results are not comparable to 2006 result due to a change in survey methodology. 2005 target is also based on previous survey methodology.

# Goal 4 Contemporary health workforce.

The future of Alberta's health system depends on a sufficient supply of well-trained health service providers to meet our growing and changing needs. We need to understand the factors that contribute to success in recruitment and retention and the factors that contribute to stress, burnout and early departure from the workforce. It is important to ensure that we are making the most productive use of the time and skills of health professionals and that there are enough health workers to serve the needs of rural and remote areas of the province and for providing culturally appropriate care to Aboriginal communities and ethnically diverse populations.

## What We Did

### Lead health system stakeholders in the development and implementation of health workforce plans (e.g., Comprehensive Health Workforce Plan, regional health authority workforce plans, physician resource: plans, *Nursing Education Strategy* and development of Health Workforce Information Network).

- Alberta Health and Wellness worked with health authorities to develop health workforce strategies. Data definitions were established and health authorities are now reporting health workforce information and statistics to help track and assess health workforce needs. A new *Nursing Education Strategy* was also developed to increase the number of nurses trained in Alberta.

### Work with key stakeholders on initiatives to provide education and training programs to develop the needed health workforce (e.g., implementation of the Health Care Aide Curriculum).

- Seventy-eight Aboriginal students received bursaries from the Alberta government to advance their studies in a health-related field. The successful increase in the number of Aboriginals developing their skills as health practitioners helped to ensure greater access to, and acceptability of, health services for Aboriginal communities.
- A Provincial Health Care Aide curriculum was developed and released. Five public colleges, five private colleges and 10 employers became signatories to the licensing agreement. Implementation of the new program will positively impact the quality of care provided in the continuing care sector.
- Twenty-three Enhancing Clinical Capacity Project Fund agreements were approved, which provide support for and meet clinical practicum requirements for health sector employers' and post-secondary health disciplines' educational programming.
- Grants to the Community Medicine Residency Training Programs in Alberta were renewed to support the training of future public health physicians. Training rotations at Alberta Health and Wellness were offered to students and medical residents in order to highlight and enhance the important role of public health, enrich training within public health, and improve collaboration between public health and related fields. Evaluations

of the rotations have been extremely positive with an average overall satisfaction rating of 4.75 out of 5 (5 = very satisfied). The trainees noted their knowledge of public health improved by almost 90 per cent as a result of their rotation, and all hope to pursue further work in public health.

### Provide leadership to key stakeholders on initiatives to recruit, retain and appropriately compensate the needed health workforce (e.g., Rural Physician Action Plan, Academic and Non-Academic Alternate Relationship Plans, physician on-call programs, Tri-lateral Master Agreement for physician services, Provincial Nominee Program).

- Alberta announced $3 million for the Alberta International Medical Graduate Program allowing for up to 14 additional residency seats for foreign-trained doctors now living in the province. The additional seats mean a potential 42 foreign-trained doctors will be licensed in the province annually. Because they have already had some medical training, foreign-trained doctors can often be trained more quickly and at less cost than a medical student with no previous training.
- A Western Licensed Practical Nurse Project established a common core competency document to enable and facilitate labour mobility of licensed practical nurses across the four Western provinces.

### Work collaboratively with regional health authorities, professional organizations and through the Trilateral Master Agreement structure to improve health care through innovations in service delivery and compensation with an emphasis on the development of multidisciplinary teams (e.g., Telehealth, Health Transition Fund projects, Alternate Relationship Plans, Primary Care Initiative).

- The Telehealth Clinical Services Grant Fund helped to support 21 telehealth initiatives across Alberta. The fund is supporting new telehealth programs that allow Albertans, regardless of location, to have access to needed medical professionals and specialists. The programs that received grants covered a broad spectrum of medical fields including adolescent psychiatry, smoking cessation, cardiology, rural health and chronic disease management.
- Alternate Relationship Plans (ARPs), formerly known as Alternate Payment Plan, have an important role to play in health care delivery as they can encourage innovation in the health care system. An ARP offers opportunities for clinical innovation and may enhance the following: (1) Recruitment and retention, (2) Team-based approaches, (3) Access to services, (4) Patient satisfaction, and (5) Value for money. ARPs provide predictable funding that enables physician groups to recruit new physicians to their programs and retain their services. ARPs are unique in that they offer alternatives to the way government has traditionally funded health service delivery. Currently there are 26 ARPs in operation in Alberta.
- Five Academic Alternate Relationship Plans (ARPs) have been established in Edmonton and Calgary. Through innovative funding for alternate service providers Academic ARPs promote multidisciplinary, inter-professional and team-oriented models of care. Academic ARPs recognize the need for the formation and education of front line inter-professional teams to improve health service delivery and compensate alternate service providers' expanded role in the provision of clinical and academic services. Work in rural areas

is encouraged through multi-disciplinary outreach clinics and the use of telehealth for specialty consultations.

- Fourteen Primary Care Networks in seven health regions were established across the province. These networks are open 24 hours a day, 7 days a week, and provide a multidisciplinary approach to primary care to ensure that all the patient needs are met. There are 15 additional Primary Care Networks in various stages of development.
- Alberta Health and Wellness in collaboration with the tri-lateral Primary Care Initiative Committee developed a provincial information management/ information technology strategy for Primary Care Networks.

### Optimize efficient utilization of the health workforce by making better use of available competencies and skills of health care practitioners (e.g., Alberta International Medical Graduate program, increased use of nurse practitioners, Provincial Nominee Program).

- All 12 family physician and 10 specialty residency spots were filled for the July 2005 intake of the Alberta International Medical Graduate Program.
- The Provincial Nominee Program filled 81 of the 100 allocations in 2005/2006.

### Promote the use of multidisciplinary teams, and incent and enable health care practitioners to work collaboratively (e.g., Local Primary Care Initiatives, Alternative Relationship Plans, Telehealth program, implementation of the *Health Professions Act*).

- As of March 2006, there were 14 Local Primary Care Initiatives, now known as Primary Care Networks, in operation involving approximately 550 family physicians and providing services to more than 700,000 patients. Primary Care Networks use a team approach to coordinate care for their patients. Family physicians work with health regions to better integrate health services by linking to regional services such as home care. Family physicians also work with other health providers such as nurses, dietitians, pharmacists, physiotherapists and mental health workers who help to provide some services within the networks. While the networks are still in the process of implementing their business plans, many of the networks have already used their funding to hire health professionals such as registered nurses, social workers, pharmacists, and dietitians.
- Alberta Health and Wellness is working with the Western Health Information Collaborative initiative and health regions to implement Chronic Disease Management pilot projects which will enable a collaborative and multidisciplinary team approaches to care. These pilot projects demonstrate a more efficient approach to the management of chronic illnesses.

### Develop and implement regulations for health care providers under the *Health Professions Act* to enable health care practitioners to work to their full scopes of practice.

- Since May 2005, six additional regulations (for a total of 16) have been completed including regulations governing registered psychiatric nurses, medical radiation and diagnostic technologists, combined laboratory and x-ray technologists, registered nurses, dental assistants, and psychologists. A strategy was developed to further utilize full scopes of practice by the health system.

The common requirements, under the *Health Professions Act*, regarding governance, registration and discipline, provides consistent rules for all regulated health professions to offer safe and competent health services to the public.

- Government introduced Bill 14, the *Health Professions Statutes Amendment Act* 2006, which proposed a number of changes to ensure that legislation better reflects the current realities of the professions it governs. The amendments included: clarification of complaint procedures, application of continuing competence programs and regulation of certain titles in respect to professions.

### Increase rural access to health care practitioners and multidisciplinary teams (e.g., Rural Physician Action Plan, Telehealth program, Local Primary Care Initiatives, Rural On-Call program, Rural Locum Program).

- Five Primary Care Networks are helping to improve service access in rural Alberta: Chinook Primary Care Network (Chinook Health Region), Calgary Rural Primary Care Network (Calgary Health Region), Rocky Mountain House Primary Care Network (David Thompson Health Region), Bonnyville/Aspen Primary Care Network (Aspen Health Region), Wood Buffalo Primary Care Network (Northern Lights Health Region).
- The Rural Emergency on Call Program continues to provide remuneration to physicians in 87 rural Alberta communities, to ensure their availability when an urgent need for medical service arises.
- Physician Locum Services provided weekend and short-term family physician and specialist replacements in response to more than 1,100 requests from rural Alberta physicians. Locum physician replacements help to maintain the continuity and convenience of medical service for rural Albertans.
- As part of its comprehensive program to educate, recruit and retain physicians for rural Alberta medical practice, a new program of the Alberta Rural Physician Action Plan offered 10 bursaries to medical students from rural areas of Alberta. The program reimburses tuition costs throughout their medical school training. Up to 10 bursaries will continue to be offered annually to rural Alberta students attending medical school in Alberta in return for a five-year commitment to practice in rural Alberta upon graduation.
- The Alberta Rural Family Medical Network was expanded by 10 entry positions (to 30 entry positions annually) to place more medical residents in rural Alberta, as preparation for rural practice upon graduation.

## Key Performance Measures and Results

### MEASURE 4.A

Alternate Relationship Plans (ARPs) and Academic Alternate Relationship Plans

ARPs and Academic ARPs offer alternatives to the traditional fee-for-service method of payment and help to achieve the vision of a sustainable, integrated and flexible health care system. Some physicians find the current fee-for-service payment model restrictive. For those physicians, simply being paid differently can enable them to deliver services in a manner better suited to them and their patients. The trilateral parties (Alberta Health and Wellness,

regional health authorities and the Alberta Medical Association) have developed ARPs to support physicians in creating innovative approaches to delivering health care. The purpose of an ARP is to provide innovation in clinical service, and may enhance the following five dimensions: recruitment and retention, a team-based approach, access, patient satisfaction, and value for money.

Academic ARPs are agreements between Alberta Health and Wellness, the University, the Faculty of Medicine, the regional health authorities and the Alberta Medical Association. Academic ARPs are alternate funding models designed to improve the clinical and academic qualities of Alberta's health system. The number of physicians participating in ARPs has increased over the last four years; but, it is slightly below the 2006 target of 824.

**Number of physicians in Alternate Relationship Plans**

| | 2006 | Target 2006 |
|---|---|---|
| Number of physicians in Alternate Relationship Plans | 721* | 824 |

**Source:** Alberta Health and Wellness, Alternate Relationship Branch, ARP Status Update Database.
*Contains number of physicians in Alternate Relationship Plans (277) as at May 26, 2006 and number of physicians in Academic Alternate Relationship Plans (444) as at March 31, 2006.

## MEASURE 4.B

### Post-Graduate Medical Education

Expanding the supply of physcians helps to improve access to health services and builds the capacity needed to meet the demands of Alberta's growing and changing population. All post graduate seat numbers are discussed at the Post-Graduate Medical Education Advisory Group for support of the members and respective organizations.

**Number of post-graduate medical education seats**

| | 2004/2005* | 2005/2006* | Target 2005/2006 |
|---|---|---|---|
| Number of post-graduate medical education seats | 886 | 955 | 955 |

**Source:** Post-Graduate Medical Education Advisory Group.
* Number of post-graduate medical education seats funded by Alberta Health and Wellness.

## MEASURE 4.C

### Health Workforce Practitioners

This information is arrived at by using the totals of selected workforce professions to represent the trend of the health workforce as a whole. Key professions are utilized, namely: physicians, nurses (RNs, LPNs, RPNs), pharmacists, and rehabilitation therapists (OTs, PTs, RTs).

Some workers in Alberta's health system are on work visas and may have to leave when their visas expire. The Provincial Nominee Program

grants them permanent citizenship status, which enables them to stay in the country and continue to provide health services. Since the Provincial Nominee Program allows for fast tracking citizenship, it helps to attract health care workers to Alberta. More health care providers will reduce wait times and improve access to health services.

**Number of health workforce practitioners**

| | 2001 | 2002 | 2003 | 2004 | 2005 | Target 2006 |
|---|---|---|---|---|---|---|
| Number of health workforce practitioners | 43,348 | 44,941 | 46,501 | 48,220 | 49,691 | 47,868 |

**Source:** Alberta Labour Force Statistics, College of Physicians and Surgeons of Alberta (CPSA) Quarterly; Alberta Association of Registered Nurses (AARN), College of Licensed Practical Nurses of Alberta (CLPNA), and Registered Psychiatric Nurses Association of Alberta (RPNAA) Annual Reporting Statistics; Alberta College of Pharmacists Annual Reporting Statistics; College & Association of Respiratory Therapists of AB; College of Occupational Therapists.

## MEASURE 4.D

### Proportion of Albertans Who Have a Family Doctor

More than eight-in-ten Albertans currently have a personal family doctor. Since 2004, the proportion of Albertans who reported having a family doctor has remained approximately the same.

Fewer physicians are choosing to enter general practice and many of the current family practitioners are not accepting new patients. For those Albertans seeking a family doctor, these circumstances have led to increasing difficulty finding a physician who will accept them as a patient. The Primary Care Initiative is intended to address some of these issues by providing incentives for primary care physicians and health authorities to work in partnership through the establishment of Primary Care Networks to provide comprehensive primary care to a defined population. A multi-disciplinary approach to care, employing primary care physicians and other health professionals should enable physicians and health authorities participating in this to develop strategies for accepting unattached patients (i.e. patients without a family doctor).

**Proportion of Albertans who have a family doctor**

| | 2003 | 2004 | 2005 | 2006 | Target 2005 |
|---|---|---|---|---|---|
| Per cent of Albertans who have a family doctor | 81 | 84 | - | 81 | 86 |

**Source:** 2006 HQCA Satisfaction with Healthcare Survey, conducted by IPSOS.
Data are collected through a telephone survey of 4,780 randomly selected Alberta households. The survey is commissioned by the HQCA and is conducted IPSOS.
Adult Albertans are asked: "Do you currently have a personal family doctor who you regularly see for most of your health care needs? When I say "personal family doctor", I mean a family or general physician, but not a doctor who is a specialist in a certain area of health care, such as a surgeon or heart doctor for example. Yes or no" Sample size is about 4778 and these estimates are accurate within about one per cent 19 times out of 20.
2003-2004, Public Survey about Health and the Health System in Alberta, conducted by the Population Research Laboratory, University of Alberta, for the Health Quality Council of Alberta (HQCA).
Data for 2005 is unavailable as no survey was conducted that year.

# Goal 5 Improved health service outcomes.

Albertans expect excellent care and positive health outcomes every time they use the health system. The ministry's role is to establish quality standards for safety, accessibility and effectiveness. The ministry not only updates standards, but develops new initiatives in response to technological advances, demographic changes and other factors.

## What We Did

### Help Albertans with chronic health conditions (e.g., cancer, diabetes) maintain optimum health through appropriately managed and coordinated care including paid and voluntary support systems and networks.

- Through the Alberta Monitoring for Health Program, approximately 20,000 low income Albertans were provided financial support for diabetes supplies.
- The Keep Your Body in Check program continued in an effort to raise awareness about the most common and preventable form of diabetes in Alberta. The program educated Albertans that healthy eating and regular physical activity are the most important ways to reduce the risk of type 2 diabetes through special education projects in three communities and a province-wide radio and television public awareness campaign. The evaluation of the general media campaign showed that the campaign was successful in raising awareness among Albertans that type 2 diabetes is largely preventable. A general increase in knowledge about diabetes, prevention strategies and sources of information about diabetes were also observed. Participants in the program showed significant improvement in the intensity of their planned activities, and significant changes in eating habits.

### Improve quality of continuing care services by: working with RHAs to address staffing issues and by increasing hours of client care in long-term care facilities; and using standardized tools to ensure quality care is provided (e.g., quality indicators, personal care plans).

- In June 2005, Alberta Health and Wellness and Alberta Seniors and Community Supports released draft Continuing Care Health Service and Accommodation Standards for public consultation. An MLA Task Force was formed and conducted consultations on the proposed draft standards. The final set of standards will be issued in early May 2006.
- Alberta Health and Wellness has prepared 10-year projections for the future needs of continuing care services. These projections were shared with health regions. The regional health authorities were asked to develop a plan to meet the continuing care service needs of their regions through the three-year health plan process.
- All regional health authorities are required to submit three-year health plans to the department for approval. The health plans are reviewed for alignment with the department's strategic directions related to continuing care. The health plans included factors, actions and measures linked to the 2005 Auditor General's audit of seniors' services and programs in Alberta, as

well as a plan for implementing the new continuing care health service standards in the 2006/2007 fiscal year and a long term plan based on projections of continuing care services. The health plans were approved by the department prior to March 31, 2006.

- In August 2005, regional health authorities were advised to increase the paid hours for nursing and personal care in continuing care facilities (LTC) from 3.1 to 3.4 hours. By November 2005, all regional health authorities indicated that personal and nursing paid hours had been increased and the 3.4 target was met in January 2006 as requested by the department.

### Promote quality standards for health services, such as patient safety.

- Through regulations under the *Health Professions Act*, and by working with professional colleges, standards of practice were established and put in place for dentists, denturists, psychologists, and registered nurses. These standards help protect the safety of Albertans as they receive needed health services.

### Strengthen the health system's capacity to prevent, monitor and report medical errors and hospital acquired infections.

- Mandatory reporting of triage levels was implemented for emergency room visits in large urban and regional hospitals. This information is used to provide more effective triage program planning, monitoring, and evaluation.
- Capital Health began a province-wide expansion of the Do Bugs Need Drugs? program, a community education program about the benefits of hand washing to prevent the spread of infections and bacteria, and the wise use of antibiotics. The Healthy U program also developed a hand washing component.

### Use information from the Health Quality Council of Alberta to assist in improving performance of Alberta's health system.

- A survey of 4,780 adult Albertans was conducted. The survey was done to determine Albertans' perception of, and experiences with the overall quality of health care services as well as their satisfaction with the health care services they actually received in the province. The results will be released in 2006/2007.
- Consulted and collaborated with key stakeholders in the health system on the *Provincial Framework for Patient Complaints/ Concerns Resolution*. This framework was created to provide practical assistance and direction to regional health authorities, the health boards and the health professions in order to facilitate a consistent approach to the complaints/concerns resolution process throughout the province and across jurisdictions. The framework will be released in 2006/2007.
- Consulted and collaborated with key stakeholders in the health, insurance and legal systems on the *Disclosure of Harm to Patients and Families – Provincial Framework*. When a patient is harmed as a result of health services they have received rather than their inherent medical condition, the goal is to provide the patient and their family with an accurate understanding of what happened in their care. This consensus framework provides direction on how to communicate, who should be involved in that communication, and how to support patient recovery. The framework will be released in 2006/2007.

### Initiate public reporting of outcome indicators for the key life-saving interventions of cardiac revascularization, kidney dialysis and transplants.

- Cardiac activity indicators are now available publicly through reports generated by the APPROACH program (**www.approach.org**), and are demonstrating that Alberta has made progress on reducing regional disparities in access to revascularization procedures (i.e. – angioplasties and bypass surgeries) over the past 10 years. Several of these key indicators have been incorporated into ministry accountability documents for 2005/2006.
- Kidney dialysis indicators are collected by the Northern and Southern Alberta Renal Programs, and have been integral to their service planning. Despite the opening of a number of new satellite dialysis centres in 2004/2005 and 2005/2006, small pockets of patients, from remote areas of the province, continue to travel great distances to access this life-sustaining therapy three times a week.
- Challenges persist in obtaining quality, timely transplant outcome data, as much of this data collection is performed nationally by the Canadian Institute for Health Information through their Canadian Organ Replacement Registry project. Many of the desired indicators are available online at **www.cihi.ca** for all of Alberta. Efforts are continuing to access more detailed information so that we can better identify regional differences.

### Pilot the transfer of ground ambulance funding and governance in the Palliser and Peace Country Health regions for the purpose of determining whether the transfer province-wide is operationally and fiscally feasible.

- The Ambulance Governance Advisory Council was established to study the full range of potential models for emergency health services in Alberta and to provide recommendations on policy and standards, governance and funding of services.
- Ambulance services in both Palliser and Peace Country Health Regions have been successfully transferred to health authorities. As a result of this service consolidation, Emergency Medical Service clinical protocols have been standardized across both regions. The benefits from this consolidation of service include economies of scale, an expanded scope of practice for Emergency Medical Service practitioners, an increased ability to address systemic issues, and an enhanced ability to monitor and improve the quality of care. This consolidation has also allowed the regions to collaborate on several information technology and benchmarking projects.
- The ministry provided $55 million in funding to the municipalities outside the demonstration regions to help offset some of the costs incurred as a result of suspending the transfer of ground ambulance services to regional health authorities. The funding is based on a per capita formula and municipalities continue to be responsible for ambulance services.

# Key Performance Measures and Results

## MEASURE 5.A

### Ambulatory Care Sensitive Conditions Hospitalization Rates

Patients are sometimes admitted to hospital for conditions that could have been treated in an ambulatory care setting. The hospitalization rate for "ambulatory care sensitive conditions" has improved over the past few years. The decrease in hospitalization may reflect a change in medical practice, but may also reflect better health service delivery at home and in the community.

**Ambulatory care sensitive conditions hospitalization rates**

| | 2003 | 2004 | 2005 | Target 2005/2006 |
|---|---|---|---|---|
| Hospitalization rates per 100,000, age standardized for Ambulatory Care Sensitive Conditions | 434 | 444 | 430 | 400 |

**Source:** Canadian Institute for Health Information, Hospital Morbidity Database
Age-standardized acute care hospitalization rate for conditions where appropriate ambulatory care prevents or reduces the need for admission to hospital, per 100,000 population under age 75 years.
This definition of ACSC is based on the work of Billings et al.
Patients who died before discharge are excluded.
While not all admissions for ACSC are avoidable, it is assumed that appropriate prior ambulatory care could prevent the onset of this type of illness or condition, control an acute episodic illness or condition, or manage a chronic disease or condition. A disproportionately high rate is presumed to reflect problems in obtaining access to primary care.

## MEASURE 5.B

### 30-day Heart Attack Survival Rate for Patients Treated in Hospital

Alberta's 30-day survival rate following a heart attack is relatively high and has remained fairly constant since 1997 but is still below the target of 92 per cent. The relatively high survival rates can be attributed to the quality of care provided by professional staff, supported by advanced diagnostic services and quality hospital care.

**30-day heart attack survival rate for patients treated in hospital**

| | 1999 – 2001 | 2000 – 2002 | 2001 – 2003 | 2002 – 2004 | Target 2002 – 2005 |
|---|---|---|---|---|---|
| 30-day heart attack survival rate for patients treated in hospital – three-year average data (per cent surviving) | 90.4 | 89.8 | 90.6 | 90.7 | 92 |

**Source:** Canadian Institute for Health Information, Hospital Morbidity Database.
30 day Acute Myocardial Infarction (AMI) in-hospital mortality rate: The risk adjusted rate of all causes of in-hospital death occurring within 30 days of first admission to an acute care hospital with a diagnosis of AMI. (Primary ICD-9 or ICD-9-CM diagnosis code of 410 or ICD-10 I21, I22).

## MEASURE 5.C

### 5-Year Cancer Survival Rate

Chronic diseases such as cancer are a leading cause of death in Alberta, and one of the greatest drains on our health care resources. Survival rates for cancer are important not only because they indicate the proportion of people who will be alive at a given point after they have been diagnosed with cancer, but also because they may allow the effectiveness of cancer control programs to be evaluated. The survival rate for breast cancer has slightly increased over the last 10 years, while the survival rate for colorectal cancer has experienced a slight decrease.

**5-year cancer survival rate**

| | 1996 – 2001 | 1997 – 2002 | 1998 – 2003 | Target 2002 – 2007 |
|---|---|---|---|---|
| 5-year breast cancer survival rate (Female rate only) | 84 | 84 | 85 | 88 |
| 5-year colorectal cancer survival rate (male and female rate) | 60 | 57 | 55 | 60 |

**Source:** Alberta Cancer Board.
5-year cancer survival rate is the per cent of Albertans surviving.

# Goal 6 Health system efficiency, effectiveness and innovation.

Albertans place great value on their health system. They expect the health system to provide high quality care and to ensure access to prompt and effective treatment. Alberta's complex health system is challenged by continuous change, rising costs, steady growth and increased public expectations. In order to meet these challenges we must be open to new and better ways of doing things and serving the needs of people. Decisions about care and service delivery must be based on solid research, scientific evidence and proven experience. Health system innovation can only be achieved in collaboration with stakeholders and the Alberta public, through an effective coordination of efforts and clear, timely communication.

## What We Did

### System Management

**Continue to enhance and clarify the accountability relationships within the health system as public expectations evolve (e.g., Tri-lateral Master Agreement, regional health authority health plans, long-term care and surgical services contracts).**

- In July 2005, to enhance financial accountability, the ministry completed the first phase of a project to consolidate, on a trial basis, the health authorities 2004/2005 financial statements into those of the ministry and the Government of Alberta. The ministry also proceeded with the next phase of the project by consolidating on a modified equity basis the net assets and the net operating results of the health authorities for 2005/2006. These results are reflected in the Government of Alberta's financial statements only. Note 2(a) of the ministry's financial statements discloses the impact on its financial results had the consolidation occurred at the ministry level. For 2006/2007, consolidation will proceed, on a modified equity basis, at the ministry level with full consolidation starting in the 2008/2009 reporting period. The ministry will work closely with these reporting entities to assess full consolidation readiness.
- In keeping with the MLA Task Force on Senior's Care and Auditor General's recommendation, Alberta Health and Wellness is working with Alberta Seniors and Community Supports to collect sufficient information about facility costs from regional health authorities and continuing care facilities to make accommodation rate and funding decisions.
- In 2005/2006, Capital Health amended existing contracts for two providers of insured ophthalmology surgical services and nine providers of oral surgery. Capital Health has contracts with 13 private facilities for the following services: oral surgery, plastic surgery, dermatology, gynecology, and ophthalmology (cataracts). In 2005/2006, the Calgary Health Region did not renew contracts for one private provider for insured plastic surgery services and one provider for ear/nose/throat and hernia insured surgical services. Calgary Health Region has contracts with 13 private facilities for the following services: oral surgery, ophthalmology (cataracts), gynecology and orthopedics

(hips and knees). These contracts result in decreased wait lists and provide increased operating room capacity.

- The execution of the Tri-Lateral Master Agreement, in collaboration with the Alberta Medical Association and Regional Health Authorities is ongoing.

### Lead the development of a policy framework and collaborate with health authorities and professional organizations on the development of a planning framework for the health system.

- On February 28, 2006, government released Alberta's new *Health Policy Framework*, which set the stage for sustainable, flexible and accessible health services for Albertans. The framework took into account the many factors that impact the public health care system, such as the rising cost of pharmaceuticals; the need to keep up with rapidly changing technology; and the fact that Alberta's population is aging and growing like never before. Stakeholder and public consultations occurred during March 2006, and a consultation report will be released in April 2006. The consultations revealed that Albertans were supportive of eight of the original 10 policy directions. As such, the *Health Policy Framework* will be revised.
- On August 30, 2005 Alberta Health and Wellness issued a Request for Proposals for a study of alternative methods of funding for prescriptions drugs, continuing care, non-emergency health care and supplemental health products and services. Aon Consulting was contracted in October 2005 to conduct economic and actuarial analyses and to develop conceptual insurance models in these four areas. The *Health Benefit Design Options Report* was completed; it will be released in April 2006 and posted on the Alberta Health and Wellness website at **www.health.gov.ab.ca**. There were several key findings in the report, one of which is that regardless of the type of funding model, health services in the four key areas are rising at unsustainable rates. The report also found that insurance may only be part of the sustainability solution, as any new funding model must be accompanied by strong cost control measures.

### Provide leadership among stakeholders in ensuring data quality.

- Worked with Primary Care Networks to enhance the data quality of their business plans and operating reports. Management reports were also provided to the Primary Care Networks and the regional health authorities to ensure quality and efficiency in their data reporting requirements.
- A provincial data quality improvement strategy was developed which included the development of a data quality framework and assessment approach for adoption by regional health authorities.

### Work with key partners and stakeholders to enable Alberta's interests to be forefront in collaborative federal-provincial initiatives.

- Numerous intergovernmental contracts and agreements were processed, with Alberta being the lead in most cases. This included the Canada Health Infoway master services agreement, Memorandum of Agreement delivery of telehealth infrastructure and services to First Nations, the Western Health Information Collaborative Amending agreement, enhanced surveillance of Canadian street youth, the *Alberta – British Columbia National Pharmaceutical Strategy*

data sharing agreement, and the Alberta – Prince Edward Island Healthy Eating and Active Living copyright agreement.

- Alberta continued to lead on key deliverables of the *National Pharmaceutical Strategy*, including initiatives on Expensive Drugs for Rare Diseases (Fabry and Hurler-Scheie), and Catastrophic Drug Coverage. An interim progress report was presented at the conference of Federal/Provincial/Territorial Ministers of Health in October 2005 with a further update at the December 2005 Deputy Ministers' conference.
- In collaboration with Provincial and Territorial Ministers of Health, and in fulfilling commitments made by First Ministers in the 10-Year Plan to Strengthen Health Care in September 2004, national wait time benchmarks were established for radiation therapy, hip fracture fixation, hip and knee replacements, cataract surgery, and breast and cervical cancer screening. The benchmarks contained in the announcement aligned with Alberta's priority areas for improving access to health services.

### Organize an International Symposium on Health to profile best practices and innovative examples, which will allow for informed dialogue on health innovation.

- From May 3 to 5, 2005, government successfully hosted Alberta's International Symposium on Health. The event featured over 400 participants and 28 experts from around the world. Its goal was to identify innovations that drive excellent health systems and healthier population. The Symposium proceedings were webcast live and recorded on the Alberta Health and Wellness website. Following the symposium, focus discussion tables were held with stakeholders and regional health authority boards to discuss what was learned, and helped pave the way for the July 12, 2005 release of the Getting on with Better Health Care package. As well, the Conference Board of Canada was commissioned to prepare a final report on the symposium proceedings. This report, entitled *Unleashing Innovation in Health Systems: Alberta's Symposium on Health*, was released on September 28, 2005.

### Lead the Health Innovation and Wellness Cross-Ministry Initiative, which strengthens collaboration, integration and coordination across government ministries to enhance the sustainability of the public health system.

- The Health Innovation and Wellness Initiative (HIWI) was a cross-ministry initiative that demonstrated the government's commitment to sustaining a publicly funded health care system that meets the needs of Albertans now, and into the future. Overall 10 ministries collaborated to achieve 17 different targets, which allowed the Alberta government to focus its resources on policies and strategies to improve health outcomes for Albertans. The targets included strategies to reduce chronic disease and injury, protect public health from emerging threats such as crystal methamphetamine addictions and pandemic influenza, enhanced continuing care services, and included policy options for health system innovation.

### Continue to implement health information technology to give clinicians drug, lab and diagnostic imaging data so they can provide quality patient care.

- The availability of lab tests on Alberta Netcare continues to be enhanced. More than 55 per cent of lab test results conducted in the province were available electronically

with 85 per cent expected to be available in the coming year. Alberta's pharmacists were also able to access lab test results for the first time, enabling them to provide more comprehensive advice to their clients about their prescriptions and over-the-counter medications.

### Change the majority of Alberta's diagnostic imaging services and equipment to filmless technologies to enable earlier diagnosis and reduce unnecessary duplication of diagnostic imaging procedures.

- The Alberta government and Canada Health Infoway will invest $189 million, over four years, to digitize X-rays and CT and MRI scans across the province to improve quality of care for Albertans by providing doctors and patients faster access to reports and images. The project allowed for sophisticated new diagnostic imaging systems to be installed in hospitals and clinics throughout Alberta to electronically share patient X-rays and CT and MRI scans through Alberta Netcare. Regional business plans have been submitted and a funding model has been developed.

### Implement the following systems: electronic systems within regions and physicians' offices to provide patient information to physicians at the point-of-care; electronic tracking and referral and patient tracking systems to streamline access to selected specialty services; and improve system access and security to minimize fraud and better identify eligible health service recipients.

- Alberta invested an additional $157.5 million in the Alberta Netcare system to support province-wide technology enhancements and connect more health professionals to the patient information they need to make the best care decisions. The additional funding also helped support the health regions in acquiring new hardware for provincial systems and software to update systems such as inpatient and ambulatory care health information systems.
- The number of health regions, physician offices and pharmacies with access to Alberta Netcare was increased. A total of 1,193 physicians and 1,144 physician office staff, as well as 1,440 pharmacies now have access to Alberta Netcare. In total, Alberta Netcare has been expanded to 8,864 cumulative users in Alberta.
- Work has commenced and is ongoing in collaborating with Alberta Netcare and the regional health authorities on developing key cornerstone applications for the electronic health record system. In particular, work on a Provincial Client Registry to provide key identity information, a Delivery Site Registry to register all locations where services are provided, and a Provider Registry to list all the health care providers supplying service in Alberta is going forth and will continue into 2006/2007.
- An additional 402 smaller Alberta communities and health facilities were connected to Alberta Netcare using SuperNet as the network. Ninety percent of the original target sites have SuperNet installations.

### Improve processes to decide whether to publicly fund new health care technologies and drugs.

- New grant agreements with the Institute of Health Economics (IHE), the University of Alberta, and the University of Calgary have increased provincial capacity for technology

assessment, economic evaluation, and policy analysis.

- A review of laparoscopic adjustable gastric banding (Lap Banding) for the treatment of severe morbid obesity was completed. Based on the evaluation results, the approach to reviewing health services and technologies was refined.
- Reviews of five additional health technologies are nearing completion. They are: 1) Rapid Fetal Fibronectin Assay for Management of Suspected Premature Labour, 2) Imaged Guided Vacuum Assisted Breast Biopsy, 3) New-born Screening for Inborn Errors of Metabolism, 4) New-born Screening for Cystic Fibrosis, and 5) Gastric Electrical Stimulation (Enterra™ Therapy)
- Presentations on the Alberta model for linking evidence to policy attracted interest at the Canadian Agency for Drugs and Technologies in Health (CADTH) inaugural Symposium and at the Health Technology Assessment International meeting.
- Thirty-two health technologies or services have been referred to the Alberta Advisory Committee on Health Technologies for consideration. The Committee has recommended that full provincial reviews be completed on 12 technologies and has referred five others to either the Alberta Heritage Foundation for Medical Research or the Canadian Agency for Drugs and Technologies in Health for follow up.

## Human Resource: Management

### Enhance the quality of the work environment and support the organization's ability to attract and retain employees.

- An internship program directed at bringing individuals into the department within two years of graduation from a post-secondary institution and providing them with appropriate experiences and development to retain them at the end of the internship term was developed and implemented.
- Resources and tools to support employee orientation were made available and reinforced with supervisors during the hiring process.
- Corporate Employee Survey results were communicated to all employees and activities directed at enhancing the work environment were undertaken at the department, branch and division level. Discussion and plans aimed at enhancing employee engagement were generated through a range of department groups including Executive Committee, Divisional Directors Teams, the Supervisors' Network, Human Resources Advisory Group, and divisional groups such as the SPIRIT committee. Activities were also included in operational plans.

### Build capacity within the organization to support the achievement of current and future business plan goals.

- A learning and development program designed to enhance coaching skills of supervisors across the department was delivered to over fifty supervisors.
- Two department management meetings were held focusing on relevant business issues and providing an opportunity for managers to interact with the deputy minister and other members of the executive committee.
- Executive committee laid the foundation for a strategy to develop leadership capacity by identifying leadership expectations at key organizational levels.

### Enhance the ministry's performance through effective performance management and supervisory relationships.

- A performance management process which focuses on people as well as business results and includes learning development planning was implemented and training was provided to employees across the ministry.
- A supervisors' network was established to provide a forum for all department supervisors to build skills and share ideas. Monthly meetings were initiated.

### Promote workplace health within the organization.

- A flexible work arrangement policy was implemented in the organization and the process of revitalizing the Work Place Health Action Team and the Ergonomics Team was initiated.

## Key Performance Measures and Results

### MEASURE 6.A

Public rating of health system overall

Albertans' perception of the health system is reflected in survey ratings of the health system. Ratings include perception about the quality of care, service accessibility, the manner in which the service was provided, and the patient-provider relationship.

Over the past few years, Albertans' overall rating of the health system has remained constant. Since 2003, the rating has been at or above the target. The ministry is working on health care strategies to ensure steady improvement.

**Public rating of health system overall**

| | 2002 | 2003 | 2004 | 2005 | 2006 | Target 2005 |
|---|---|---|---|---|---|---|
| Per cent rating the health care system overall as either "excellent" or "good" | 62 | 65 | 65 | 67 | 65 | 65 |

**Source:** 2006 HQCA Satisfaction with Healthcare Survey, conducted by IPSOS.
Data are collected through a telephone survey of 4,780 randomly selected Alberta households. The survey is commissioned by the HQCA and is conducted IPSOS.
Adult Albertans are asked: "Thinking broadly about Alberta's health care system and the quality of medical services it provides, how would you describe it overall? Excellent, Good, Fair, or Poor" Sample size is about 4744 and these estimates are accurate within about one per cent 19 times out of 20.
2002 – 2005, Public Survey about Health and the Health System in Alberta, conducted by the Population Research Laboratory, University of Alberta, for the Health Quality Council of Alberta (HQCA)

## MEASURE 6.B

### Electronic Health Record

Alberta Netcare is in the rollout stage of a clinical health information network that links community physicians, pharmacists, hospitals, and other authorized health care professionals across the province. It lets these health care practitioners see and update health information such as a patient's allergies, prescriptions, and lab tests. The first phase of deploying the new Alberta Netcare Portal will include a migration of current users to the new portal. Over the past year thousands of health care providers have begun accessing the electronic health record, however, the number is below the 2005 target of 10,000.

**Number of care providers accessing the Electronic Health Record**

| | 2004 | 2005 | Target 2005 |
|---|---|---|---|
| Number of care providers accessing the Electronic Health Record | 1,600 | 8,980 | 10,000 |

**Source:** Alberta Wellnet.
**Note:** The Auditor General was not able to complete auditing procedures on this measure prior to publication of the 2005/2006 annual report.

## MEASURE 6.C

### Access to Data

A new Data Access Model was stimulated by feedback from and in consultation with research individuals and organizations and implemented in October 2004. The new model aimed to: (1) build stronger, mutually beneficial, collaborative relationships with health services researchers/data requesters; and (2) build improved capacity in the health research community to use and understand Alberta Health and Wellness administrative health services data.

The manager of Research Knowledge Programs now receives all data requests through health.resdata@gov.ab.ca. Requests are reviewed by the Alberta Health and Wellness Research Resource: Team (RRT) who works directly with the requester to identify any unique needs. An initial meeting is coordinated in-person or by teleconference eliminating the need for the requester to complete a lengthy application form. Once the requesters unique needs are identified either the Health Services Research Team or the Research Relations Team meets the data needs of the requester. These teams support continuous improvement and integrate team coaching approaches to continually enhance productivity.

**Per cent of stakeholders reporting easy access to data available from Alberta Health and Wellness**

| | 2005/2006 | Target 2005/2006 |
|---|---|---|
| Per cent of stakeholders reporting easy access to data available from Alberta Health and Wellness | 81 | 85 |

**Source:** Alberta Health and Wellness, Research and Evidence Branch, New Data Access Model for Health Research Evaluation.
The evaluation was conducted in an online survey (Opinion), n=99 with a response rate of 63%. Overall satisfaction rating was determined by grouping questions directly measurable and relevant to the concept of overall satisfaction of the new data access model and from data requestors who fully experienced the new data access model. Thus, the overall satisfaction rate was gleaned from those who requested and received data from Alberta Health and Wellness (AHW) between November 2004 and November 2005 (n=13).

# Integrated Results Analysis

This section of the report provides a discussion of how all the various results and accomplishments link together for a more complete picture of the health system in 2005/2006. The following is a discussion of what was achieved with the resources consumed. It puts individual financial results, performance measures and achievements into an overall health system context.

The $9.2 billion expended by the ministry was $221 million higher than the authorized budget. During the year, additional funding of $238.5 million was provided to the ministry for Alberta Netcare ($116 million), health capital infrastructure projects ($64.6 million), implementation of continuing care initiatives ($26.3 million), access and wait time projects ($27 million) and for diagnostic/medical equipment purchases for health authorities ($4.6 million).

The following table summarizes the year's expenditures in relation to the budget allocation for each core business. The resultant variances and other factors affecting performance are discussed in relation to each core business area.

**Core Business (in thousands)**
**Unaudited**

| | Budget 2005/2006 | Actual 2005/2006 | Actual 2004/2005 (comparable) |
|---|---|---|---|
| 1. Advocate and educate for healthy living. | 196,239 | 195,780 | 186,611 |
| 2. Provide quality health and wellness services. | 8,603,513 | 8,621,305 | 7,917,689 |
| 3. Lead and participate in continuous improvement in the health system. | 177,174 | 381,045 | 182,027 |
| | **8,976,926** | **9,198,130** | **8,286,327** |

## Core Business 1

This core business advocates and educates for healthy living and includes goals 1 and 2 of the ministry business plan for 2005 to 2008. The core business focused on strategies that encourage Albertans to adopt healthy lifestyles and/or protecting Albertans from communicable diseases and other threats to health.

Total spending in this area increased by $9 million over the 2004/2005 fiscal year. This was primarily due to the increased funding provided to the Alberta Alcohol and Drug Abuse Commission that was used for youth detoxification and residential treatment programs and funding provided to the Alberta Mental Health Board for the Family Violence and the Diversion initiatives. The Family Violence initiative assesses and treats victims and perpetrators of family violence and is mandated by the courts. The Diversion initiative redirects individuals with mental illness, in conflict with the law for minor offences, from the criminal justice system to mental health, social and support services.

In addition, funding for this core business was used to support a broad range of programming aimed at addressing lifestyle choices and risk factors affecting overall population health. These program areas include diabetes prevention, tobacco reduction, prevention of sexually transmitted infections, young family wellness and a province-wide Healthy U campaign for active living and healthy eating. Alberta Health and Wellness is closely monitoring the success of these programs and initiatives in changing attitudes and behaviors, while recognizing that such changes may take years to show results and requires the active engagement of communities, employers, and the general public throughout the province. Performance measure results in this area show that the rates of diabetes and sexually transmitted infections are still growing. Therefore, more work needs to be done to educate Albertans about healthy living. Essential strategies for protecting health include comprehensive immunization for childhood diseases and adult vaccination for influenza. Performance measure results, however, show that childhood immunization and adult vaccination are still below the targets.

Actual spending for Core Business 1 was consistent with the original financial plan and showed only a small surplus of $459,000. There was however, some variability in actual spending compared to budget. For example, funding to the Canadian Diabetic Association to provide diabetic supplies to low income Albertans was $5.3 million less than anticipated. However, additional funding of $5 million was provided to Capital Health and the Calgary Health Region in support of the Provincial Laboratories of Public Health.

## Core Business 2

This core business provides quality health and wellness services and includes goals 3, 4 and 5 of the ministry business plan for 2005 to 2008. The core business focuses on strategies to improve access to and outcomes of health services, as well as overall improvements in health workforce capacity.

Total spending in Core Business 2 increased by $704 million over the 2004/2005 fiscal year. This reflects an overall increase in health system operating costs, particularly the cost of labour. The year 2005/2006 marks the first year in which Alberta Health and Wellness provided funding for the municipal ambulance program and for Mental Health Innovation. Funding was also provided for health capital projects

which were previously funded through Alberta Infrastructure and Transportation.

Spending for Core Business 2 in 2005/2006 was almost $18 million more than budget. Additional expenses were incurred as a result of the following: health capital projects announced in October 2005, implementation of the recommendation of the MLA Task Force on Continuing Care Health Services and Accommodation Standards, implementation of projects to improve access and reduce wait times and for the purchase of medical diagnostic equipment for three rural health regions.

Under-spending was reported in such areas as Non-Group Health Benefits, Allied Health Services, Human Tissue and Blood Services, Air Ambulance Services and Out-of-Province Health Care.

Funds allocated to Core Business 2 were used to improve access to key health services such as joint replacement surgery, cardiac surgery and mental health services. These funds were also used for capital projects and to expand overall system capacity. For example, the number of hip surgeries increased by 23 per cent and knee surgery operations increased by 37 per cent in a single year. This, in turn, led to a decrease in average wait times for these surgical procedures. In addition, the number of non-emergent MRI scans increased by 11 per cent.

Improvements were made to the way health services are organized and delivered in Alberta. For example, 14 Primary Care Networks were established to provide Albertans with access to multidisciplinary front line care, and plans are in place to further increase the number of Primary Care Networks. In addition, a total of 26 Alternate Relationship Plans have been established to provide incentives for physicians to provide more responsive care and participate in training and education activities. Enrolment in training centres for health professionals has been increased overall. As a result, Alberta's health workforce is working at keeping pace with the rising service demands.

Changes in patterns of health service delivery are improving the way health services are utilized. For example, the number of persons admitted to hospitals for conditions which could be treated in the community or ambulatory care clinics has been reduced. For the coming year and beyond, it will be important to support innovative ways of improving the efficiency and effectiveness of service delivery in the interest of improved patient outcomes and long term sustainability.

## Core Business 3

This core business leads and participates in continuous improvement in the health system and includes goal 6 of the ministry business plan for 2005 to 2008. This core business focuses on strategies to improve health system efficiency, effectiveness and innovation.

Spending on Core Business 3 in 2005/2006 was $199 million over the 2004/2005 fiscal year due to the introduction of the *Diagnostic Imaging Strategy* and funding for the Alberta Netcare project provided to regional health authorities . As a result of the continuing investment in the electronic health record, more than 55 per cent of lab test results conducted in the province are now available electronically. Alberta's pharmacists are able to access lab test results, enabling them to provide more comprehensive advice to their clients about their prescriptions and over-the-counter medications. Approximately 570,000 Albertans have health information on the system, and the ministry is on track to achieve the goal of having all Albertans on board by 2008.

A major study was carried out to develop conceptual insurance options in four areas: prescription drugs, continuing care, non-emergency health services, and supplemental health services and products. This study, the first of its kind in Canada, projects health costs to 2050. It tells us that the burden of paying for higher health costs will fall on Alberta's young people. A major finding of the report was that costs of health services will continue to rise at a rapid rate regardless of what type of funding model is used.

Alberta must continue to make improvements to the health system and implement new, effective and efficient service delivery models. At the same time new models of care must be accompanied by strong cost control measures to achieve sustainability. Alberta needs to continue to develop our capacity to benefit from innovative research, taking full advantage of ideas and knowledge generated in Alberta.

## Looking Ahead

Alberta will continue to build a strong, responsive and accessible health system for the future. It is important to recognize the role that the health system plays in contributing to the economic and social well being of communities throughout the province. In the coming year we will continue to renew our health system by focusing on a number of initiatives that are directed at increasing timely access to health services and enhancing health system sustainability.

Among our top priorities in the coming year will be to address the health, well-being and mental health of children ages 0 to 18 through the *Healthy Kids Alberta Strategy*. Placing priority on improving the wellness of all Alberta children and youth will contribute not only to health system improvement and sustainability but will also have positive implications for other systems such as education. Children and youth are raised by families but they live and grow in neighbourhoods and communities. This strategy will help in creating supportive environments for improving wellness and will focus on a number of beneficiaries including the child, parents/guardians, families, communities, and the organizations or systems in place to support them.

Prescription drug expenditures represent the fastest growing area of spending in the health system. The Government of Alberta spent approximately one billion dollars on drugs in 2004/2005 and based on current growth rates could spend two billion dollars by 2010. Through a centralized management approach, improvements in operational efficiency, overall accountability, access for Albertans without drug coverage, and the ability to negotiate for better drug prices can be achieved. A provincial pharmaceutical strategy will be developed to identify alternative approaches and recommended solutions to growing drug expenditures while improving access, achieving better drug prices, and working towards appropriate drug use. As a result, Albertans can expect a transparent and fair drug benefit program and improved quality of care through needed drug therapy.

The MLA Task Force on Continuing Care Health Service and Accommodation Standards consulted broadly on the quality of health and accommodation services across the continuing care system. In February 2006, the Task Force released the *Achieving Excellence in Continuing Care* report aimed at improving continuing care health and accommodation services.

In May 2006, Alberta Health and Wellness and Alberta Seniors and Community Supports will release the new continuing care health service and accommodation standards. The training funding provided to both departments for the 2006/2007 budget will allow the new and updated standards for continuing care and accommodation services to be implemented. Alberta Health and Wellness will work with regional health authorities and other stakeholders to implement the health service standards through information sharing, training and provision of learning materials to continuing care health service providers.

Compensation models play a large role in determining the way health services are provided. New compensation models must promote the best quality care for patients and be cost effective for the province. Alberta Health and Wellness will begin to develop new compensation models, and continue to promote flexibility in scope of practice for health professionals, as well as advancing regulatory changes under the *Health Professions Act*. Legislation administered by other government departments may interfere with the goal of promoting flexibility in scope of practice for health professionals. The *Health Professions Act* provides a regulatory model for health professions that eliminates exclusive scopes of practice and allows professions to provide services in accordance with their competence which in turn allows for the creation of a more flexible workforce.

Alberta is a leader in economic growth not only in Canada, but in the world. Alberta's impressive economic performance is fueled by a vibrant energy sector, strong business investment, robust consumer spending, rising employment levels and rapid growth in workforce income. While Alberta's economy is expected to continue to create jobs, the labour force growth rate is affected by the aging of the population. The combination of slow labour force expansion and high economic growth is creating tight labour markets in all regions within the province, and increasing competition among industries and employers for workers across a range of skill levels, including low-skilled, entry-level positions. Government is addressing these critical labour challenges with a 10-year strategy (2006 to 2016), entitled *Building and Educating Tomorrow's Workforce*. Alberta Health and Wellness is taking the lead to address health-sector specific shortages, with the overarching framework of the provincial labour strategy – *Building and Educating Tomorrow's Workforce*. The Health Workforce Action Plan: 2006/2007 to 2013/2014 will address shortages in Alberta's health workforce. This plan outlines the comprehensive array of strategies required to address labour force challenges that constrain attainment of the provincial health workforce goal, ensuring an optimal future supply and distribution of appropriately educated and trained practitioners that best meet the populations need for quality health services. Alberta Health and Wellness will develop a joint policy with health authorities and other ministries to increase capacity by attracting, training and retaining health care professionals.

Building a quality health system requires investment. The decisions we make today will have long-term effects on the health system of tomorrow. Nothing is more important than ensuring its sustainability for generations to come. Albertans need to become more actively involved in making decisions and exploring options and choices about their health and health care. Government will continue to invest strategically in health services not only to achieve better health outcomes, but to contribute positively to our economic prosperity.

# Challenges and Opportunities

Given Alberta's significant budget surplus, public expectations for government funded services are growing. There are increasing calls for more investment, new infrastructure and expanded or new programs. On the other hand, Albertans still want government to remain fiscally responsible. To meet the needs of Albertans, government must remain committed to continuing the process of health system renewal. Health system performance and sustainability will be enhanced by managing the health system better, promoting life-long health and encouraging innovation.

## Managing the Health System Better

Significant shortages in many of the health professions are expected in the coming decade. Stiff competition for workers from other employment sectors will continue to exacerbate this problem. The World Health Organization recently released their *Working Together for Health* report. It indicates that there is an inadequate supply of health care workers around the world. Approximately 70 percent of health system costs are labour costs. While the Government of Alberta is developing a general provincial labour strategy to address the broad issue of labour shortages, the health ministry will implement its Health Workforce Action Plan to specifically address health workforce shortages.

According to surveys, Albertans are generally satisfied with the quality of service they get from the health system. They remain concerned, however, about access. People expect to receive prompt and effective care. Patients who receive more timely care often cost the system less in the long run. Physicians, health authorities and the province are working together to streamline processes, get rid of bottlenecks and speed up access to important health services. A series of pilot projects is underway to test new models of care and provide better value for health dollars spent.

The appropriate use of prescription drugs plays an important role in effectively managing chronic conditions and thereby reducing costs in other parts of the health system. In 2004/2005 the Alberta government spent about $1 billion on prescription drugs. This will increase to $2 billion by 2020. Prescription drug costs are growing at approximately 13 per cent per year. These increases are not sustainable given other health care and social program priorities. Alberta is looking at ways to significantly improve its prescription drug subsidy programs and get a greater return on this investment. We will continue to consolidate existing government drug benefit programs into a unified structure and apply common criteria for determining which drug products will be publicly funded. This consolidation is expected to result in significant cost savings through better prices, better formulary management and better prescribing practices.

## Promoting Life-long Health

A sustainable health system's main goal is to keep people as healthy as possible throughout their lives. Life-long health begins in childhood. The health system's role is to help prevent disease as well as treat it. Albertans are facing challenges resulting from lifestyle choices. The number of obese and overweight children is increasing. The prevalence of chronic diseases

such as heart disease, type 2 diabetes, chronic lung disease and other respiratory illnesses is also increasing. Additionally, Alberta is seeing an increase in the number of children and youth with special needs and the rates of alcohol and drug use are increasing among adults and youth. These trends are driving up costs in the health system and are affecting families, society and workforce productivity. Education, health services, community support services and infrastructure requirements are also affected.

There is a stark contrast between the cost of preventing injuries and chronic diseases and the cost of treating them. Prevention costs much less. Every dollar spent on prevention can lead to huge savings for the health system. Spending on safety and prevention results in savings in the cost of care and rehabilitation and avoids lost productivity. Health problems that are not addressed in childhood can persist into adulthood and affect learning and social development. Therefore, it makes good sense to designate children's health as one of our top priorities. We need to take action now to improve the health of all children, especially those who are at risk – whether those risks involve violence in their homes, schools or communities; exposure to drugs and alcohol; or unhealthy lifestyles.

### Encouraging Innovation

New technologies like telehealth, Alberta Netcare and e-learning can bridge the gaps between rural and urban populations and deliver core services like health care and career training. Technology and science are key to enhancing Alberta's global competitiveness and productivity.

Recent scientific discoveries are driving major developments in bio-technology and health products. Advances in genetic science are already providing better prevention, diagnosis and treatment of diseases such as cancer, diabetes, Alzheimer's and Parkinson's. Science is becoming increasingly multidisciplinary and integrated, leading to new products, processes and opportunities. In addition, Alberta Netcare is essential for moving ahead on a range of initiatives that will lead to better care, better decisions, and better health services for Albertans.

# Organization with a Provincial Mandate

## Alberta Alcohol and Drug Abuse Commission (AADAC)

### Mission

Making a difference in people's lives by assisting Albertans to achieve freedom from the harmful effects of alcohol, other drugs and gambling.

### Core Businesses, Goals and Performance Measures

AADAC's mission is undertaken through three core businesses: information, prevention and treatment. Programs and services to address the needs of the general population and specific groups are integrated across these core businesses.

AADAC area offices, clinics, institutions and funded services are located in 48 Alberta communities. Individuals and families have access to basic addiction services where they live and work, with more specialized programs available on a regional or provincial basis.

# Goal 1 To inform Albertans about alcohol, other drug and gambling issues and AADAC services.

AADAC provides Albertans with current and accurate information on alcohol, other drugs and gambling. Information management and dissemination creates greater awareness of addiction issues and AADAC services, and is required to support the development and delivery of prevention and treatment programming. Information and reSource: materials are available through AADAC offices and clinics, and are accessible on the AADAC website at **www.aadac.com**.

## What We Did

- AADAC launched the *Alberta Drug Strategy: Stronger Together–A Provincial Framework for Action on Alcohol and Other Drug Use*. The *Alberta Drug Strategy* is a comprehensive, collaborative and community-based approach to prevent and reduce harm related to alcohol and other drug use in Alberta.
- In support of the *Alberta Drug Strategy*, AADAC released the Coordinated Alberta Response to Methamphetamine. Efforts to reduce the use of, production of, and harm from this drug were introduced across the province. They included new legislation, enhanced treatment, support for more than 50 community drug coalitions, increased law enforcement activities, education and public awareness projects.
- As part of the *Alberta Tobacco Reduction Strategy*, AADAC developed a Capacity Building and Bylaw Development web page that supports efforts at the local level, helps create partnerships among citizen action groups and encourages communication between community coalitions.
- AADAC developed and implemented a communications plan to inform Albertans about the introduction of the *Smoke-Free Places Act*. This legislation sets a minimum provincial standard for protecting minors from second-hand smoke. The communications plan included print and radio ads, a dedicated website and call centre, and province-wide public information sessions for municipalities and businesses.
- AADAC completed data collection for The Alberta Youth Experience Survey 2005. This province-wide study of junior and senior high students replicates similar research conducted in 2002. Information on gambling and the use of alcohol and other drugs was gathered from more than 4,000 students in 17 Alberta school divisions.
- AADAC hosted the Professional Addictions Conference (PAC 2005). With the theme Insight into Addiction, PAC 2005 provided information on prevention and treatment to almost 600 professionals.

# Key Performance Measures and Results

## Measure 1.A

Percentage of Albertans who are aware of AADAC services

Albertans who are aware of AADAC's information, prevention and treatment services are more informed about where to get information on alcohol, other drugs and problem gambling as well as addiction services.

**Awareness of AADAC services**

| | 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|---|
| Percentage of Albertans who are aware of AADAC services | 89 | 89 | 88 | 88 | 90 |

**Source:** AADAC Public Opinion Survey (2003); Alberta Survey (2004, 2005, 2006).
For 2005/2006, AADAC contracted the Population Research Laboratory, University of Alberta to ask about awareness of AADAC. Data were collected through telephone interviews of 1,207 randomly selected Albertans aged 18 years and older (response rate = 28.9 per cent). The margin of error for these results is ±2.8 per cent, 19 times out of 20. Respondents were asked: "Prior to me phoning you today, were you aware of the Alberta Alcohol and Drug Abuse Commission, or AADAC?"

## Measure 1.B

Percentage of women who are aware that alcohol use during pregnancy can lead to lifelong disabilities in a child.

Alcohol consumption during pregnancy can have long term effects on childhood development. Offering information on these effects can reduce the number of children born with fetal alcohol spectrum disorder (FASD).

**Awareness of effects of alcohol use during pregnancy**

| | 1999/2000 | 2003/2004 | 2004/2005 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|---|
| Percentage of women who are aware that alcohol use during pregnancy can lead to lifelong disabilities in a child | 89 | 99 | 99 | 98 | 99 |

Source: Environics Research Group, Health Canada (2000); Alberta Survey (2004, 2005, 2006).
For 2005/2006, AADAC contracted the Population Research Laboratory, University of Alberta to ask about awareness of harms associated with alcohol consumption during pregnancy. Data were collected through telephone interviews of 1,207 randomly selected Albertans aged 18 years and older (response rate = 28.9 per cent) that included 604 women. The margin of error for these results is ±2.8 per cent, 19 times out of 20. Respondents were asked: "True or false – alcohol use during pregnancy can lead to life-long disabilities in a child?"

### Discussion

In 2005/2006, 88 per cent of Albertans surveyed were aware of AADAC. Ninety-eight per cent of Alberta women surveyed were aware that alcohol use during pregnancy can lead to lifelong disabilities in a child. Results for these two measures were within two per cent of target and indicate that Albertans are informed about the services offered by AADAC and the risk of alcohol consumption during pregnancy.

# Goal 2 To prevent the development of and reduce the harm associated with alcohol, other drug and gambling problems.

AADAC provides programs and services to prevent alcohol, other drug and gambling problems, and reduce the harm associated with substance use and problem gambling. Prevention strategies are intended to increase protective factors and reduce risk factors for the population as a whole, and within specific groups.

### What We Did

- AADAC developed and aired two television commercials for the prevention of methamphetamine ("crystal meth") and other drug use in Alberta. The campaign was done in conjunction with the Co-ordinated Alberta Response to Methamphetamine.
- AADAC's President and CEO was appointed to the Premier's Task Force on Crystal Meth, which will oversee the development of a province-wide, holistic strategy to address the harm associated with methamphetamine use.
- As part of the *Alberta Tobacco Reduction Strategy* campaign targeting youth and young adults, AADAC developed two new brochures for the Truth About Tobacco series and revised the manual for the BLAST (Building Leadership for Action in Schools Today) program. In addition, funding was provided to 15 post-secondary institutions, non-government and community organizations for projects that focus on innovative approaches to tobacco reduction for young adults.
- AADAC also provided grant funding to 58 non-profit organizations and agencies to undertake prevention projects that address the unique needs of their community in the areas of alcohol, tobacco, other drugs or gambling.
- In collaboration with the Alberta Gaming and Liquor Commission, AADAC began piloting the Responsible Gambling Information Centre at the Palace Casino in Edmonton. Located within the casino, the centre has an AADAC counsellor available to provide information about gambling and assistance to those concerned about their gambling.

## Key Performance Measures and Results

### Measure 2.A

Prevalence of smoking among Alberta youth

Because most regular smokers start at an early age, activities focusing on youth prevention are key to reducing the number of smokers in Alberta. A decline in the prevalence of smoking by Alberta youth will have positive long term impacts on the health care system.

**Smoking among Alberta youth**

| | 2000/2001 | 2002/2003 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|
| Prevalence of smoking among Alberta youth (in per cent) | 18 | 14 | 11 | 14 |

Source: Statistics Canada: Canadian Community Health Survey (CCHS) (2000/2001, 2003, 2005).
Daily and occasional smoking combined for Albertans 12 – 19 years of age. For 2005, the CCHS includes a sample of Albertans 12 years and older (n = 11,800) with a response rate of 81.5 per cent. The 95 per cent confidence interval for the sample of Albertans 12 to 19 years of age was 8.8 – 12.9 for the reported result.
Excluded from CCHS sampling framework were persons living on Indian reserves or Crown lands; residents of institutions; full-time members of the Canadian Armed Forces and residents of certain remote regions.

## MEASURE 2.B

### Prevalence of regular, heavy drinking among young Albertans

A pattern of regular, heavy drinking is associated with a higher risk of experiencing alcohol-related harm. Prevention programs targeting young Albertans are intended to reduce acute and chronic problems associated with this pattern of alcohol consumption.

**Regular, heavy drinking among young Albertans**

| | 2000/2001 | 2002/2003 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|
| Prevalence of regular heavy drinking among young Albertans (in per cent) | 34 | 31 | 31 | 31 |

**Source:** Health Surveillance, Alberta Health and Wellness, Statistics Canada: Canadian Community Health Survey (CCHS) (2000/2001, 2003); Statistics Canada: CCHS (2005).
Regular, heavy drinking is defined as the consumption of five or more alcoholic drinks on one occasion, 12 or more times a year for Albertans 15 to 29 years of age. For 2005, the CCHS includes a sample of Albertans 12 years and older (n =11,800) with a response rate of 81.5 per cent. The 95 per cent confidence interval for the sample of Albertans 15 to 29 years of age was 28.3–32.9 for the reported result.
Excluded from CCHS sampling framework were persons living on Indian reserves or Crown lands; residents of institutions; full-time members of the Canadian Armed Forces and residents of certain remote regions.

### DISCUSSION

Smoking and heavy drinking among young Albertans have declined since 2001. These declines met or exceeded the targets set by AADAC. Of Albertans who participated in the Canadian Community Health Survey, 11 per cent of those aged 12 to 19 years were current smokers (target 14 per cent) and 31 per cent of those aged 15 to 29 years were regular heavy drinkers (target 33 per cent). Results suggest that prevention activities are having a positive influence on tobacco use and alcohol consumption by young Albertans.

# Goal 3 To provide treatment programs and services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems.

AADAC offers a broad continuum of treatment services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems. Treatment is aimed at adults, youth and their families who display significant problems. Services include community-based outpatient counseling, day programs, crisis and detoxification services, short and long term residential treatment, and overnight shelter. Specialized programs are available for youth, women, Aboriginal Albertans, business and industry referrals, and persons with opioid dependency or cocaine addiction.

### What We Did

- AADAC opened 24 new addiction treatment beds to serve youth aged 12 to 17 years. This includes two four-bed detoxification programs and two eight-bed residential programs located in Edmonton and Calgary, enhancing the Commission's existing range of services for youth.
- AADAC provided funding for three additional community addiction treatment programs: The Salvation Army (Calgary), Our House (Edmonton) and Oxford House (Calgary and Edmonton).
- In partnership with the Alberta Lung Association and the Canadian Cancer Society, AADAC launched **www.albertaquits.ca**. This is a free, web-based cessation program designed to assist people who want to quit smoking.
- In consultation with health regions, physicians and other stakeholders, AADAC developed *Building Capacity: A Framework for Serving Albertans Affected by Addiction and Mental Health Issues (2005)*. This framework recognizes that many Albertans have concurrent addiction and mental health problems, and that their complex needs are best addressed through a coordinated case management process.
- AADAC partnered with the Alberta Solicitor General and Public Security and Calgary Health Region to open the Excel Discovery Pilot Program. This is a treatment program for female young offenders sentenced to open custody, and who have been assessed as having coexisting addiction and mental health problems. The Excel program in Calgary parallels the Bridges program in Edmonton, which is for male young offenders.

## Key Performance Measures and Results

### Measure 3.A

Percentage of clients who are satisfied with AADAC treatment services

To increase the probability of success, it is important that treatment programs meet the needs and expectations of clients receiving these services. AADAC surveys clients to assess their level of satisfaction with treatment services received.

**Satisfaction with AADAC treatment services**

| | 2001/2002 | 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|---|---|
| Percentage of clients who are satisfied with AADAC treatment services. | 95 | 95 | 96 | 95 | 96 | 95 |

**Source:** AADAC Treatment Follow-up Survey database (2001/2002 – 2004/2005); AADAC Service Tracking and Outcomes Reporting Treatment Follow-up Survey (April 2005–March 2006) and Detox Feedback Survey (April 2005–March 2006).
Client satisfaction was assessed from two sources. Results from both sources were combined and weighted to provide total client satisfaction (n = 9,244).
Service Tracking and Outcomes Reporting Treatment Follow-up Survey (April 2005–March 2006): An independent private research contractor conducted follow-up telephone interviews with treatment clients. Clients entering treatment services who gave consent for follow-up (excluding detoxification) were eligible for telephone interview selection. Based on annual client admissions, sample quotas were assigned to each treatment type. A random sample of 7,078 clients was telephoned three months after treatment completion. A total of 2,544 clients were interviewed and asked to rate their level of satisfaction with services received (response rate = 35.9 per cent). The margin of error is ±1.9 per cent, 19 times out of 20.
Detox Feedback Survey: Client satisfaction with detoxification was measured by a self-administered feedback survey given to clients at the end of service. Of the 11,505 client receiving detoxification services, 6,700 surveys were returned (response rate = 58.2 per cent).

## MEASURE 3.B

### Percentage of clients reporting they were improved following treatment

AADAC offers a continuum of treatment services that address the individual needs of clients. The intended outcome is client abstinence or an improved level of recovery. AADAC measures client improvement following treatment to ensure that programs are effective.

**Improvement following AADAC treatment**

| | 2001/2002 | 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | Target 2005/2006 |
|---|---|---|---|---|---|---|
| Percentage of clients reporting they were improved following treatment | 93 | 94 | 93 | 92 | 91 | 93 |

**Source:** AADAC Treatment Follow-up Survey database (2001/2002 – 2004/2005); AADAC Service Tracking and Outcomes Reporting Treatment Follow-up Survey (April 2005 – March 2006).
Client improvement was assessed using the same process as in client satisfaction Source: above (measure 3.A). Number of clients interviewed, response rate and margin of error are as above. Clients were interviewed and asked about their level of substance use and gambling. Improvement was indicated if clients were "abstinent" or "improved" three months after treatment.

### DISCUSSION

In 2005/2006, the target for client satisfaction with treatment services was exceeded; 96 per cent of clients surveyed reported they were "somewhat satisfied" or "very satisfied" with the treatment services received. The high level of satisfaction suggests treatment programs are meeting client expectations.

In 2005/2006, the target for clients reporting improvement following treatment was not met. However, results are still very positive with 91 per cent of clients surveyed reporting improvement three months after treatment. The change since 2002/2003 may be attributed to increasing complexity of client issues and treatment needs. Results indicate that the intended outcome of abstinence or improved level of recovery continues to be achieved.

## Cross-Ministry Initiatives

In support of the Health Innovation and Wellness Initiative, AADAC conducted community consultations regarding the *Alberta Drug Strategy*. In addition, AADAC implemented a pilot project in Lac La Biche to increase the number of at risk women who are referred by physicians to addictions services.

AADAC contributed to the Aboriginal Policy Initiative through Enhanced Services for Women (ESW). Aboriginal women received extensive instruction on the AADAC ESW Help Kit, enabling them to deliver the training to community and health service providers. AADAC also provided funding for 20 Aboriginal projects delivering tobacco prevention, education and cessation programs that focus on the sacred versus recreational use of tobacco.

AADAC continued to support the Alberta Children and Youth Initiative through membership in the Aboriginal Youth Suicide Prevention Strategy Committee. AADAC also co-led the development of the Aboriginal Youth Suicide Prevention Program targeting the northern Alberta communities of Cheteh and Paddle Prairie. AADAC co-chaired the Provincial Steering Committee for Diverse Forces, a provincial family violence conference held in Edmonton, and implemented the addictions component of the Provincial Family Violence Treatment Program.

As part of the Information and Communication Technology Initiative, 34 AADAC sites have been converted to Supernet. Videoconferencing was established at five AADAC locations and intrusion detection software was installed.

## Future Challenges

Substance use and gambling problems occur at all levels of society and within communities throughout Alberta. At some point in their lives, many Albertans will experience personal problems related to alcohol, other drugs or gambling. Others will face difficulties because of someone else's addiction.

Demand for AADAC services continues to increase as a result of changing demographics, increased complexity of client issues, growing concerns about the use of new substances and public debate about problems associated with gambling. The Commission will respond to this increased demand by continuing to focus on individuals and families and their needs. The Commission will ensure Albertans have access to a continuum of programs, strategically invest in the extension of services where impact will be greatest (e.g., for youth) and strengthen valued partnership with local, provincial and national stakeholders to increase overall system coordination and capacity.

# Changes to Performance Measures Information

### New or Changed Key Performance Measures for 2005/2006 Annual Report:

For 2005/2006 several new measures were added to better reflect the new directions and objectives of the Ministry of Alberta Health and Wellness 2005 to 2008 Business Plan. They focus on healthy lifestyles and the sustainability of the health care system.

- Life expectancy at birth – Source: Statistics Canada
- Per cent of low birth weight babies – Source: Alberta Vital Statistics Birth File
- Per cent of Albertans age 12 and over who eat at least 5 to 10 servings of fruit and vegetable each day – Source: Statistics Canada
- Number of new cases of type 2 diabetes per 1,000 population at risk – Source: Alberta Health and Wellness, Health Surveillance
- Age adjusted rate of newly reported HIV cases per 100,000 population – Source: Alberta Health and Wellness, Disease Control and Prevention
- Rates of newly reported sexually transmitted infections (STI) per 100,000 population – Source: Alberta Health and Wellness, Disease Control and Prevention
- Land transport accidents per 100,000 population – Source: Vital Statistics and the Alberta Health Death Registration Database
- Screening rate for breast cancer – will exclude mammograms for diagnostic purposes – Source: Statistics Canada
- Wait times: regional health authority achievement of wait time targets based on clinical urgency – knee replacement surgery – Source: Alberta Waitlist Registry
- Percentage of households spending over 5 per cent of household income after taxes on prescription drugs – Source: Statistics Canada
- Percentage of Albertans who have used Health Link Alberta – Source: HQCA
- Number of physicians in Alternate Relationship Plans – Source: Status Update Database
- Number of post-graduate medical education seats – Source: Post-Graduate Medical Education Advisory Group
- Number of health workforce practitioners – Source: Registration numbers from annual publications from respective professional colleges' registrar, total professionals employed in Alberta from December 2004 Alberta Labour Force Statistics
- 5-year Cancer Survival Rate – Source: Alberta Cancer Board
- Number of care providers accessing the Electronic Health Record – Source: Alberta Health and Wellness, Information Systems Delivery

### Key Performance Measures to be discontinued after the 2005/2006 Annual Report:

No measures will be discontinued for the 2006/2007 Annual Report.

## New Key Performance Measures for 2006/2007 Annual Report:

For 2006/2007 new measures were added to better reflect the new directions and objectives of the Ministry of Alberta Health and Wellness 2006 to 2009 Business Plan. These measures are better indicators of the success of target health promotion and disease prevention initiatives or are comparable with other provinces and countries.

- Influenza vaccination: per cent who have received the recommended annual influenza (flu) vaccine (Children 6 to 24 months old) – Source: Alberta Health and Wellness, Disease Control and Prevention

# Financial Information

## Ministry of Health and Wellness

Consolidated Financial Statements

March 31, 2006

# MINISTRY OF HEALTH AND WELLNESS

# CONSOLIDATED FINANCIAL STATEMENTS

# MARCH 31, 2006

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

## Auditor's Report

To the Members of Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Health and Wellness as at March 31, 2006 and the consolidated statements of operations and cash flows for the year then ended. These consolidated financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Note 2(a) includes an explanation for and the effects of not consolidating the financial statements of the nine Regional Health Authorities and two Provincial Health Boards controlled by the Ministry as required by public sector accounting standards.

In my opinion, except that the financial statements of the Regional Health Authorities and Provincial Health Boards have not been included as referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original Signed by Fred J. Dunn, FCA] FCA
Auditor General

Edmonton, Alberta
May 19, 2006

# MINISTRY OF HEALTH AND WELLNESS

## CONSOLIDATED STATEMENT OF OPERATIONS

## FOR THE YEAR ENDED MARCH 31, 2006

(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Revenues (Schedule 1) | | | |
| Internal Government Transfers | $ 205,291 | $ 205,291 | $ 209,274 |
| Transfers from the Government of Canada | 2,047,325 | 1,839,057 | 1,736,615 |
| Premiums and Fees | 898,810 | 922,652 | 942,579 |
| Other Revenue | 71,252 | 107,553 | 89,134 |
| | 3,222,678 | 3,074,553 | 2,977,602 |
| Expenses - Directly Incurred (Note 2c and Schedules 3 and 6) | | | |
| Program | | | |
| Regional Health Services | 5,628,529 | 5,665,202 | 5,070,734 |
| Accumulated Deficit Funding | - | - | 92,507 |
| Diagnostic/Medical Equipment | 49,690 | 61,790 | 199,640 |
| Physician Services | 1,737,328 | 1,754,753 | 1,571,372 |
| Non-Group Health Benefits | 629,511 | 586,546 | 534,064 |
| Allied Health Services | 82,951 | 74,457 | 71,464 |
| Protection, Promotion and Prevention | 117,560 | 98,243 | 109,953 |
| Human Tissue and Blood Services | 137,000 | 118,684 | 122,330 |
| Provincial Programs | 240,708 | 251,335 | 191,967 |
| Addiction Prevention and Treatment Services | 74,324 | 77,617 | 67,455 |
| Ministry Support Services | 151,714 | 152,942 | 134,885 |
| Information Technology | 86,248 | 243,625 | 55,877 |
| Infrastructure Support | - | 64,630 | - |
| | 8,935,563 | 9,149,824 | 8,222,248 |
| Statutory (Schedule 3) | | | |
| Valuation Adjustments | | | |
| Health Care Insurance Premium Revenue Write-Offs | 41,363 | 47,047 | 63,053 |
| Other Write-Offs | - | 496 | 57 |
| | 41,363 | 47,543 | 63,110 |
| Provision for Vacation Pay | - | 763 | 969 |
| | 41,363 | 48,306 | 64,079 |
| | 8,976,926 | 9,198,130 | 8,286,327 |
| Net Operating Results | $ (5,754,248) | $ (6,123,577) | $ (5,308,725) |

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

# MINISTRY OF HEALTH AND WELLNESS
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT MARCH 31, 2006

(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| **ASSETS** | | |
| Cash (Note 4) | $ 21,616 | $ 18,780 |
| Accounts Receivable, Loans and Advances (Note 5) | 200,263 | 600,678 |
| Consumable Inventory | 11,348 | 5,974 |
| Tangible Capital Assets (Note 6) | 70,089 | 67,412 |
| | $ 303,316 | $ 692,844 |
| **LIABILITIES** | | |
| Accounts Payable and Accrued Liabilities (Note 7) | $ 753,526 | $ 483,790 |
| Unearned Revenue (Note 8) | 362,316 | 639,305 |
| | 1,115,842 | 1,123,095 |
| **NET LIABILITIES** | | |
| Net Liabilities at Beginning of Year | (430,251) | (411,647) |
| Net Operating Results | (6,123,577) | (5,308,725) |
| Net Transfer from General Revenues | 5,741,302 | 5,290,121 |
| Net Liabilities at End of Year | (812,526) | (430,251) |
| | $ 303,316 | $ 692,844 |

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

# MINISTRY OF HEALTH AND WELLNESS
## CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED MARCH 31, 2006

(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| Operating Transactions | | |
| Net Operating Results | $ (6,123,577) | $ (5,308,725) |
| Non-cash items: | | |
| Amortization of Tangible Capital Assets (Schedule 3) | 9,491 | 7,312 |
| Inventory Consumed | 24,687 | 28,223 |
| Health Care Insurance Premium Revenue Write-offs | 47,047 | 63,053 |
| Other Write-Offs | 496 | 57 |
| Provision for Vacation Pay | 763 | 969 |
| | (6,041,093) | (5,209,111) |
| Decrease (Increase) in Accounts Receivable | 352,846 | (501,611) |
| Increase in Accounts Payable and Accrued Liabilities | 268,973 | 103,239 |
| (Decrease) Increase in Unearned Revenue | (276,938) | 348,026 |
| Cash (applied to) Operating Transactions | (5,696,212) | (5,259,457) |
| Capital Transactions | | |
| Acquisition of Tangible Capital Assets | (12,167) | (17,493) |
| Acquisition of Consumable Inventory | (30,091) | (28,920) |
| Transfer of Tangible Capital Assets | - | 87 |
| Cash (applied to) Capital Transactions | (42,258) | (46,326) |
| Investing Transactions | | |
| Loans and advances | 4 | (3) |
| Repayment of Loans and advances | - | - |
| Cash Provided by (applied to) Investing Transactions | 4 | (3) |
| Financing Transactions | | |
| Net Transfer from General Revenues | 5,741,302 | 5,290,121 |
| Increase (Decrease) in Cash | $ 2,836 | $ (15,665) |
| Cash, Beginning of Year | 18,780 | 34,445 |
| Cash, End of Year | $ 21,616 | $ 18,780 |

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

# MINISTRY OF HEALTH AND WELLNESS
# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
# MARCH 31, 2006

## Note 1 Authority and Purpose

The Minister of Health and Wellness (Minister) has, by the *Government Organization Act* and its regulations, been designated responsibilities for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Health and Wellness (Ministry).

The purpose of the Ministry is to maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders. The Ministry leads and supports a system for the delivery of quality health services and encourages and supports healthy living.

Through a leadership role, the Ministry sets direction, policy and provincial standards that ensure quality services and sets priorities based on health needs, determines the scope of financial, capital and human resources required, and measures and reports on the performance of the system. The Ministry is also engaged in inter-ministerial initiatives to effectively address challenges to the health and well being of the population.

## Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) **Reporting Entity**
(in thousands)

The reporting entity is the Ministry of Health and Wellness. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (a) Reporting Entity (continued)

(in thousands)

These consolidated financial statements include the accounts of the following organizations:

| Organization | Authority |
|---|---|
| Department of Health and Wellness | *Government Organization Act* |
| Alberta Alcohol and Drug Abuse Commission | *Alcohol and Drug Abuse Act* |

The accounts of Regional Health Authorities, the Alberta Cancer Board, and the Alberta Mental Health Board are not included in these consolidated financial statements as these accountable organizations are not considered to be part of the Ministry pursuant to section 1(1)(g) of the *Government Accountability Act*: details on balances are disclosed in notes 5 and 7 and funding to health authorities and provincial boards are included in schedule 6 to the financial statements under the following programs.

| Funding to health authorities and provincial boards | |
|---|---|
| • Regional Health Services | $ 5,665,202 |
| • Diagnostic / Medical Equipment | 61,790 |
| • Physician Services | 92,891 |
| • Allied Health Services | 414 |
| • Protection, Promotion and Prevention | 53,683 |
| • Ministry Support Services | 1,394 |
| • Information Technology | 226,133 |
| • Provincial Programs | 53,212 |
| • Addiction Prevention and Treatment Services | 259 |
| • Infrastructure Support | 64,630 |
| | $ 6,219,608 |

The Public Sector Accounting Board has issued standards that require controlled entities such as the Regional Health Authorities, the Alberta Cancer Board and the Alberta Mental Health Board to be fully consolidated line-by-line. In a transition period to March 31, 2008, the Ministry is permitted to use the modified equity method of accounting. Under the modified equity method, these controlled entities' net assets and operating results would be included in one line on the Ministry's consolidated statements of financial position and operations, respectively.

The Ministry has not yet consolidated the financial statements of these controlled entities. In the transition period, the government will assess when and how to include these controlled entities in the Ministry's consolidated financial statements.

## Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

### (a) Reporting Entity (continued)

(in thousands)

The financial results of these controlled entities are included in the consolidated financial statements of the Province of Alberta for the year ended March 31, 2006. Schedule 9 in those consolidated financial statements show that if the Ministry had included these controlled entities on a modified equity basis, net assets and net operating results would increase by approximately $355,739 and $65,916 respectively for the year ended March 31, 2006. These amounts are based on information from these controlled entities' most recent audited financial statements.

The Ministry's Annual Report for the year ended March 31, 2006 includes summary financial information compiled from the Regional Health Authorities', the Alberta Cancer Board and the Alberta Mental Health Board's audited financial statements for the year ended March 31, 2006.

### (b) Basis of Consolidation

Revenue and expense transactions, investing and finance transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

### (c) Basis of Financial Reporting

(i) Revenues

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

(ii) Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

(iii) Transfers from the Government of Canada

Transfers from Government of Canada are recognized as revenues when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made. Established Programs Financing entitlements are recorded based on management's estimate of amounts applicable to the fiscal year. Overpayments relating to Canada Health Transfers and other transfers received before revenue recognition criteria have been met are included in accounts payable.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

(c) **Basis of Financial Reporting (continued)**

(iv) Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote.

If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

(v) Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- inventory consumed.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

- Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

(c) **Basis of Financial Reporting (continued)**

(vi) Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as cash and consumable inventories. Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. Amortization is only charged if the asset is in use. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $5,000 for the Department and Alberta Alcohol and Drug Abuse Commission.

Consumable inventory is valued at the lower of cost and replacement cost and is determined on a first-in, first-out basis.

(vii) Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

(viii) Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

(ix) Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, loan and advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments. Fair values of loans are not reported due to there being no organized market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(c) Basis of Financial Reporting (continued)**

(x) Payments under Reciprocal and Other Agreements

The Ministry entered into agreements with other Provincial Governments, the Federal Government and the Workers' Compensation Board to provide services on their behalf.

Expenses incurred and revenue earned in the provision of services under these agreements are recorded in the records of the service providers and are not included in these consolidated financial statements.

Amounts paid and recovered under these agreements are disclosed in Note 11.

(xi) Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. The nature of uncertainty, for Canada Health Transfers, can arise from changes in the base allocations which are primarily a result of updated personal and corporate tax information.

The allowance for doubtful accounts, amounting to $129,800 (2005 - $142,592) is subject to measurement uncertainty.

The allowance for doubtful accounts, in the amount of $129,800 (2005 - $142,592) as reported in Note 5 to these consolidated financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2006 and past collection patterns. The actual amount collected could vary from that estimated.

The accrual for claims payable to physicians in the amount of $36,438 (2005 - $50,321) is subject to measurement uncertainty. The amount is based on actual payments made subsequent to March 31, 2006 and an estimate for any future payments within the 180 days claim period.

## Note 3 Government Restructuring
(in thousands)

As a result of government restructuring (OC104/2005), the responsibility for the Alberta Aids for Daily Living program was transferred from the Ministry of Health and Wellness.

Comparative for 2005 have been restated as if the Ministry had always been assigned its current responsibilities.

| | |
|---|---|
| Net (liabilities) as previously reported as at March 31, 2004 | $ (418,076) |
| Transfer to Ministry of Seniors and Community Support | 6,429 |
| Net (liabilities), as restated at April 1, 2004 | $ (411,647) |
| | |
| Net operating results reported March 31, 2005 | $ (5,389,388) |
| Transfer to Ministry of Seniors and Community Support | 80,663 |
| Restated net operating results March 31, 2005 | $ (5,308,725) |

## Note 4 Cash
(in thousands)

The cash balance consists of the following:

| | 2006 | 2005 |
|---|---|---|
| Department of Health and Wellness | | |
| Bank Account | $ 11,541 | $ 7,898 |
| Alberta Alcohol and Drug Abuse Commission | | |
| Consolidated Cash Investment Trust Fund | 10,064 | 10,871 |
| Accountable Advances | 11 | 11 |
| | $ 21,616 | $ 18,780 |

## Note 5 Accounts Receivable, Loans and Advances
(in thousands)

| | 2006 | | | 2005 |
|---|---|---|---|---|
| | Gross Amount | Allowance for Doubtful Accounts | Net Realizeable Value | Net Realizeable Value |
| Accounts receivable | $ 328,956 | $ 129,800 | $ 199,156 | $ 598,885 |
| Amounts due from health authorities and provincial boards | 93 | - | 93 | 21 |
| Other receivable | 1,011 | - | 1,011 | 1,765 |
| Loans and advances | 3 | - | 3 | 7 |
| | $ 330,063 | $ 129,800 | $ 200,263 | $ 600,678 |

Accounts receivables are unsecured.

## Note 6 Tangible Capital Assets
(in thousands)

| | | 2006 | | | 2005 |
|---|---|---|---|---|---|
| | Estimated Useful Life | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| | | | | | (Restated - Note 3) |
| Systems development | | | | | |
| Work in progress | | | | | |
| Wellnet projects | | $ - | $ - | $ - | $ 5,023 |
| Others | | 2,444 | - | 2,444 | 5,191 |
| | | 2,444 | - | 2,444 | 10,214 |
| Computer hardware and software | 3-10 years | 99,944 | 33,829 | 66,115 | 55,915 |
| Equipment | 10 years | 1,886 | 356 | 1,530 | 1,283 |
| | | 101,830 | 34,185 | 67,645 | 57,198 |
| | | $ 104,274 | $ 34,185 | $ 70,089 | $ 67,412 |

## Note 7 Accounts Payable and Accrued Liabilities

(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| Accounts payable | $ 227,613 | $ 168,922 |
| Accrued liabilities | 193,416 | 187,426 |
| Amounts due to Health Authorities and Provincial Boards | 322,884 | 118,606 |
| Accrued vacation pay | 9,613 | 8,836 |
| | $ 753,526 | $ 483,790 |

## Note 8 Unearned Revenue

(in thousands)

| | 2006 | 2005 |
|---|---|---|
| Changes in unearned revenues are as follows: | | |
| Cash received/receivable during the year: | | |
| Health Care Insurance Premiums | $ 31,661 | $ 29,799 |
| Health Services for Persons with Hepatitis C | - | 5,300 |
| Third Party Recoveries | 37 | 71 |
| Canada Health Transfer | - | 100,494 |
| Wait Times Reduction Transfer | - | 429,974 |
| Public Health and Immunization Trust | - | 40,200 |
| Institution Fees | 34 | 37 |
| | 31,732 | 605,875 |
| Less amounts recognized as revenue in the year | (308,721) | (257,849) |
| Increase during the year | (276,989) | 348,026 |
| Balance at beginning of year | 639,305 | 291,279 |
| Balance at end of year | $ 362,316 | $ 639,305 |
| Balances at end of year are comprised of: | | |
| Canada Health Transfer | $ - | $ 199,873 |
| Health Care Insurance Premiums | 31,661 | 29,799 |
| Health Services for Persons with Hepatitis C | 12,495 | 15,012 |
| Third Party Recoveries | 58 | 41 |
| Public Health and Immunization Trust | 13,622 | 27,189 |
| Wait Times Reduction Transfer | 304,446 | 367,354 |
| Institution Fees | 34 | 37 |
| | $ 362,316 | $ 639,305 |

## Note 9 Contractual Obligations

(in thousands)

As at March 31, 2006, the Ministry has the following contractual obligations:

| | 2006 | 2005 (Restated) |
|---|---|---|
| Specific programs commitments [a] | $ 8,325,370 | $ 9,976,251 |
| Capital construction contracts | 1,451,259 | - |
| Service contracts | 142,338 | 66,328 |
| Equipment & Vehicles leases | 415 | 234 |
| | $ 9,919,382 | $ 10,042,813 |

[a] Included in 2006 specific programs commitments is an amount of $7,755,000 (2005 restated - $9,213,849) for the provision of insured medical services by physicians under the trilateral agreement signed between the Alberta Medical Association, the Regional Health Authorities and the Ministry of Health and Wellness.

The 2005 specific program commitments were restated from $2,088,751 to $9,976,251 to recognize the commitment in the trilateral agreement until March 31, 2011. Previously, only the commitment to March 31, 2006 was recognized. This restatement does not impact net operating results or net liabilties.

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

| | Specific Programs Commitments | Capital Construction Contracts | Service Contracts | Equipment & Vehicle Leases | Total 2006 |
|---|---|---|---|---|---|
| 2007 | 1,687,072 | $ 276,235 | $ 97,070 | $ 150 | 2,060,527 |
| 2008 | 1,618,246 | 577,251 | 20,052 | 121 | 2,215,670 |
| 2009 | 1,622,734 | 367,976 | 12,680 | 97 | 2,003,487 |
| 2010 | 1,662,872 | 98,488 | 12,501 | 47 | 1,773,908 |
| 2011 | 1,702,784 | 131,309 | 2 | - | 1,834,095 |
| Thereafter | 31,662 | - | 33 | - | 31,695 |
| | $ 8,325,370 | $ 1,451,259 | $ 142,338 | $ 415 | $ 9,919,382 |

Canadian Blood Services

The Province of Alberta is committed to provide funding to the Canadian Blood Services (CBS). This commitment was outlined in a Memorandum of Understanding, signed in January 1998, which recorded the understandings and commitments of the Minister of Health of Canada and the Provincial and Territorial Ministers of Health (except Quebec) regarding their respective roles and responsibilities in a renewed national blood system.

The Province's obligation for the operational costs of CBS is determined on a per capita basis, and the costs for fractionated blood and blood products is determined on the basis of annual utilization of these products.

During the year, payments to CBS amounted to $118,221 (2005 - $122,330). Budgeted expenditure for the 2006 fiscal year is estimated at $131,160.

## Note 10 Contingencies and Equity Agreements with Voluntary Hospital Owners

Hepatitis C

At March 31, 2006, the Ministry was named as defendant in thirty-nine specific legal actions (2005- forty specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in twenty-eight specific legal actions approximates $553 million (2005 – twenty-nine specific legal actions approximates $554 million). For the other eleven claims, no specified amount has yet been claimed (2005 - eleven claims have no specified amount); the amount of these claims will be determined at trial.

Thirty-nine of these claims (2005 – Thirty-nine claims) are covered by the Alberta Risk Management Fund with twenty-eight claims amounting to $553 million (2005 – twenty-eight claims amounting to $80 million). Potential liability for these claims is shared by the Canadian Red Cross Society and the federal government. The resulting loss, if any, from these claims cannot be determined.

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of $1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at $30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Ministry made a provision in 1999-2000 for its portion of the Hepatitis C assistance. At March 31, 2006 the unpaid balance of the Ministry's commitment to the financial assistance package was $12,942,143 (2005 - $13,043,265).

Equity Agreements with Voluntary Hospital Owners

The Ministry has a contingent liability for buy-out of equity under Equity Agreements entered into between the Ministry and Voluntary Hospital Owners. The Ministry's payout liability is contingent upon notification by voluntary hospital owner of termination of the equity agreement. At March 31, 2006, the contingent payout liability upon termination is estimated at $12.8 million (2005 - $14.3 million).

Notifications to terminate certain equity agreements have been received by the Ministry. In 2005-2006, the Ministry expensed $1.8 million (2005 - $7.0 million) representing the equity of the Voluntary Hospital Owners. In turn, the Voluntary Hospital Owners transferred hospital assets to the Crown, as represented by the Minister of Health and Wellness. The Crown, as represented by the Minister of Infrastructure and Transportation, then transferred the hospital assets to Regional Health Authorities under lease agreements. The Regional Health Authorities will record the buildings and equipment at their net book value.

Pension Reform Lawsuit

The Alberta Alcohol and Drug Abuse Commission has a contingent liability in respect of a claim concerning the methodology used to calculate pension benefit payments under the Public Service Pension Plan (PSPP). The claim has been jointly and severally against the Province of Alberta and the employers participating in PSPP. The claim specified an amount of $1,250,000,000.

**Note 10 Contingencies and Equity Agreements with Voluntary Hospital Owners (continued)**

Other

At March 31, 2006, the Ministry was named as defendant in thirty other legal actions (2005 – twenty-five legal actions). Twenty-eight of these claims have specified amounts totaling $63.3 million (2005 – twenty-four claims with a specified amount of $48.0 million). Included in the total legal actions are twenty-six claims amounting to $52.8 million (2005 – twenty claims amounting to $21.8 million) in which the Ministry has been jointly named with other entities. Nineteen claims amounting to $48.6 million (2005 – fourteen claims amounting to $17.8 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 11 Payments under Reciprocal and Other Agreements**
(in thousands)

The Ministry entered into agreements, under the Alberta Health Care Insurance Plan, with other Provincial Governments and the Workers' Compensation Board to provide health services on their behalf. The Ministry pays service providers for services rendered under the agreements and recovers the amount paid from other provinces and the Workers' Compensation Board. Service providers include regional health authorities, Provincial Health Boards and physicians.

The Ministry also entered into agreements with the Western Provinces and Territories for the Western Health Information Collaborative (WHIC) to explore common opportunities that would meet their health information needs and support the strategic directions and initiatives for health infostructure at the national level. In addition, the Ministry entered into agreements with Health Canada, the Workers' Compensation Board and other provincial governments and territories to provide air ambulance services on their behalf. Payments incurred under these agreements are made by the Ministry under authority of the *Financial Administration Act*, Section 25 (1).

Balances receivable from or payable to the Federal Government, other Provincial Governments and the Workers' Compensation Board are reflected in the Statement of Financial Position.

| | 2006 | | | | | 2005 |
|---|---|---|---|---|---|---|
| | Western Health Information Collaborative | Other Provincial Government | Workers' Compensation Board | Air Ambulance | Total | Total |
| Opening receivable (payable) balance | $ - | $ 43,376 | $ (19) | $ 1,685 | $ 45,042 | $ 27,237 |
| Add: Payments made during the year | 207 | 174,275 | 19 | 2,845 | 177,346 | 158,054 |
| | 207 | 217,651 | - | 4,530 | 222,388 | $ 185,291 |
| Less: Collections received during the year | - | 178,951 | - | 3,207 | 182,158 | 137,492 |
| Less: Adjustments made during the year | - | - | - | 331 | 331 | 2,757 |
| Closing receivable (payable) balance | $ 207 | $ 38,700 | $ - | $ 992 | $ 39,899 | $ 45,042 |

**Note 12 Defined Benefit Plans**
(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $7,435 for the year ended March 31, 2006 (2005 - $6,115).

At December 31, 2005, the Management Employees Pension Plan reported a deficiency of $165,895 (2004 – deficiency $268,101) and the Public Service Pension Plan reported a deficiency of $187,704 (2004 – $450,068). At December 31, 2005, the Supplementary Retirement Plan for Public Service Managers had a surplus of $10,018 (2004 –$9,404).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2006, the Bargaining Unit Plan reported an actuarial deficiency of $8,699 (2005 - $11,817) and the Management, Opted Out and Excluded Plan an actuarial surplus of $8,311 (2005 – $3,208). The expense for these two plans is limited to employer's annual contributions for the year.

**Note 13 Comparative Figures**

Certain 2005 figures have been reclassified to conform to the 2006 presentation.

**Note 14 Subsequent Event**
(in thousands)

Based on an Order in Council (O.C. 421/2005) dated September 8, 2005, responsibility for Health Facilities Infrastructure program was transferred to the common responsibility of the Minister of Infrastructure and Transportation and the Minister of Health and Wellness. While the Minister of Infrastructure and Transportation retained responsibility for the original 2005/2006 budget of $392,048, new in-year approvals amounting to $64,630 are recorded in Health and Wellness' Consolidated Statement of Operations. Effective April 1, 2006, the Health Facilities Infrastructure program funding will be the sole responsibility of Health and Wellness. Expenditures on health facilities are expected to total $607,339 in 2006/2007.

**Note 15 Approval of Financial Statements**

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Schedule 1

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Internal Government Transfers: | | | |
| Transfer from the Lottery Fund | $ 205,291 | $ 205,291 | $ 209,274 |
| | 205,291 | 205,291 | 209,274 |
| Transfers from the Government of Canada: | | | |
| Canada Health Transfer/Canada Health & Social Transfer | 1,686,950 | 1,543,749 | 1,191,435 |
| Health Reform Fund | - | - | 150,347 |
| Wait Times Reduction | 125,528 | 62,908 | 62,621 |
| Diagnostic/Medical Equipment Fund | 49,690 | 49,690 | 99,736 |
| Other | 185,157 | 182,710 | 232,476 |
| | 2,047,325 | 1,839,057 | 1,736,615 |
| Fees: | | | |
| Health care insurance: | | | |
| Premiums before premium assistance | 849,557 | 1,010,831 | 1,039,380 |
| Less: | | | |
| Premium assistance under legislation | - | (135,101) | (141,700) |
| | 849,557 | 875,730 | 897,680 |
| Add: | | | |
| Penalties | 24,825 | 21,212 | 20,061 |
| Interest and miscellaneous | 339 | 236 | 181 |
| Health care insurance premiums, penalties and interest | 874,721 | 897,178 | 917,922 |
| Blue Cross: | | | |
| Premiums before premium assistance | 22,500 | 25,828 | 25,116 |
| Less premium assistance | - | (1,960) | (1,973) |
| Blue Cross premiums | 22,500 | 23,868 | 23,143 |
| Total premiums | 897,221 | 921,046 | 941,065 |
| Other | 1,589 | 1,606 | 1,514 |
| | 898,810 | 922,652 | 942,579 |
| Other revenue: | | | |
| Third party recoveries | 62,333 | 69,129 | 64,787 |
| Miscellaneous: | | | |
| Previous years' refunds of expenditure | 1,500 | 14,324 | 13,437 |
| Other | 7,419 | 24,100 | 10,910 |
| | 71,252 | 107,553 | 89,134 |
| Total revenues | $ 3,222,678 | $ 3,074,553 | $ 2,977,602 |

Schedule 2

MINISTRY OF HEALTH & WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | |
|---|---|---|---|
| | Authorized Dedicated Revenues | Actual Dedicated Revenues[a] | (Shortfall) / Excess |
| Health Care Insurance Premiums[b] | $ 902,838 | $ 897,178 | $ (5,660) |
| Non-Group Drug Benefits[c] | 22,500 | 23,868 | 1,368 |
| Primary Health Care Transition Fund[d] | 7,832 | 6,663 | (1,169) |
| Hepatitis C - Medical Services[e] | 3,180 | 2,516 | (664) |
| PHCTF - Multi-Jurisdictional Health Lines[f] | 4,754 | 3,710 | (1,044) |
| Statistical Information[g] | 200 | 79 | (121) |
| Government Sponsored Drug Programs[h] | 1,200 | 1,160 | (40) |
| Chronic Disease Management[i] | 5,405 | 3,948 | (1,457) |
| Canada Health Infoway - Client Registry[j] | 4,500 | 1,661 | (2,839) |
| Diabetes Surveillance[k] | 60 | 60 | - |
| | $ 952,469 | $ 940,843 | $ (11,626) |

[a] Revenues from dedicated revenue initiatives are included in the Ministry's revenues in the Statement of Operations.

[b] Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income. Seniors are provided coverage, but do not pay premiums. Expenses associated with this initiative are included in the Statement of Operations under the Physician Services expense classification.

[c] Albertans can access public or private supplemental health insurance coverage. The Ministry provides Non-Group Blue Cross coverage on a premium basis for non-seniors. Seniors are provided coverage, but do not pay premiums. Expenses under the Non-Group Drug Benefits initiative represent the expenses incurred to provide Blue Cross services. Expenses associated with this initiative are included in the Statement of Operations under the Non-Group Health Benefit expense classification.

[d] Health Canada is providing funding to support primary health care initiatives that will be undertaken by the province. Funding for this initiative is being used for Health Link, provincial coordination and capacity building with respect to implementing new primary health care models and administration of funds. Expenses associated with this initiative are included in the Statement of Operations under the Provincial Programs expense classification.

[e] Health Canada is providing funding for this initiative. The funding is being used to enhance existing health services to persons with chronic Hepatitis C virus infection in Alberta, regardless of the source of their infection. Expenses associated with this initiative are included in the Statement of Operations under the Provincial Programs expense classification.

[f] Health Canada is providing funding for this project. This project is a collaborative effort among the western provinces and territories to support and further develop health lines across Canada, in five areas; evaluation, staff training, chronic disease management, promotion and marketing and coordination of other infrastructure supports, such as a business case guide. Expenses associated with this initiative are included in the Statement of Operations under the Provincial Programs expense classification.

Schedule 2

MINISTRY OF HEALTH & WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

(g) The Ministry provides statistical information and reports to third party researchers and institutions. The revenue received is used to offset the costs to the Ministry. The expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.

(h) For new drugs to be considered for inclusion on the Ministry's Drug Benefit List, they must first receive approval from Health Canada for sale in Canada. Once approved, the drug is reviewed by the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics. Discussions between Alberta Health and Wellness and the drug manufacturer are held to ensure the drug is used as intended. An agreement may be entered into with the drug manufacturer to fund specific studies or programs that contribute to the cost-effective use of medications provided through government sponsored drug plans. The funds are used by the Ministry to conduct these studies and administer the programs. Expenses associated with this initiative are included in the Statement of Operations under the Provincial Programs expense classification.

(i) This project is funded by Health Canada's Primary Health Care Transition Fund and involves the four western provinces with Alberta as the lead. This project includes the creation of data standards and the capacity to share this data electronically (via HL7 messaging standards) in support of clinical decision making for primary health care teams. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.

(j) This is a cost shared project with Canada Health Infoway. Funding is being used for the Provincial Client Registry which is an effective patient identification system that links diverse information sources within and across health organizations and jurisdictions and will provide the foundation for the Alberta Electronic Health Record. Funding for this project was authorized as a Capital Investment initiative, but recoveries were attributed to operating expenses. Expenses associated with this initiative are included in the Statement of Operations under Information Technology expense classification.

(k) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The Ministry will use this funding to enhance its capacity for public health surveillance in the area of diabetes and its complications. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Service expense classification.

Schedule 3

## MINISTRY OF HEALTH AND WELLNESS
## CONSOLIDATED SCHEDULE OF
## EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
## FOR THE YEAR ENDED MARCH 31, 2006

(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Voted: | | | |
| Grants | $ 8,658,179 | $ 8,879,356 | $ 7,978,671 |
| Supplies and Services | 150,002 | 133,273 | 117,441 |
| Salaries, Wages and Employee Benefits | 98,746 | 102,831 | 90,474 |
| Amortization of Tangible Capital Assets | 8,217 | 9,491 | 7,312 |
| Inventory Consumed | 20,263 | 24,687 | 28,223 |
| Financial Transactions and Other | 156 | 186 | 127 |
| Total Voted Expenses | $ 8,935,563 | $ 9,149,824 | $ 8,222,248 |
| Statutory: | | | |
| Valuation Adjustments | | | |
| Health Care Insurance Premium Revenue Write-offs | $ 41,363 | $ 47,047 | $ 63,053 |
| Other Write-offs | - | 496 | 57 |
| Provision for Vacation Pay | - | 763 | 969 |
| | $ 41,363 | $ 48,306 | $ 64,079 |

Schedule 4

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2005-2006 Budget | Authorized Supplementary and Treasury Board Approval[a] | 2005-2006 Authorized Budget |
|---|---|---|---|
| Revenues: | | | |
| Internal Government Transfers | $ 205,291 | $ - | $ 205,291 |
| Transfer from Government of Canada | 2,047,325 | - | 2,047,325 |
| Fees, Permits, and Licenses | 898,810 | 28,117 | 926,927 |
| Other Revenue | 71,252 | - | 71,252 |
| | 3,222,678 | 28,117 | 3,250,795 |
| Expenses - Directly Incurred: | | | |
| Program | | | |
| Regional Health Services | 5,628,529 | 15,200 | 5,643,729 |
| Diagnostic/Medical Equipment | 49,690 | 12,100 | 61,790 |
| Physician Services | 1,737,328 | - | 1,737,328 |
| Non-Group Health Benefits | 629,511 | - | 629,511 |
| Allied Health Services | 82,951 | - | 82,951 |
| Protection, Promotion and Prevention | 117,560 | - | 117,560 |
| Human Tissue and Blood Services | 137,000 | - | 137,000 |
| Provincial Programs | 240,708 | 27,600 | 268,308 |
| Addiction Prevention and Treatment Services | 74,324 | - | 74,324 |
| Ministry Support Services | 151,714 | - | 151,714 |
| Information Technology | 86,248 | 119,000 | 205,248 |
| Infrastructure Support | - | 64,630 | 64,630 |
| | 8,935,563 | 238,530 | 9,174,093 |
| Statutory Expenses | | | |
| Valuation Adjustments | | | |
| Health Care Insurance Premiums Revenue Write-Offs | 41,363 | - | 41,363 |
| Other Write-Offs | - | - | - |
| Provision for Vacation Pay | - | - | - |
| | 41,363 | - | 41,363 |
| Total Expense | 8,976,926 | 238,530 | 9,215,456 |
| Net Operating Results | $ (5,754,248) | $ (210,413) | $ (5,964,661) |
| Equipment / Inventory Purchases | $ 39,870 | $ - | $ 39,870 |
| Capital Investment | $ 33,753 | $ - | $ 33,753 |

(a) There were two Supplementary Estimates approved in 2005-06. A $64.6 million supplementary estimate was approved on December 1, 2005 and another $141.2 million in supplementary estimate was approved on March 16, 2006. Treasury Board approval for $28.1 million was pursuant to section 24(2) of the Financial Administration Act. Treasury Board approval for $4.6 million was pursuant to section 2(1)(a) of the Appropriation (Supplementary Supply) Act 2006.

Schedule 5

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry. The Alberta Alcohol and Drug Abuse Commission is an Entity in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, 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 Ministry had the following transactions with related parties recorded in the Consolidated Statement of Operations and Financial Position at the amount of consideration agreed upon between the related parties.

| | 2006 | 2005 |
|---|---|---|
| Revenue | | |
| Grant | $ 205,291 | $ 209,274 |
| Fees & Services | 1,678 | - |
| Other | 67 | 43 |
| | $ 207,036 | $ 209,317 |
| Expenses - Directly Incurred: | | |
| Grants | $ 39,491 | $ 27,200 |
| Other Services | 43,409 | 28,873 |
| | $ 82,900 | $ 56,073 |
| Capital Assets Transferred | $ 141 | $ - |
| Receivable from | $ 307 | $ - |
| Payable to | $ (131) | $ (105) |

The Ministry receives services under contracts managed by the Ministry of Restructuring and Government Efficiency. Any commitments under these contracts are reported by the Ministry of Restructuring and Government Efficiency.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements and are disclosed in Schedule 6.

| | 2006 | 2005 |
|---|---|---|
| Expenses - Incurred by Others: | | |
| Accommodation | $ 11,792 | $ 13,086 |
| Legal | 1,974 | 1,129 |
| Other | 52 | 10 |
| | $ 13,818 | $ 14,225 |

Schedule 6

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | | | | | | | 2005 |
|---|---|---|---|---|---|---|---|---|---|
| | | Expenses - Incurred by Others | | | Valuation Adjustments [4] | | | | |
| Program | Expenses [1] | Accommodation Costs [2] | Legal Services [3] | Other | Vacation Pay | Health Care Insurance Premiums Revenue Write-Offs | Other Write-Offs | Total | Total (Restated - Note 3) |
| Funding to Health Authorities and Provincial Boards for: | | | | | | | | | |
| Regional Health Services | $ 5,665,202 | $ - | $ - | $ - | $ - | $ - | $ - | $ 5,665,202 | $ 5,070,851 |
| Accumulated Deficit Funding | - | - | - | - | - | - | - | - | 92,507 |
| Diagnostic/Medical Equipment | 61,790 | - | - | - | - | - | - | 61,790 | 199,640 |
| Physician Services | 1,754,753 | - | - | - | - | - | - | 1,754,753 | 1,571,372 |
| Non-Group Health Benefits | 586,546 | - | - | - | - | - | - | 586,546 | 534,064 |
| Allied Health Services | 74,457 | - | - | - | - | - | - | 74,457 | 71,464 |
| Protection, Promotion, and Prevention | 98,243 | - | - | - | - | - | - | 98,243 | 110,540 |
| Human Tissue and Blood Services | 118,684 | - | - | - | - | - | - | 118,684 | 122,330 |
| Provincial Programs | 251,335 | - | - | - | - | - | - | 251,335 | 192,016 |
| Addiction Prevention and Treatment Services | 77,617 | 7,794 | 47 | - | (110) | - | (37) | 85,311 | 75,362 |
| Ministry Support Services | 152,942 | 3,998 | 1,927 | 52 | 873 | - | - | 159,792 | 141,216 |
| Information Technology | 243,625 | - | - | - | - | - | - | 243,625 | 56,166 |
| Infrastructure Support | 64,630 | - | - | - | - | - | - | 64,630 | - |
| Health Care Insurance Premiums Revenue Write-Offs [5] | - | - | - | - | - | 47,047 | - | 47,047 | 63,053 |
| Other Write-offs | - | - | - | - | - | - | 533 | 533 | - |
| | $ 9,149,824 | $ 11,792 | $ 1,974 | $ 52 | $ 763 | $ 47,047 | $ 496 | $ 9,211,948 | $ 8,300,581 |

[1] Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[2] Costs shown for Accommodation (includes grants in lieu of taxes) on schedule 5, allocated by square footage.

[3] Costs shown for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

[4] Valuation Adjustments as per Statement of Operations, Employee Benefits and Doubtful Accounts provision included in Valuation Adjustments were as follows:
Vacation Pay - allocated to the program by employee,
Doubtful Accounts Provision - estimated.

[5] Health Care Insurance Premium Revenue Write-Offs relate to Premiums and Fees revenue. These costs cannot be reasonably allocated to other programs of the department.

# Department of Health and Wellness

## Financial Statements

March 31, 2006

# DEPARTMENT OF HEALTH AND WELLNESS

## FINANCIAL STATEMENTS

## MARCH 31, 2006

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

## Auditor's Report

To the Minister of Health and Wellness

I have audited the statement of financial position of the Department of Health and Wellness as at March 31, 2006 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department of Health and Wellness as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original Signed by Fred J. Dunn, FCA]

FCA
Auditor General

Edmonton, Alberta
May 19, 2006

# DEPARTMENT OF HEALTH AND WELLNESS

## STATEMENT OF OPERATIONS

## FOR THE YEAR ENDED MARCH 31, 2006

(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Revenues (Schedule 1) | | | |
| Internal Government Transfers | $ 205,291 | $ 205,291 | $ 209,274 |
| Transfer from the Government of Canada | 2,047,325 | 1,839,057 | 1,736,615 |
| Premiums and Fees | 897,272 | 921,123 | 941,122 |
| Other Revenue | 70,782 | 104,310 | 87,521 |
| | 3,220,670 | 3,069,781 | 2,974,532 |
| Expenses - Directly Incurred (Note 2b (v) and Schedule 8) | | | |
| Voted (Schedules 3 and 5) | | | |
| Ministry Support Services | 151,714 | 152,941 | 134,885 |
| Health Services | 8,709,525 | 8,855,137 | 8,021,408 |
| Assistance to Alberta Alcohol and Drug Abuse Commission | 72,316 | 72,316 | 64,149 |
| Health Facilities Infrastructure | - | 64,630 | - |
| | 8,933,555 | 9,145,024 | 8,220,442 |
| Statutory (Schedules 3 and 5) | | | |
| Valuation Adjustments | | | |
| Health Care Insurance Premium Revenue Write-Offs | 41,363 | 47,047 | 63,053 |
| Other Write-Offs | - | 533 | - |
| Provision for Vacation Pay | - | 873 | 571 |
| | 41,363 | 48,453 | 63,624 |
| | 8,974,918 | 9,193,477 | 8,284,066 |
| Net Operating Results | $ (5,754,248) | $ (6,123,696) | $ (5,309,534) |

The accompanying notes and schedules are part of these financial statements

# DEPARTMENT OF HEALTH AND WELLNESS

## STATEMENT OF FINANCIAL POSITION

## AS AT MARCH 31, 2006

(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| ASSETS | | |
| Cash | $ 11,542 | $ 7,900 |
| Accounts Receivable, Loans and Advances (Note 4) | 199,208 | 600,122 |
| Tangible Capital Assets (Note 5) | 69,613 | 66,863 |
| Consumable Inventory | 11,019 | 5,614 |
| | $ 291,382 | $ 680,499 |
| LIABILITIES | | |
| Accounts Payable and Accrued Liabilities (Note 6) | $ 744,965 | $ 474,701 |
| Unearned Revenue (Note 7) | 362,282 | 639,269 |
| | 1,107,247 | 1,113,970 |
| NET LIABILITIES | | |
| Net Liabilities at Beginning of Year | (433,471) | (414,058) |
| Net Operating Results | (6,123,696) | (5,309,534) |
| Net Transfer from General Revenues | 5,741,302 | 5,290,121 |
| Net Liabilities at End of Year | (815,865) | (433,471) |
| | $ 291,382 | $ 680,499 |

The accompanying notes and schedules are part of these financial statements

# DEPARTMENT OF HEALTH AND WELLNESS

## STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED MARCH 31, 2006

(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| Operating Transactions | | |
| Net Operating Results | $ (6,123,696) | $ (5,309,534) |
| Non-cash items: | | |
| Amortization of Tangible Capital Assets (Schedule 3) | 9,298 | 7,185 |
| Inventory Consumed | 24,687 | 28,223 |
| Health Care Insurance Premium Revenue Write-Offs | 47,047 | 63,053 |
| Other Write-Offs | 533 | - |
| Provision for Vacation Pay | 873 | 571 |
| | (6,041,258) | (5,210,502) |
| Decrease (Increase) in Accounts Receivable | 353,331 | (502,224) |
| Increase in Accounts Payable and Accrued Liabilities | 269,390 | 103,675 |
| (Decrease) Increase in Unearned Revenue | (276,987) | 348,020 |
| Cash (applied to) Operating Transactions | (5,695,524) | (5,261,031) |
| Capital Transactions | | |
| Acquisition of Tangible Capital Assets | (12,048) | (17,108) |
| Acquisition of Consumable Inventory | (30,091) | (28,920) |
| Transfer of Tangible Capital Assets | - | 87 |
| Cash (applied to) Capital Transactions | (42,139) | (45,941) |
| Investing Transactions | | |
| Loans and Advances | 3 | (2) |
| Repayment of Loans and Advances | - | - |
| Cash Provided by (applied to) Investing Transactions | 3 | (2) |
| Financing Transactions | | |
| Net Transfer from General Revenues | 5,741,302 | 5,290,121 |
| Increase (decrease) in Cash | 3,642 | (16,853) |
| Cash, Beginning of Year | 7,900 | 24,753 |
| Cash, End of Year | $ 11,542 | $ 7,900 |

The accompanying notes and schedules are part of these financial statements

DEPARTMENT OF HEALTH AND WELLNESS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

## Note 1 Authority and Purpose

The Department of Health and Wellness (the "Department") operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders. The Department leads and supports a system for the delivery of quality health services and encourages and supports healthy living.

Through a leadership role, the Department sets direction, policy and provincial standards that ensure quality services and set priorities based on health needs, determines the scope of financial, capital and human resources required, and measures and reports on the performance of the system. The Department is also engaged in inter-ministerial initiatives to effectively address challenges to the health and well-being of the population.

## Note 2 Summary of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

### (a) Reporting Entity

The reporting entity is the Department of Health and Wellness, which is part of the Ministry of Health and Wellness and for which the Minister of Health and Wellness is accountable.

Other entities reporting to the Minister are the Regional Health Authorities, the Alberta Cancer Board, the Alberta Mental Health Board, and the Alberta Alcohol and Drug Abuse Commission. The activities of these organizations are not included in these financial statements.

Details on balances are disclosed in Notes 4 and 6 and funding to health authorities and provincial boards are included in Schedule 5 to the financial statements under the following sub programs:

| | (in thousands) |
|---|---|
| Program 1 | $ 1,394 |
| Sub-program 2.1 | 92,891 |
| Sub-program 2.2 | 279,759 |
| Sub-program 2.3 | 53,683 |
| Sub-program 2.4 | 5,726,992 |
| Program 4 | 64,630 |
| | $ 6,219,349 |

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(a) Reporting Entity (continued)**

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

**(b) Basis of Financial Reporting**

(i) Revenues

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

(ii) Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

(iii) Transfers from the Government of Canada

Transfers from Government of Canada are recognized as revenues when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made. Established Programs Financing entitlements are recorded based on management's estimate of amounts applicable to the fiscal year. Overpayments relating to Canada Health Transfers and other transfers received before revenue recognition criteria have been met are included in accounts payable.

(iv) Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(b) Basis of Financial Reporting (continued)**

(iv) Dedicated Revenue (continued)

If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses of the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

(v) Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- inventory consumed.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 8.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(b) Basis of Financial Reporting (continued)**

(vi) Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as consumable inventories and bank balance established under the Health Care Insurance Plan.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. Amortization is only charged if the asset is in use. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $5,000. All land is capitalized.

Consumable inventory is valued at the lower of cost and replacement cost and is determined on a first-in, first-out basis.

(vii) Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

(viii) Net Liabilities

Net liabilities represents the difference between the carrying value of assets held by the Department and its liabilities.

(ix) Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, loans and advances, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. Fair values of loans are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(b) Basis of Financial Reporting (continued)**

(x) Payments under Reciprocal and Other Agreements

The Department entered into agreements with other Provincial Governments, the Federal Government and the Workers' Compensation Board to provide services on their behalf.

Expenses incurred and revenue earned in the provision of services under these agreements are recorded in the records of the service providers and are not included in these financial statements. Amounts paid and recovered under these agreements are disclosed in Note 10.

(xi) Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The nature of uncertainty, for Canada Health Transfers, can arise from changes in the base allocations which are primarily a result of updated personal and corporate tax information.

The allowance for doubtful accounts amounting to $129,760 (2005 - $142,506) is subject to measurement uncertainty.

The allowance for doubtful accounts, in the amount of $129,760 (2005 - $142,506) as reported in Note 4 to these financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2006 and past collection patterns. The actual amount collected could vary from that estimated.

The accrual for claims payable to physicians in the amount of $36,438 (2005 - $50,321) is subject to measurement uncertainty. The amount is based on payments made subsequent to March 31, 2006 and an estimate for any future payments within 180 days claim period.

## Note 3 Government Restructuring
(in thousands)

As a result of government restructuring (OC104/2005), the responsibility for the Alberta Aids for Daily Living program was transferred from the Department of Health and Wellness.

Comparatives for 2005 have been restated as if the Department had always been assigned its current responsibilities.

| | |
|---|---|
| Net (liabilities) as previously reported at March 31, 2004 | $ (420,487) |
| Transfers to Ministry of Seniors and Community Support | 6,429 |
| Net (liabilities), as restated at April 1, 2004 | $ (414,058) |

| | |
|---|---|
| Net operating results reported March 31, 2005 | $ (5,390,197) |
| Transfers to Ministry of Seniors and Community Support | 80,663 |
| Restated net operating results March 31, 2005 | $ (5,309,534) |

## Note 4 Accounts Receivable, Loans and Advances
(in thousands)

| | 2006 | | | 2005 |
|---|---|---|---|---|
| | Gross Amount | Allowance for Doubtful Accounts | Net Realizable Value | Net Realizable Value |
| Accounts Receivable | $ 327,864 | $ 129,760 | $ 198,104 | $ 598,333 |
| Amounts due from Health Authorities and Provincial Boards | 93 | - | 93 | 21 |
| Other Receivable | 1,011 | - | 1,011 | 1,765 |
| Accountable Advance | - | - | - | 3 |
| | $ 328,968 | $ 129,760 | $ 199,208 | $ 600,122 |

Accounts receivable are unsecured.

## Note 5 Tangible Capital Assets
(in thousands)

| | 2006 | | | | 2005 |
|---|---|---|---|---|---|
| | Estimated Useful Life | Cost | Accumulated Amortization | Net Book Value | Net Book Value (Restated - Note 3) |
| Systems Development Work-in-progress | | | | | |
| Wellnet Projects | | $ - | $ - | $ - | $ 5,023 |
| Others | | 2,444 | - | 2,444 | 5,191 |
| | | 2,444 | - | 2,444 | 10,214 |
| Computer Hardware and Software | 3-10 years | 99,053 | 33,240 | 65,813 | 55,525 |
| Equipment | 10 years | 1,555 | 199 | 1,356 | 1,124 |
| | | 100,608 | 33,439 | 67,169 | 56,649 |
| | | $ 103,052 | $ 33,439 | $ 69,613 | $ 66,863 |

## Note 6 Accounts Payable and Accrued Liabilities
(in thousands)

| | 2006 | 2005 (Restated - Note 3) |
|---|---|---|
| Accounts payable | $ 225,123 | $ 167,192 |
| Accrued liabilities | 190,988 | 183,820 |
| Amounts due to Health Authorities and Provincial Boards | 322,884 | 118,606 |
| Accrued vacation pay | 5,970 | 5,083 |
| | $ 744,965 | $ 474,701 |

**Note 7 Unearned Revenue**
(in thousands)

| | 2006 | 2005 |
|---|---|---|
| Changes in unearned revenues are as follows: | | |
| Cash received/receivable during the year: | | |
| Health Care Insurance Premiums | $ 31,661 | $ 29,799 |
| Health Services for Persons with Hepatitis C | - | 5,300 |
| Third Party Recoveries | 37 | 71 |
| Canada Health Transfer | - | 100,494 |
| Wait Times Reduction Transfer | - | 429,974 |
| Public Health and Immunization Trust | - | 40,200 |
| | 31,698 | 605,838 |
| Less amounts recognized as revenue in the year | (308,685) | (257,818) |
| (Decrease) Increase during the year | (276,987) | 348,020 |
| Balance at beginning of year | 639,269 | 291,249 |
| Balance at end of year | $ 362,282 | $ 639,269 |
| Balances at end of year are comprised of: | | |
| Canada Health Transfer | $ - | $ 199,873 |
| Health Care Insurance Premiums | 31,661 | 29,799 |
| Health Services for Persons with Hepatitis C | 12,495 | 15,012 |
| Third Party Recoveries | 58 | 42 |
| Wait Times Reduction Transfer | 304,446 | 367,354 |
| Public Health and Immunization Trust | 13,622 | 27,189 |
| | $ 362,282 | $ 639,269 |

## Note 8 Contractual Obligations

(in thousands)

As at March 31, 2006, the Department has the following contractual obligations:

| | 2006 | 2005 (Restated) |
|---|---|---|
| Specific programs commitments [(a)] | $ 8,325,370 | $ 9,976,251 |
| Capital construction contracts | 1,451,259 | - |
| Service contracts | 142,196 | 65,921 |
| | $ 9,918,825 | $ 10,042,172 |

[(a)] Included in 2006 specific programs commitments is an amount of $7,755,000 (2005 restated - $9,213,849) for the provision of insured medical services by physicians under the trilateral agreement signed between the Alberta Medical Association, the Regional Health Authorities and the Department of Health and Wellness.

The 2005 specific program commitments were restated from $2,088,751 to $9,976,251 to recognize the commitment in the trilateral agreement until March 31, 2011. Previously, only the commitment to March 31, 2006 was recognized. This restatement does not impact net operating results or net liabilties.

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

| | Specific Programs Commitments | Capital Construction Contracts | Service Contracts | Total 2006 |
|---|---|---|---|---|
| 2007 | $ 1,687,072 | $ 276,235 | $ 96,988 | $ 2,060,295 |
| 2008 | 1,618,246 | 577,251 | 19,992 | 2,215,489 |
| 2009 | 1,622,734 | 367,976 | 12,680 | 2,003,390 |
| 2010 | 1,662,872 | 98,488 | 12,501 | 1,773,861 |
| 2011 | 1,702,784 | 131,309 | 2 | 1,834,095 |
| Thereafter | 31,662 | - | 33 | 31,695 |
| | $ 8,325,370 | $ 1,451,259 | $ 142,196 | $ 9,918,825 |

Canadian Blood Services

The Province of Alberta is committed to provide funding to the Canadian Blood Services (CBS). This commitment was outlined in a Memorandum of Understanding, signed in January 1998, which recorded the understandings and commitments of the Minister of Health of Canada and the Provincial and Territorial Ministers of Health (except Quebec) regarding their respective roles and responsibilities in a renewed national blood system.

**Note 8 Contractual Obligations (continued)**
(in thousands)

The Province's obligation for the operational costs of CBS is determined on a per capita basis, and the costs for fractionated blood and blood products is determined on the basis of annual utilization of these products.

During the year, payments to CBS amounted to $118,221 (2005 - $122,330). Budgeted expenditure for the 2007 fiscal year is estimated at $131,160.

**Note 9 Contingencies and Equity Agreements with Voluntary Hospital Owners**

Hepatitis C

At March 31, 2006, the Department was named as defendant in thirty-nine specific legal actions (2005 - forty specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in twenty-eight specific legal actions approximates $553 million (2005 - twenty-nine specific legal actions approximates $554 million). For the other eleven claims, no specified amount has yet been claimed (2005 - eleven claims have no specified amount); the amount of these claims will be determined at trial.

Thirty-nine of these claims (2005 - thirty-nine claims) are covered by the Alberta Risk Management Fund with twenty-eight claims amounting to $553 million (2005 - twenty-eight claims amounting to $80 million). Potential liability for these claims is shared by the Canadian Red Cross Society and the federal government. The resulting loss, if any, from these claims cannot be determined.

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of $1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at $30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Department made a provision in 1999-2000 for its portion of the Hepatitis C assistance. At March 31, 2006, the unpaid balance of the Department's commitment to the financial assistance package was $12,942,143 (2005 - $13,043,265).

Equity Agreements with Voluntary Hospital Owners

The Department has a contingent liability for buy-out of equity under Equity Agreements entered into between the Department and Voluntary Hospital Owners. The Department's payout liability is contingent upon notification by the voluntary hospital owner of termination of the equity agreement. At March 31, 2006, the contingent payout liability upon termination is estimated at $12.8 million (2005 - $14.3 million).

**Note 9 Contingencies and Equity Agreements with Voluntary Hospital Owners (continued)**

Notifications to terminate certain equity agreements have been received by the Department. In 2005-2006, the Department expensed $1.8 million (2005 - $7.0 million) representing the equity of the Voluntary Hospital Owners. In turn, the Voluntary Hospital Owners transferred hospital assets to the Crown, as represented by the Minister of Health and Wellness. The Crown, as represented by the Minister of Infrastructure and Transportation, then transferred the hospital assets to Regional Health Authorities under lease agreements. The Regional Health Authorities will record the buildings and equipment at their net book value.

Other

At March 31, 2006, the Department was named as defendant in 28 other legal actions (2005 - twenty-four legal actions). Twenty-six of these claims have specified amounts totaling $62.8 million (2005 - twenty-three claims with a specified amount of $47.7 million). Included in the total legal actions are twenty-six claims amounting to $52.8 million (2005 - nineteen claims amounting to $21.5 million) in which the Department has been jointly named with other entities. Nineteen claims amounting to $48.6 million (2005 - thirteen claims amounting to $17.6 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

**Note 10 Payments under Reciprocal and Other Agreements**
(in thousands)

The Department entered into agreements, under the Alberta Health Care Insurance Plan, with other Provincial Governments and the Workers' Compensation Board to provide health services on their behalf. The Department pays service providers for services rendered under the agreements and recovers the amount paid from other provinces and the Workers' Compensation Board. Service providers include Regional Health Authorities, Provincial Health Boards and physicians.

The Department also entered into agreements with the Western Provinces and Territories for the Western Health Information Collaborative (WHIC) to explore common opportunities that would meet their health information needs and support the strategic directions and initiatives for health infrastructure at the national level. In addition, the Department entered into agreements with Health Canada, the Workers' Compensation Board and other provincial governments and territories to provide air ambulance services on their behalf. Payments incurred under these agreements are made by the Department under authority of the *Financial Administration Act*, Section 25 (1).

## Note 10 Payments under Reciprocal and Other Agreements (continued)

(in thousands)

Balances receivable from or payable to the Federal Government, other Provincial Governments and the Workers' Compensation Board are reflected in the Statement of Financial Position.

| | 2006 | | | | | 2005 |
|---|---|---|---|---|---|---|
| | Western Health Information Collaborative | Other Provincial Government | Workers' Compensation Board | Air Ambulance | Total | Total |
| Opening receivable (payable) balance | $ - | $ 43,376 | $ (19) | $ 1,685 | $ 45,042 | $ 27,237 |
| Add: Payments made during the year | 207 | 174,275 | 19 | 2,845 | 177,346 | 158,054 |
| | 207 | 217,651 | - | 4,530 | 222,388 | 185,291 |
| Less: Collections received during the year | - | 178,951 | - | 3,207 | 182,158 | 137,492 |
| Less: Adjustments made during the year | - | - | - | 331 | 331 | 2,757 |
| Closing receivable (payable) balance | $ 207 | $ 38,700 | $ - | $ 992 | $ 39,899 | $ 45,042 |

## Note 11 Defined Benefit Plans

(in thousands)

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $4,799 for the year ended March 31, 2006 (2005- $3,953).

At December 31, 2005 the Management Employees Pension Plan reported a deficiency of $165,895 (2004 - deficit $268,101) and the Public Service Pension Plan reported a deficiency of $187,704 (2004 - deficit $450,068). At December 31, 2005, the Supplementary Retirement Plan for Public Service Managers had a surplus of $10,018 (2004 - $9,404).

**Note 11 Defined Benefit Plans (continued)**
(in thousands)

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2006, the Bargaining Unit Plan reported an actual deficiency of $8,699 (2005 - $11,817) and the Management, Opted Out and Excluded Plan an actuarial surplus of $8,311 (2005 - $3,208). The expense for these two plans is limited to the employer's annual contribution for the year.

**Note 12 Comparative Figures**

Certain 2005 figures have been reclassified to conform to the 2006 presentation.

**Note 13 Subsequent Event**
(in thousands)

Based on an Order in Council (O.C. 421/2005) dated September 8, 2005, responsibility for Health Facilities Infrastructure program was transferred to the common responsibility of the Minister of Infrastructure and Transportation and the Minister of Health and Wellness. While the Minister of Infrastructure and Transportation retained responsibility for the original 2005/2006 budget of $392,048, new in-year approvals amounting to $64,630 are recorded in Health and Wellness' Statement of Operations. Effective April 1, 2006, the Health Facilities Infrastructure program funding will be the sole responsibility of Health and Wellness. Expenditures on health facilities are expected to total $607,339 in 2006/2007.

**Note 14 Approval of Financial Statements**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Schedule 1

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Internal Government Transfers: | | | |
| Transfer from the Lottery Fund | $ 205,291 | $ 205,291 | $ 209,274 |
| | 205,291 | 205,291 | 209,274 |
| Transfers from the Government of Canada: | | | |
| Canada Health Transfer/Canada Health & Social Transfer | 1,686,950 | 1,543,749 | 1,191,435 |
| Health Reform Fund | - | - | 150,347 |
| Wait Times Reduction | 125,528 | 62,908 | 62,621 |
| Diagnostic/Medical Equipment Fund | 49,690 | 49,690 | 99,736 |
| Other | 185,157 | 182,710 | 232,476 |
| | 2,047,325 | 1,839,057 | 1,736,615 |
| Fees: | | | |
| Health care insurance: | | | |
| Premiums before premium assistance | 849,557 | 1,010,831 | 1,039,380 |
| Less: | | | |
| Premium assistance under legislation | - | (135,101) | (141,700) |
| | 849,557 | 875,730 | 897,680 |
| Add: | | | |
| Penalties | 24,825 | 21,212 | 20,061 |
| Interest and miscellaneous | 339 | 236 | 181 |
| Health care insurance premiums, penalties and interest | 874,721 | 897,178 | 917,922 |
| Blue Cross: | | | |
| Premiums before premium assistance | 22,500 | 25,828 | 25,116 |
| Less premium assistance | - | (1,960) | (1,973) |
| Blue Cross premiums | 22,500 | 23,868 | 23,143 |
| Total premiums | 897,221 | 921,046 | 941,065 |
| Other | 51 | 77 | 57 |
| | 897,272 | 921,123 | 941,122 |
| Other revenue: | | | |
| Third party recoveries | 62,333 | 69,129 | 64,787 |
| Miscellaneous: | | | |
| Previous years' refunds of expenditure | 1,500 | 14,324 | 13,437 |
| Other | 6,949 | 20,857 | 9,297 |
| | 70,782 | 104,310 | 87,521 |
| Total revenues | $ 3,220,670 | $ 3,069,781 | $ 2,974,532 |

Schedule 2

DEPARTMENT OF HEALTH & WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | |
|---|---|---|---|
| | Authorized Dedicated Revenues | Actual Dedicated Revenues[a] | (Shortfall) / Excess |
| Health Care Insurance Premiums [b] | $ 902,838 | $ 897,178 | $ (5,660) |
| Non-Group Drug Benefits [c] | 22,500 | 23,868 | 1,368 |
| Primary Health Care Transition Fund [d] | 7,832 | 6,663 | (1,169) |
| Hepatitis C - Medical Services [e] | 3,180 | 2,516 | (664) |
| PHCTF - Multi-Jurisdictional Health Lines [f] | 4,754 | 3,710 | (1,044) |
| Statistical Information [g] | 200 | 79 | (121) |
| Government Sponsored Drug Programs [h] | 1,200 | 1,160 | (40) |
| Chronic Disease Management [i] | 5,405 | 3,948 | (1,457) |
| Canada Health Infoway - Client Registry [j] | 4,500 | 1,661 | (2,839) |
| Diabetes Surveillance [k] | 60 | 60 | - |
| | $ 952,469 | $ 940,843 | $ (11,626) |

[a] Revenues from dedicated revenue initiatives are included in the Department's revenues in the Statement of Operations.

[b] Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income. Seniors are provided coverage, but do not pay premiurms. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

[c] Albertans can access public or private supplemental health insurance coverage. The Department provides Non-Group Blue Cross coverage on a premium basis for non-seniors. Seniors are provided coverage, but do not pay premiums. Expenses under the Non-Group Drug Benefits initiative represent the expenses incurred to provide Blue Cross services. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

[d] Health Canada is providing funding to support primary health care initiatives that will be undertaken by the province. Funding for this initiative is being used for Health Link, provincial coordination and capacity building with respect to implementing new primary health care models and administration of funds. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

[e] Health Canada is providing funding for this initiative. The funding is being used to enhance existing health services to persons with chronic Hepatitis C virus infection in Alberta, regardless of the source of their infection. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

[f] Health Canada is providing funding for this project. This project is a collaborative effort among the western provinces and territories to support and further develop health lines across Canada, in five areas; evaluation, staff training, chronic disease management, promotion and marketing and coordination of other infrastructure supports, such as a business case guide. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

Schedule 2

DEPARTMENT OF HEALTH & WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

(g) The department provides statistical information and reports to third party researchers and institutions. The revenue received is used to offset the costs to the department. The expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.

(h) For new drugs to be considered for inclusion on the department's Drug Benefit List, they must first receive approval from Health Canada for sale in Canada. Once approved, the drug is reviewed by the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics. Discussions between Alberta Health and Wellness and the drug manufacturer are held to ensure the drug is used as intended. An agreement may be entered into with the drug manufacturer to fund specific studies or programs that contribute to the cost-effective use of medications provided through government sponsored drug plans. The funds are used by the department to conduct these studies and administer the programs. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

(i) This project is funded by Health Canada's Primary Health Care Transition Fund and involves the four western provinces with Alberta as the lead. This project includes the creation of data standards and the capacity to share this data electronically (via HL7 messaging standards) in support of clinical decision making for primary health care teams. Expenses associated with this initiative are included in the Statement of Operations under Health Services expense classification.

(j) This is a cost shared project with Canada Health Infoway. Funding is being used for the Provincial Client Registry which is an effective patient identification system that links diverse information sources within and across health organizations and jurisdictions and will provide the foundation for the Alberta Electronic Health Record. Funding for this project was authorized as a Capital Investment initiative, but recoveries were attributable to operating expenses. Expenses associated this initiative are included in the Statement of Operations under Health Services expense classification.

(k) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The department will use this funding to enhance its capacity for public health surveillance in the area of diabetes and its complications. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Service expense classification.

Schedule 3

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget (Schedule 4) | Actual | Actual (Restated - Note 3) |
| Voted: | | | |
| Grants | $ 8,715,712 | $ 8,936,412 | $ 8,029,788 |
| Supplies and Services | 132,802 | 114,773 | 101,598 |
| Salaries, Wages and Employee Benefits | 56,558 | 59,687 | 53,536 |
| Amortization of Tangible Capital Assets | 8,079 | 9,298 | 7,185 |
| Inventory Consumed | 20,263 | 24,687 | 28,223 |
| Other | 141 | 167 | 112 |
| Total Voted Expenses | $ 8,933,555 | $ 9,145,024 | $ 8,220,442 |
| Statutory: | | | |
| Valuation adjustments | | | |
| Health Care Insurance Premium Revenue Write-offs | $ 41,363 | $ 47,047 | $ 63,053 |
| Other Write-offs | - | 533 | - |
| Provision for Vacation Pay | - | 873 | 571 |
| | $ 41,363 | $ 48,453 | $ 63,624 |

Schedule 4

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

| | 2005 - 2006 Budget | Authorized Supplementary and Treasury Board Approvals [a] | 2005 - 2006 Authorized Budget |
|---|---|---|---|
| Revenues: | | | |
| Internal Government Transfers | $ 205,291 | $ - | $ 205,291 |
| Transfer from Government of Canada | 2,047,325 | - | 2,047,325 |
| Premiums and Fees | 897,272 | 28,117 | 925,389 |
| Other Revenue | 70,782 | - | 70,782 |
| | 3,220,670 | 28,117 | 3,248,787 |
| Expenses - Directly Incurred: | | | |
| Voted Operating Expenses | | | |
| Ministry Support Services | 151,714 | - | 151,714 |
| Health Services | 8,709,525 | 173,900 | 8,883,425 |
| Addiction Prevention and Treatment Services | 72,316 | - | 72,316 |
| Health Facilities Infrastructure | - | 64,630 | 64,630 |
| | 8,933,555 | 238,530 | 9,172,085 |
| Statutory Expenses | | | |
| Valuation Adjustments | | | |
| Health Care Insurance Premiums Revenue Write-Offs | 41,363 | - | 41,363 |
| Other Write-Offs | - | - | - |
| Provision for Vacation Pay | - | - | - |
| | 41,363 | - | 41,363 |
| Total Expense | 8,974,918 | 238,530 | 9,213,448 |
| Net Operating Results | $ (5,754,248) | $ (210,413) | $ (5,964,661) |
| Equipment / Inventory Purchases | $ 39,870 | $ - | $ 39,870 |
| Capital Investment | $ 33,500 | $ - | $ 33,500 |

[a] There were two Supplementary Estimates approved in 2005-06. A $64.6 million supplementary estimate was approved on December 1, 2005 and another $141.2 million in supplementary estimate was approved on March 16, 2006. Treasury Board approval for $28.1 million was pursuant to section 24(2) of the Financial Administration Act. Treasury Board approval for $4.6 million was pursuant to section 2(1)(a) of the Appropriation (Supplementary Supply) Act 2006.

Schedule 5

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Expenses - Directly Incurred, Equipment / Inventory Purchases and Capital Investment by Element to Authorized Budget
For the Year Ended March 31, 2006
(in thousands)

| Voted Operating Expenses, Equipment / Inventory Purchases and Capital Investment: | Budget 2006 | Authorized Supplementary and Treasury Board Approvals[a] | Authorized Budget 2006 | Actual 2006[b] | Under (Over) Expended |
|---|---|---|---|---|---|
| Ministry Support Services | | | | | |
| 1.0.1 Minister's Office | $ 509 | $ - | $ 509 | $ 508 | $ 1 |
| 1.0.2 Deputy Minister's Office | 499 | - | 499 | 505 | (6) |
| 1.0.3 Public Communications | 1,440 | - | 1,440 | 2,198 | (758) |
| 1.0.4 Policy, Planning and Research Services | 10,120 | - | 10,120 | 9,250 | 870 |
| 1.0.5 Population Health | 14,635 | - | 14,635 | 14,465 | 170 |
| 1.0.6 Workforce Services | | | | | |
| - Operating Expense | 8,303 | - | 8,303 | 7,907 | 396 |
| - Equipment / Inventory Purchases | - | - | - | 21 | (21) |
| 1.0.7 Corporate Support Services | | | | | |
| - Operating Expense | 87,160 | - | 87,160 | 91,877 | (4,717) |
| - Equipment / Inventory Purchases | 920 | - | 920 | 2,197 | (1,277) |
| - Capital Investment | - | - | - | 282 | (282) |
| 1.0.8 Program Services | 19,489 | - | 19,489 | 19,479 | 10 |
| 1.0.9 Health Facilities Review Committee | 622 | - | 622 | 734 | (112) |
| 1.0.10 Health Quality Assurance | 5,942 | - | 5,942 | 3,650 | 2,292 |
| 1.0.11 Health Advisory and Appeal Services | 2,883 | - | 2,883 | 2,263 | 620 |
| 1.0.12 Standing Policy Committee on Health and Community Living | 112 | - | 112 | 105 | 7 |
| Total Ministry Support Services | 152,634 | - | 152,634 | 155,441 | (2,807) |
| Health Services | | | | | |
| 2.1 Physician Services | | | | | |
| 2.1.1 Physician Compensation | 1,537,350 | - | 1,537,350 | 1,600,685 | (63,335) |
| 2.1.2 On Call Programs | 75,300 | - | 75,300 | 75,263 | 37 |
| 2.1.3 Physician Office System Project | 8,158 | - | 8,158 | 8,143 | 15 |
| 2.1.4 Primary Care | 80,000 | - | 80,000 | 28,374 | 51,626 |
| 2.1.5 Academic Alternate Relationship Plans | 30,500 | - | 30,500 | 37,313 | (6,813) |
| 2.1.6 Rural Physician Action Plan | 6,020 | - | 6,020 | 4,976 | 1,044 |
| Total Physician Services | 1,737,328 | - | 1,737,328 | 1,754,754 | (17,426) |
| 2.2 Provincial Programs | | | | | |
| 2.2.1 Non-Group Health Benefits | 629,511 | - | 629,511 | 586,546 | 42,965 |
| 2.2.2 Allied Health Services | 82,951 | - | 82,951 | 74,457 | 8,494 |
| 2.2.3 Human Tissue and Blood Services | | | | | |
| - Operating Expense | 7,000 | - | 7,000 | - | 7,000 |
| - Operating Expense funded by Lotteries | 130,000 | - | 130,000 | 118,684 | 11,316 |
| 2.2.4 Air Ambulance Services | 40,000 | - | 40,000 | 33,923 | 6,077 |
| 2.2.5 Municipal Ambulance Program | 55,000 | - | 55,000 | 55,033 | (33) |
| 2.2.6 Out-Of-Province Health Care Services | 61,485 | - | 61,485 | 55,452 | 6,033 |
| 2.2.7 Health Systems | | | | | |
| - Operating Expense | 86,248 | 119,000 | 205,248 | 243,624 | (38,376) |
| - Equipment / Inventory Purchases | 7,850 | - | 7,850 | 729 | 7,121 |
| - Capital Investment | 33,500 | - | 33,500 | 8,820 | 24,680 |
| 2.2.8 Health Services Research | | | | | |
| - Operating Expense funded by Lotteries | 5,175 | - | 5,175 | 5,050 | 125 |
| 2.2.9 Post Graduate Training Support | 26,000 | - | 26,000 | 14,386 | 11,614 |
| 2.2.10 Support Programs | 53,048 | 27,600 | 80,648 | 87,491 | (6,843) |
| Total Provincial Programs | 1,217,768 | 146,600 | 1,364,368 | 1,284,195 | 80,173 |

Schedule 5

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Expenses - Directly Incurred, Equipment / Inventory Purchases and Capital Investment by Element to Authorized Budget
For the Year Ended March 31, 2006
(thousands of dollars)

| Voted Operating Expenses, Equipment / Inventory Purchases and Capital Investment: | Budget 2006 | Authorized Supplementary and Treasury Board Approvals[a] | Authorized Budget 2006 | Actual 2006[b] | Under (Over) Expended |
|---|---|---|---|---|---|
| 2.3 Protection, Promotion and Prevention | | | | | |
| 2.3.1 Vaccines and Sera | | | | | |
| - Operating Expense | 32,519 | - | 32,519 | 31,337 | 1,182 |
| - Equipment / Inventory Purchases | 31,100 | - | 31,100 | 30,091 | 1,009 |
| 2.3.2 Public Health Laboratories | 20,911 | - | 20,911 | 25,931 | (5,020) |
| 2.3.3 Child and Youth Health Strategies | 10,150 | - | 10,150 | 9,745 | 405 |
| 2.3.4 Aboriginal Health Strategies | | | | | |
| - Operating Expense | - | - | - | 11 | (11) |
| - Operating Expense funded by Lotteries | 2,200 | - | 2,200 | 2,050 | 150 |
| 2.3.5 Community-based Health Services | | | | | |
| - Operating Expense | 43,980 | - | 43,980 | 10,523 | 33,457 |
| - Operating Expense funded by Lotteries | 5,000 | - | 5,000 | 16,591 | (11,591) |
| 2.3.6 West Nile Virus Response | 2,800 | - | 2,800 | 2,557 | 243 |
| Total Protection, Promotion and Prevention | 148,660 | - | 148,660 | 128,836 | 19,824 |
| 2.4 Regional Health Services | | | | | |
| 2.4.1 Regional Health Services | 5,628,529 | 15,200 | 5,643,729 | 5,665,202 | (21,473) |
| 2.4.3 Diagnostic / Medical Equipment | 49,690 | 12,100 | 61,790 | 61,790 | - |
| Total Regional Health Services | 5,678,219 | 27,300 | 5,705,519 | 5,726,992 | (21,473) |
| Total Health Services | 8,781,975 | 173,900 | 8,955,875 | 8,894,777 | 61,098 |
| Assistance to Alberta Alcohol and Drug Abuse Commission | | | | | |
| 3.0.1 Operating Funds for Alberta Alcohol and Drug Abuse Commission | | | | | |
| - Operating Expense funded by Lotteries | 62,916 | - | 62,916 | 62,916 | - |
| 3.0.2 Alberta Tobacco Reduction Strategy | 9,400 | - | 9,400 | 9,400 | - |
| Total Assistance to Alberta Alcohol and Drug Abuse Commission | 72,316 | - | 72,316 | 72,316 | - |
| Health Facilities Infrastructure | | | | | |
| 4.0.1 Health Facilities Infrastructure | - | 64,630 | 64,630 | 64,630 | - |
| Total Health Facilities Infrastructure | - | 64,630 | 64,630 | 64,630 | - |
| Total Voted | $ 9,006,925 | $ 238,530 | $ 9,245,455 | $ 9,187,164 | $ 58,291 |
| Operating Expense | 8,728,264 | 238,530 | 8,966,794 | 8,939,733 | 27,061 |
| Operating Expense funded by lotteries | 205,291 | - | 205,291 | 205,291 | - |
| Equipment / Inventory Purchases | 39,870 | - | 39,870 | 33,038 | 6,832 |
| | 8,973,425 | 238,530 | 9,211,955 | 9,178,062 | 33,893 |
| Capital Investment | 33,500 | - | 33,500 | 9,102 | 24,398 |
| Total Voted - Operating, Equipment/Inventory Purchases & Capital Investment | $ 9,006,925 | $ 238,530 | $ 9,245,455 | $ 9,187,164 | $ 58,291 |

Schedule 5

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Expenses - Directly Incurred, Equipment / Inventory Purchases and Capital Investment by Element to Authorized Budget
For the Year Ended March 31, 2006
(thousands of dollars)

| Voted Operating Expenses, Equipment / Inventory Purchases and Capital Investment: | Budget 2006 | Authorized Supplementary and Treasury Board Approvals[a] | Authorized Budget 2006 | Actual 2006[b] | Under (Over) Expended |
|---|---|---|---|---|---|
| Statutory Expenses | | | | | |
| Valuation Adjustments | | | | | |
| Health Care Insurance Premium Revenue Write-Offs | $ 41,363 | $ - | $ 41,363 | $ 47,047 | $ (5,684) |
| Other Write-Offs | - | - | - | 533 | (533) |
| Provision for vacation Pay | - | - | - | 873 | (873) |
| Total Statutory Expenses | $ 41,363 | $ - | $ 41,363 | $ 48,453 | (7,090) |

(a) There were two Supplementary Estimates approved in 2005-06. A $64.6 million supplementary estimate was approved on December 1, 2005 and another $141.2 million in supplementary estimate was approved on March 16, 2006. Treasury Board approval for $28.1 million was pursuant to section 24(2) of the Financial Administration Act. Treasury Board approval for $4.6 million was pursuant to section 2(1)(a) of the Appropriation (Supplementary Supply) Act 2006.

(b) Includes achievement bonus of $1,482,240.

Schedule 6

DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF SALARIES AND BENEFITS
FOR THE YEAR ENDED MARCH 31, 2006

| | 2006 | | | | 2005 |
|---|---|---|---|---|---|
| | Base Salary [1] | Other Cash Benefits [2] | Other Non Cash Benefits [3] | Total | Total |
| Deputy Minister [4] | $ 192,655 | $ 54,000 | $ 37,648 | $ 284,303 | $ 234,776 |
| Executives - Assistant Deputy Ministers | | | | | |
| Information Strategic Services [5] | 125,485 | 32,636 | 27,879 | 186,000 | 162,076 |
| Public Health [6] [7] | 164,054 | 28,213 | 6,307 | 198,574 | 104,401 |
| Health Authorities [7] [8] | 14,266 | - | 198 | 14,464 | 180,969 |
| Health Workforce | 137,248 | 10,858 | 31,320 | 179,426 | 161,628 |
| Program Services | 137,248 | 25,336 | 30,690 | 193,274 | 167,349 |
| Strategic Directions | 143,028 | 29,352 | 31,770 | 204,150 | 175,048 |
| Corporate Operations | 148,588 | 27,430 | 32,969 | 208,987 | 177,517 |
| Executives - Other | | | | | |
| Executive Director, Human Resources [9] [10] | 127,695 | 13,073 | 32,757 | 173,525 | - |

[1] Base Salary includes pensionable base pay.

[2] Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long-term disability plans, professional memberships and life-long learning.

[4] Automobile provided, no dollar amount is included in benefits and allowances.

[5] This position was occupied by two people. The current incumbent is in an acting capacity.

[6] The current incumbent was in an acting capacity as of October 18, 2004 and became the ADM of Public Health effective May 1, 2005.

[7] The current incumbent does not participate in the government pension plan, salary includes a compensating amount for pension.

[8] The incumbent was the ADM of Health Authorities until the division was dissolved.

[9] This position was occupied by two people.

[10] Effective April 1, 2005, this position became a member of Executive Committee.

Schedule 7

# DEPARTMENT OF HEALTH AND WELLNESS
# SCHEDULE OF RELATED PARTY TRANSACTIONS
# FOR THE YEAR ENDED MARCH 31, 2006
(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the department. The Alberta Alcohol and Drug Abuse Commission is an Entity in the Ministry.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences 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 Department had the following transactions with related parties recorded on the Statements of Operations and Financial Position at the amounts of consideration agreed upon between the related parties.

| | Entities in the Ministry | | Other Entities | |
|---|---|---|---|---|
| | 2006 | 2005 | 2006 | 2005 |
| Revenues | | | | |
| Grants | $ - | $ - | $ 205,291 | $ 209,274 |
| Other | - | - | 67 | 43 |
| | $ - | $ - | $ 205,358 | $ 209,317 |
| Expenses - Directly Incurred | | | | |
| Grants | $ 72,816 | $ 65,649 | $ 39,491 | $ 27,200 |
| Other Services | - | - | 41,295 | 27,613 |
| | $ 72,816 | $ 65,649 | $ 80,786 | $ 54,813 |
| Capital Assets Transferred | $ - | $ - | $ 141 | $ - |

The Department receives services under contracts managed by the Ministry of Restructuring and Government Efficiency. Any commitments under these contracts are reported by the Ministry of Restructuring and Government Efficiency.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements.

| | Entities in the Ministry | | Other Entities | |
|---|---|---|---|---|
| | 2006 | 2005 | 2006 | 2005 |
| Expenses - Directly Incurred | | | | |
| Accommodation | $ - | $ - | $ 3,998 | $ 4,016 |
| Legal | - | - | 1,927 | 1,119 |
| Other | - | - | 52 | 10 |
| | $ - | $ - | $ 5,977 | $ 5,145 |

Schedule 8

## DEPARTMENT OF HEALTH AND WELLNESS
## SCHEDULE OF ALLOCATED COSTS
## FOR THE YEAR ENDED MARCH 31, 2006

( in thousands)

| | 2006 | | | | | | | | 2005 |
|---|---|---|---|---|---|---|---|---|---|
| | | Expenses - Incurred by Others | | | Valuation Adjustments [4] | | | | |
| | Expenses [1] | Accommodation Costs [2] | Legal Services [3] | Other | Vacation Pay | Health Care Insurance Premiums Revenue Write-Offs | Other Write-Offs | Total | Total (Restated - Note 3) |
| Ministry Support Services | $ 152,942 | $ 3,998 | $ 1,927 | $ 52 | $ 873 | $ - | $ - | $ 159,792 | $ 140,322 |
| Health Services | 8,855,136 | - | - | - | - | - | - | 8,855,136 | 8,021,526 |
| Alberta Alcohol and Drug Abuse Commission | 72,316 | - | - | - | - | - | - | 72,316 | 64,149 |
| Infrastructure Support | 64,630 | - | - | - | - | - | - | 64,630 | - |
| Health Care Insurance Premiums | | | | | | | | | |
| Revenue Write-Offs [5] | - | - | - | - | - | 47,047 | - | 47,047 | 63,053 |
| Other Write-Offs | - | - | - | - | - | - | 533 | 533 | - |
| | $ 9,145,024 | $ 3,998 | $ 1,927 | $ 52 | $ 873 | $ 47,047 | $ 533 | $ 9,199,454 | $ 8,289,050 |

[1] Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[2] Costs shown for Accommodation (includes grants in lieu of taxes) on schedule 7, allocated by square footage.

[3] Costs shown for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

[4] Valuation Adjustments as per Statement of Operations, Employee Benefits and Doubtful Accounts provision included in Valuation Adjustments were as follows:

Vacation Pay - allocated to the program by employee,
Doubtful Accounts Provision - estimated.

[5] Health Care Insurance Premium Revenue Write-Offs relate to Premiums and Fees revenue. These costs cannot be reasonably allocated to other programs of the department.

# Alberta Alcohol and Drug Abuse Commission

Financial Statements

March 31, 2006

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2006

The official version of this Report of the Auditor General, and the information the Report covers, is in printed form.

## Auditor's Report

To the Members of the Alberta Alcohol and Drug Abuse Commission

I have audited the statement of financial position of the Alberta Alcohol and Drug Abuse Commission as at March 31, 2006 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Original Signed by Fred J. Dunn, FCA]

FCA
Auditor General

Edmonton, Alberta
May 19, 2006

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## STATEMENT OF FINANCIAL POSITION

## AS AT MARCH 31, 2006

(In thousands)

| | 2006 | 2005 |
|---|---|---|
| **ASSETS** | | |
| Current Assets: | | |
| Cash (Note 3) | $ 10,074 | $ 10,880 |
| Accounts Receivable | 1,028 | 521 |
| Inventory | 329 | 360 |
| Prepaid Expenses | 26 | 36 |
| | 11,457 | 11,797 |
| Tangible Capital Assets (Note 4) | 476 | 549 |
| | $ 11,933 | $ 12,346 |
| **LIABILITIES AND ACCUMULATED SURPLUS** | | |
| Current Liabilities: | | |
| Accounts Payable | $ 4,651 | $ 4,981 |
| Accrued Vacation Pay | 3,643 | 3,753 |
| Deferred Contributions (Note 7) | 267 | 355 |
| Unearned Revenue | 34 | 37 |
| | 8,595 | 9,126 |
| Accumulated surplus: | | |
| At beginning of year | 3,220 | 2,411 |
| Net operating results | 118 | 809 |
| At end of year | 3,338 | 3,220 |
| | $ 11,933 | $ 12,346 |

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## STATEMENT OF OPERATIONS

## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 Budget (Note 9) | 2006 Actual | 2005 Actual |
|---|---|---|---|
| Revenues (Schedule 1): | | | |
| Internal government transfers: | | | |
| Department of Health and Wellness | $ 72,316 | $ 72,816 | $ 65,649 |
| Fees | 1,538 | 1,529 | 1,457 |
| Investment Income | 388 | 544 | 500 |
| Other | 82 | 2,699 | 1,113 |
| | 74,324 | 77,588 | 68,719 |
| Expenses – Directly Incurred: (Schedule 2 and 3, Note 2 (b)) | | | |
| Programs: | | | |
| Community services | 33,551 | 37,714 | 32,282 |
| Residential treatment services | 17,183 | 14,406 | 13,552 |
| Detoxification services | 10,212 | 12,723 | 8,619 |
| Research, information and monitoring | 9,036 | 8,723 | 9,777 |
| Administration | 4,342 | 4,014 | 3,282 |
| Accrued vacation pay adjustment | - | (110) | 398 |
| | 74,324 | 77,470 | 67,910 |
| Net operating results | $ - | $ 118 | $ 809 |

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 | 2005 |
|---|---|---|
| Operating Activities: | | |
| Net operating results | $ 118 | $ 809 |
| Add non-cash charges: | | |
| Amortization of capital assets | 192 | 126 |
| | 311 | 935 |
| (Decrease)/Increase in non-cash working capital | (997) | 637 |
| Cash (used) provided by operating activities | (687) | 1,572 |
| Investing activities: | | |
| Acquisition of capital assets | (119) | (384) |
| Net cash (used) provided | (806) | 1,188 |
| Cash at beginning of year | 10,880 | 9,692 |
| Cash at end of year | $ 10,074 | $ 10,880 |

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

## MARCH 31, 2006

Note 1 Authority and Purpose

The Alberta Alcohol and Drug Abuse Commission (Commission) is an agent of the Crown under the authority of the Alcohol and Drug Abuse Act, Chapter A-38, Revised Statutes of Alberta 2000. The Commission is dependent on grants from the Department of Health and Wellness for funding its programs and for meeting its obligations as they become due.

The Commission's purpose is to assist Albertans in achieving a life free from the abuse of alcohol, other drugs and gambling. The Commission does this by providing community-based information, prevention and treatment services.

The Commission is a Government of Alberta agency and is not subject to Canadian taxes.

Note 2 Summaries of Significant Accounting Policies and Reporting Practices

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Revenue Recognition

Operating grants from the Department are recognized as revenue when they are receivable.

Unrestricted donations are recognized as revenue when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value when it can reasonably be determined.

Externally restricted donations are deferred and are recognized as revenue in the period in which the related expenses are incurred.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(b) Expenses

Directly Incurred

Directly incurred expenses are those costs the Commission has primary responsibility and accountability for, as reflected in the government's budget documents.

Directly incurred expenses are included on Schedules 2 and 3, as well as the Statement of Operations

Incurred by Others
Services contributed by other entities in support of the Commission's operations are disclosed in Schedule 3.

(c) Inventory

Inventory is valued at the lower of cost and replacement cost with cost being determined principally on a first-in, first-out basis.

(d) Tangible Capital Assets

Tangible capital assets are recorded at historical cost net of accumulated amortization. The threshold for capitalizing assets is $5,000. Amortization is provided over the estimated useful lives of the assets as follows:

| | |
|---|---|
| Furniture and equipment | - 10 years straight-line |
| Computer equipment and software | - 3 years straight-line |

(e) Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, accounts payable, and accrued liabilities are estimated to approximate their book values. Subsequent actual amounts, which may vary from estimates, will impact future financial results.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(f) Financial Instruments

The Commission's financial instruments consist of cash, accounts receivable, accounts payable, and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Commission is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Note 3 Cash
(In thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (Fund) of the Province of Alberta. The Fund is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2006, securities held by the Fund have an average effective market yield of 3.96% per annum (March 31, 2005: 2.79% per annum).

Interest is earned on the Commission's daily cash balance at the average rate of the Fund's earnings, which vary depending on prevailing market interest rates. The Commission retains the interest earned on all of its bank accounts, and reflects it as income. Interest income of $544 (2005 $500) was earned during the year on this account and is reflected in the financial statements.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Tangible Capital Assets
(In thousands)

Capital assets consist of the following:

| | 2006 | | | 2005 |
|---|---|---|---|---|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| Computer equipment and software | $ 891 | $ 589 | $ 302 | $ 390 |
| Furniture and equipment | 331 | 157 | 174 | 159 |
| | $ 1,222 | $ 746 | $ 476 | $ 549 |

Note 5 Contractual Obligations
(In thousands)

(a) The Commission leases certain vehicles and equipment under operating leases that expire on various dates through to January 31, 2010. The aggregate amounts payable for the unexpired terms of these leases are as follows:

| | |
|---|---|
| 2007 | $ 149 |
| 2008 | $ 120 |
| 2009 | $ 97 |
| 2010 | $ 48 |

(b) The Commission has certain contractual obligations for contracts, which extend into 2007 and 2008. The value of the contractual obligation is $82 in 2007 and $60 in 2008.

Note 6 Contingent Liabilities
(In thousands)

The agency has a contingent liability in respect of a claim concerning the methodology used to calculated pension benefit payments under PSPP. The claim has been filed jointly and severally against the Province of Alberta and the employers participating in PSPP. The claim specified an amount of $1,250,000.

At March 31, 2006, The Commission is a defendant in two legal claims (2005 - one claim $285). The specified amount of the claims is $470.

The resulting loss, if any, from these claims cannot be determined.

Note 7 Deferred Contributions
(In thousands)

Deferred contributions consist of unexpended funds from donations to the Memorial Trust. These are externally restricted contributions to be used to supplement the work of the Commission in the areas of research and education and to acquire capital assets. Changes in deferred contributions are as follows:

| | 2006 | 2005 |
|---|---|---|
| Donations | $ 19 | $ 32 |
| Interest Earned | 8 | 8 |
| Transferred to Revenue | (115) | - |
| (Decrease)/Increase during the year | (88) | 40 |
| Balance at beginning of year | 355 | 315 |
| Balance at end of year | $ 267 | $ 355 |

Note 8 Defined Benefit Plans
(In thousands)

The Commission participates in the multi-employer pension plans, Management Employee Pension Plan and Public Service Pension Plan. The Commission also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $2,650 for the year ended March 31, 2006 (2005 – $2,162) and is reflected in Employer Contributions on Schedule 2.

At December 31, 2005, the Management Employees Pension Plan reported a deficiency of $165,895 (2004 – $268,101) and the Public Service Pension Plan reported a deficiency of $187,704 (2004 – $450,068). At December 31, 2005, the Supplementary Retirement Plan for Public Service Managers had a surplus of $10,018 (2004 – $9,404).

Note 9 Approvals

(a) Budget

The budget amounts shown on the statement of operations agree with the 2005/06 Government Estimates. The budget amounts shown on Schedules 1 and 2 provide additional revenue information and present expenses by object. The Members of the Commission approved these budgets on April 22, 2005.

(b) Financial Statements

These financial statements and accompanying notes were approved on June 1st, 2006 by the Members of the Commission.

Note 10 Related Party Transactions
(In thousands)

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Commission.
For purposes of this schedule, the related parties are separated into "Entities in the Ministry" which includes only the Department of Health and Wellness, and "Other Entities".

The Commission and its employees paid and collected certain fees set by regulation for permits, 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.

| | Entities in the Ministry | | Other Entities | |
|---|---|---|---|---|
| | 2006 | 2005 | 2006 | 2005 |
| Revenues: | | | | |
| Grants | $ 72,816 | $ 65,649 | $ - | $ - |
| Fees & Charges | 825 | - | 853 | - |
| | 73,641 | 65,649 | 853 | - |
| Expenses: | | | | |
| Other Services | $ 319 | $ - | $ 1,248 | $ 839 |
| Receivables from | $ 197 | $ - | $ 110 | $ - |
| Payables to | $ 58 | $ - | $ 73 | $ 105 |

The Commission also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related parties are estimated based on the costs incurred by the service provider to provide the services. These amounts are not recorded in the financial statements and are disclosed on Schedule 3.

| | Entities in the Ministry | | Other Entities | |
|---|---|---|---|---|
| | 2006 | 2005 | 2006 | 2005 |
| Expenses: | | | | |
| Legal Fees | $ - | $ - | $ 47 | $ 10 |
| Accommodation | - | - | 7,794 | 7,141 |
| | $ - | $ - | $ 7,841 | $ 7,151 |

Note 11 Federal/Provincial Cost Sharing Agreements
(In thousands)

The Province of Alberta recovers part of its contributions to the Commission from the Government of Canada under the Alcohol and Drug Treatment and Rehabilitation (ADTR) agreement and records this recovery in the financial statements of the Department of Health and Wellness. The ADTR claim relating to the Commission's activities for the year ended March 31, 2006 amounts to approximately $1,415 (2005 $1,415).

The Province of Alberta received a further $65.5 per year relating to fiscal years 2002-2003 and 2003-2004 for a total of $131.

Note 12 Salaries, Wages, Benefits and Allowances
(In thousands)

| | 2006 | | | | 2005 |
|---|---|---|---|---|---|
| | **Base Salary** [a] | **Other Cash Benefits** [b] | **Other Non-cash Benefits** [c] | **Total** | **Total** |
| Chairman of the Board | $ 18 | $ - | $ - | $ 18 | $ 14 |
| Board Members [d] | 38 | - | - | 38 | 25 |
| President & Chief Executive Officer [f] | 157 | 24 | 10 | 191 | 196 |
| Vice President, AADAC [f] | 150 | 25 | 33 | 208 | 179 |
| Vice President, Corporate Services Division [f] | 132 | 21 | 30 | 183 | 150 |
| Vice President, Community Services Division [f] | 126 | 21 | 28 | 175 | 148 |
| Vice President, Provincial Services Division [f] | 127 | 21 | 28 | 176 | 148 |
| Executive Director, Information Services Branch [f] | - | - | - | - | 146 |
| Director Provincial Initiatives [f] | - | - | - | - | 130 |
| Director, Urban Services [f] | - | - | - | - | 132 |
| Senior Director, National Research Coordination [f] | - | - | - | - | 123 |

(a) Base Salary includes pensionable base pay.

(b) Other cash benefits include bonuses, vacation payments, overtime, and lump sum payments.

(c) Other non-cash benefits include the Commission's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long-term disability plans, tuition fees, conference fees, and professional memberships.

(d) There were ten Board members in both years.

(e) An amount has not been included in benefits and allowances for the automobile provided to the President & Chief Executive Officer.

(f) The Commission reorganized its corporate structure in December 2005. The former Chief Executive Officer became President & Chief Executive Officer. The former Executive Director, Program Services became Vice President AADAC. The former Executive Director, Corporate Services became the Vice President Corporate Services Division. The Executive Director, District and Youth Services became the Vice President, Community Services Division.

Note 12 Salaries, Wages, Benefits and Allowances (Continued)

The Director, Residential Services became the Vice President, Provincial Services Division. The Executive director, Information Services, Director Provincial Initiatives, Director of Urban Services and the Senior Director, National Research Coordination positions were changed. They are not members of the senior decision making group and their salaries are not disclosed.

**Schedule 1**

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## SCHEDULE OF REVENUES

## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| | Budget | Actual | Actual |
| Internal government transfers: | | | |
| Department of Health and Wellness | $ 72,316 | $ 72,816 | $ 65,649 |
| Premiums, Fees and Licenses: | | | |
| Fees: | | | |
| Clients | 1,538 | 1,529 | 1,438 |
| Seminars | - | - | 19 |
| | 1,538 | 1,529 | 1,457 |
| Investment Income (Note 3) | 388 | 544 | 500 |
| Other: | | | |
| Donations | - | 21 | 18 |
| Publications | 40 | 23 | 33 |
| Miscellaneous - Contracted Services | - | 2,509 | 929 |
| - Sundry & Miscellaneous at Residential sites | 42 | 137 | 111 |
| - General | - | 9 | 22 |
| | 82 | 2,699 | 1,113 |
| Total revenues | $ 74,324 | $ 77,588 | $ 68,719 |

**Schedule 2**

## ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
## SCHEDULE OF EXPENSES BY OBJECT and CORE BUSINESS
## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| **EXPENSES BY OBJECT** | **Budget** | **Actual** | **Actual** |
| Manpower: | | | |
| Salaries | $ 33,342 | $ 32,770 | $ 28,918 |
| Employer Contributions | 6,217 | 6,043 | 5,270 |
| Wages | 3,095 | 3,604 | 2,873 |
| Allowances and benefits | 662 | 617 | 276 |
| | 43,316 | 43,034 | 37,337 |
| Grants: | | | |
| Direct financial assistance to agencies [(a)] | 15,443 | 15,759 | 14,532 |
| Other: | | | |
| Professional, technical, and labor service | 8,934 | 9,046 | 9,335 |
| Materials and supplies | 2,396 | 3,289 | 3,071 |
| Travel and relocation | 1,314 | 1,610 | 1,102 |
| Advertising | 1,246 | 2,688 | 761 |
| Rentals | 403 | 427 | 362 |
| Telephones | 390 | 415 | 352 |
| Voluntary separation payments | - | 50 | 59 |
| Freight and postage | 99 | 65 | 86 |
| Board members' fees | 15 | 56 | 39 |
| Purchased services - other | 476 | 507 | 498 |
| Repair and maintenance | 48 | 250 | 107 |
| Insurance | 47 | 50 | 38 |
| Amortization | 138 | 192 | 126 |
| Hosting | 59 | 67 | 46 |
| Bad debts (recovery) | - | (37) | 57 |
| Other operating expenses | - | 2 | 2 |
| | 15,565 | 18,677 | 16,041 |
| | $ 74,324 | $ 77,470 | $ 67,910 |

**Schedule 2(continued)**

## ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## SCHEDULE OF EXPENSES BY OBJECT and CORE BUSINESS

## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 | | 2005 |
|---|---|---|---|
| **EXPENSES BY CORE BUSINESS** | **Budget** | **Actual** | **Actual** |
| Core Business: | | | |
| Treatment | $ 47,024 | $ 48,459 | $ 46,268 |
| Information | 14,895 | 15,656 | 14,791 |
| Prevention | 12,405 | 13,355 | 6,851 |
| | $ 74,324 | $ 77,470 | $ 67,910 |

(a) For the years ended March 31, 2006 and 2005, direct financial assistance was given to 37 not-for-profit organizations operating at arms-length from the Commission.

**Schedule 3**

# ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

## SCHEDULE OF ALLOCATED COSTS

## FOR THE YEAR ENDED MARCH 31, 2006

(In thousands)

| | 2006 | | | | | 2005 |
|---|---|---|---|---|---|---|
| | | | Expenses Incurred by Others | | | |
| | Expenses [a] | Accrued Vacation Pay Adjustment | Legal Services [b] | Accommodation costs [c] | Total Expenses | Total Expenses |
| Programs: | | | | | | |
| Community services | $ 37,714 | $ (62) | $ - | $ 3,035 | $ 40,687 | $ 35,287 |
| Residential treatment services | 14,406 | (11) | - | 2,462 | 16,857 | 15,872 |
| Detoxification services | 12,723 | (9) | - | 1,769 | 14,483 | 10,278 |
| Research information and monitoring | 8,723 | (18) | - | 377 | 9,082 | 10,162 |
| Administration | 4,014 | (10) | 47 | 151 | 4,202 | 3,462 |
| | $ 77,580 | $ (110) | $ 47 | $ 7,794 | $ 85,311 | $ 75,061 |

[a] Expenses – Directly Incurred as per Statement of Operations excluding Accrued Vacation pay adjustment.

[b] Cost shown for Legal Services in Note 10, allocated by estimated cost incurred by each program.

[c] Costs shown for Accommodation (includes grants in lieu of taxes) in Note 10, allocated by square footage.

# Unaudited Information

## Ministry of Health and Wellness

Unaudited Information

# MINISTRY OF HEALTH AND WELLNESS

## STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

## FOR THE YEAR ENDED MARCH 31, 2006
(UNAUDITED)
(in thousands)

| | 2006 | 2005 |
|---|---|---|
| Remissions: | | |
| Third Party Recoveries | $ - | $ 311 |
| Compromises: | | |
| Health Care Insurance Premiums | 137 | 127 |
| Write-offs: | | |
| Health Care Insurance Premiums | 66,301 | 43,319 |
| Medical Claim Recoveries | 1,371 | 965 |
| Penalties, Interest and Miscellaneous Charges | 1,019 | 824 |
| Total Remissions, Compromises and Write-offs | $ 68,828 | $ 45,546 |

The above statement has been prepared pursuant to Section 23 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs made or approved during the fiscal year.

## Health Authority

# 2005/2006 Financial Statement Highlights

Health Authority financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and Alberta Health and Wellness' Financial Directives.

This section, compiled from the health authorities' audited financial statements, highlights the financial results of the nine regional health authorities, the Alberta Mental Health Board and the Alberta Cancer Board for the fiscal year ended March 31, 2006.

All of the eleven health authorities received an unqualified audit opinion as at March 31, 2006.

## Operating Results

- For fiscal year 2005/2006, the health authorities reported a total operating surplus of $66 million. This compares to a prior year surplus of $31 million. Of the eleven health authorities, four reported total deficits of $21 million and seven reported total surpluses of $86.8 million.
- Total 2005/2006 expense was $6.9 billion, compared to $6.3 billion in the prior year – a 9.7 per cent increase, of which 4.7 per cent related to salaries. A total of 50,743 Full Time Equivalents were employed by the health authorities in the year.
- Total administration costs in 2005/2006 were $225 million, or 3.3 per cent of health authority expenditures of $6.9 billion. This compares to total administration costs in 2004/2005 of $204 million, or 3.3 percent of health authority expenditures of $6.3 billion.

## Financial Position

- The health authorities reported total net assets of $361 million as at March 31, 2006, an increase of $71 million from the prior year.
- Total health authority long-term debt at March 31, 2006 was $69 million, up from $44 million at March 31, 2005. No health authorities have exceeded their authorized borrowing limits.
- The health authorities reported total capital assets of $3.5 billion at March 31, 2006, up from $3.1 billion in the prior year.

## Additional Information

- Copies of the health authorities' audited financial statements form Section II of the Ministry Annual Report.

TABLE I

**HEALTH AUTHORITY SUMMARY**
**ANALYSIS OF OPERATIONS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | 2005/2006 BUDGET | 2005/2006 ACTUAL | % OF TOTAL | 2004/2005 ACTUAL | % OF TOTAL | CHANGES FROM 2004/05 TO 2005/06 $ | % |
|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | |
| Alberta Health and Wellness contributions | 5,863,602 | 5,851,839 | 84.6% | 5,299,508 | 84.3% | 552,331 | 10.4% |
| Other government contributions | 87,093 | 97,714 | 1.4% | 91,195 | 1.5% | 6,519 | 7.1% |
| Fees and charges | 432,747 | 457,478 | 6.6% | 422,888 | 6.7% | 34,590 | 8.2% |
| Ancillary operations, net | 17,264 | 17,128 | 0.2% | 20,538 | 0.3% | (3,410) | (16.6%) |
| Donations | 14,414 | 16,458 | 0.2% | 6,483 | 0.1% | 9,975 | 153.9% |
| Research and education | 42,746 | 67,899 | 1.0% | 50,763 | 0.8% | 17,136 | 33.8% |
| Investment and other income | 174,769 | 213,964 | 3.1% | 182,814 | 2.9% | 31,150 | 17.0% |
| Amortized external capital contributions | 197,505 | 202,311 | 2.9% | 211,593 | 3.4% | (9,282) | (4.4%) |
| **TOTAL REVENUE** | 6,830,140 | 6,924,791 | 100.0% | 6,285,782 | 100.0% | 639,009 | 10.2% |
| **EXPENSE** | | | | | | | |
| Facility-based inpatient acute nursing services | 1,753,512 | 1,765,457 | 25.8% | 1,618,638 | 25.9% | 146,819 | 9.1% |
| Facility-based emergency and outpatient services | 782,317 | 772,195 | 11.3% | 692,956 | 11.1% | 79,239 | 11.4% |
| Facility-based continuing care services | 602,389 | 594,316 | 8.7% | 581,496 | 9.3% | 12,820 | 2.2% |
| Ambulance services | 43,441 | 44,146 | 0.6% | 26,843 | 0.4% | 17,303 | 64.5% |
| Community-based care | 292,184 | 277,655 | 4.0% | 240,562 | 3.8% | 37,093 | 15.4% |
| Home care | 272,236 | 268,681 | 3.9% | 243,451 | 3.9% | 25,230 | 10.4% |
| Diagnostic & therapeutic services | 1,277,181 | 1,284,241 | 18.7% | 1,177,679 | 18.8% | 106,562 | 9.0% |
| Promotion, prevention and protection services | 224,356 | 215,049 | 3.1% | 172,705 | 2.8% | 42,344 | 24.5% |
| Research and education | 166,334 | 164,571 | 2.4% | 137,694 | 2.2% | 26,877 | 19.5% |
| Administration | 236,480 | 225,341 | 3.3% | 204,410 | 3.3% | 20,931 | 10.2% |
| Information technology | 136,036 | 138,917 | 2.0% | 149,679 | 2.4% | (10,762) | (7.2%) |
| Support services | 959,347 | 984,427 | 14.4% | 890,399 | 14.2% | 94,028 | 10.6% |
| Amortization of facilities and improvements | 114,278 | 117,535 | 1.7% | 110,696 | 1.8% | 6,839 | 6.2% |
| Capital assets write down | 6,479 | 6,479 | 0.1% | 7,281 | 0.1% | (802) | 0.0% |
| **TOTAL EXPENSE prior to the following items** | 6,866,570 | 6,859,010 | 100.0% | 6,254,489 | 100.0% | 604,521 | 9.7% |
| Restructuring / Legal settlement costs AMHB | - | - | | 94 | | (94) | |
| **TOTAL EXPENSE** | 6,866,570 | 6,859,010 | | 6,254,583 | | 604,427 | |
| **Excess (deficiency) of revenue over expense** | (36,430) | 65,781 | | 31,199 | | 34,582 | |

**HEALTH AUTHORITY**
**FINANCIAL SUMMARY**
**STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | CHINOOK REGIONAL HEALTH AUTHORITY | | | PALLISER HEALTH REGION | | | CALGARY HEALTH REGION | | | DAVID THOMPSON REGIONAL HEALTH AUTHORITY | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **REVENUE** | | | | | | | | | | | | |
| Alberta Health and Wellness contributions | 258,925 | 259,866 | 242,153 | 149,488 | 149,488 | 130,847 | 1,998,740 | 1,997,855 | 1,778,273 | 461,599 | 455,905 | 437,418 |
| Other government contributions | 4,045 | 4,382 | 4,451 | 3,768 | 3,768 | 3,446 | 19,900 | 24,403 | 19,017 | 10,355 | 10,052 | 11,595 |
| Fees and charges | 18,428 | 17,637 | 18,223 | 14,205 | 16,091 | 14,936 | 138,705 | 143,885 | 136,276 | 30,890 | 32,189 | 30,605 |
| Ancillary operations, net | 235 | 361 | 243 | 193 | 266 | 275 | 8,656 | 8,129 | 11,464 | 312 | 410 | 262 |
| Donations | 306 | 278 | 406 | 300 | 295 | 378 | 4,689 | 6,898 | 976 | 751 | 929 | 751 |
| Research and Education | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment and other income | 6,112 | 7,565 | 5,831 | 2,447 | 3,150 | 3,322 | 66,017 | 84,270 | 74,317 | 13,424 | 14,779 | 10,500 |
| Amortized external capital contributions | 11,278 | 11,464 | 10,301 | 5,384 | 5,505 | 5,684 | 61,101 | 64,185 | 62,934 | 22,641 | 24,843 | 19,391 |
| **TOTAL REVENUE** | 299,329 | 301,553 | 281,608 | 175,785 | 178,563 | 158,888 | 2,297,808 | 2,329,625 | 2,083,257 | 539,972 | 539,107 | 510,522 |
| **EXPENSE** | | | | | | | | | | | | |
| Facility-based inpatient acute nursing services | 68,807 | 70,229 | 67,394 | 43,083 | 42,331 | 40,173 | 656,659 | 665,354 | 599,365 | 137,172 | 143,984 | 132,326 |
| Facility-based emergency and outpatient services | 18,956 | 18,894 | 17,932 | 8,234 | 8,478 | 7,392 | 303,531 | 298,864 | 265,453 | 35,440 | 37,003 | 33,493 |
| Facility-based continuing care services | 36,842 | 35,055 | 35,772 | 25,236 | 22,801 | 21,164 | 164,741 | 165,972 | 164,747 | 56,337 | 56,724 | 53,293 |
| Ambulance services | | | - | 5,525 | 5,579 | 1,445 | 9,820 | 10,878 | 8,292 | 132 | 132 | 118 |
| Community-based care | 19,108 | 19,514 | 15,616 | 7,464 | 8,128 | 7,352 | 87,326 | 85,485 | 78,350 | 16,361 | 15,750 | 15,446 |
| Home care | 15,663 | 15,359 | 14,870 | 8,025 | 8,608 | 8,003 | 102,989 | 99,103 | 88,611 | 21,698 | 22,119 | 20,640 |
| Diagnostic & therapeutic services | 52,497 | 51,671 | 49,405 | 30,326 | 31,956 | 28,799 | 443,849 | 445,564 | 406,067 | 89,906 | 93,828 | 84,003 |
| Promotion, prevention and protection services | 12,848 | 12,918 | 10,584 | 5,979 | 5,415 | 4,799 | 57,079 | 56,388 | 47,755 | 18,335 | 18,225 | 16,816 |
| Research and education | - | - | - | - | - | - | 27,891 | 30,782 | 27,273 | 450 | 454 | 359 |
| Administration | 12,562 | 12,457 | 12,079 | 6,687 | 7,377 | 6,684 | 77,356 | 67,504 | 56,891 | 25,142 | 25,477 | 22,921 |
| Information technology | 6,752 | 5,990 | 6,120 | 3,149 | 3,379 | 2,728 | 46,730 | 50,114 | 43,681 | 12,459 | 12,694 | 10,766 |
| Support services | 46,282 | 47,831 | 45,718 | 31,005 | 31,577 | 30,117 | 289,054 | 313,576 | 262,290 | 105,981 | 103,264 | 101,993 |
| Amortization of facilities and improvements | 7,863 | 8,130 | 6,961 | 3,200 | 2,828 | 3,271 | 30,783 | 32,413 | 30,292 | 14,080 | 14,082 | 13,865 |
| Capital assets write down | - | - | - | - | - | - | - | - | 6,698 | 6,479 | 6,479 | - |
| **TOTAL EXPENSE prior to the following items** | 298,180 | 298,048 | 282,451 | 177,913 | 178,457 | 161,927 | 2,297,808 | 2,321,997 | 2,085,765 | 539,972 | 550,215 | 506,039 |
| Restructuring / Legal settlement costs AMHB | | | | | | | | | | | | |
| **TOTAL EXPENSE** | 298,180 | 298,048 | 282,451 | 177,913 | 178,457 | 161,927 | 2,297,808 | 2,321,997 | 2,085,765 | 539,972 | 550,215 | 506,039 |
| **Excess (deficiency) of revenue over expense** | 1,149 | 3,505 | (843) | (2,128) | 106 | (3,039) | - | 7,628 | (2,508) | - | (11,108) | 4,483 |

TABLE II

**HEALTH AUTHORITY**
**FINANCIAL SUMMARY**
**STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | EAST CENTRAL HEALTH AUTHORITY | | | CAPITAL HEALTH | | | ASPEN REGIONAL HEALTH AUTHORITY | | | PEACE COUNTRY HEALTH | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **REVENUE** | | | | | | | | | | | | |
| Alberta Health and Wellness contributions | 182,620 | 184,839 | 180,576 | 2,057,205 | 2,051,710 | 1,858,329 | 202,584 | 202,584 | 190,316 | 192,785 | 191,688 | 183,840 |
| Other government contributions | 4,469 | 6,679 | 3,927 | 36,527 | 40,610 | 38,496 | 2,837 | 2,453 | 2,357 | 1,270 | 1,409 | 1,740 |
| Fees and charges | 18,693 | 19,586 | 19,530 | 160,583 | 173,311 | 156,216 | 20,909 | 22,077 | 20,556 | 19,222 | 18,963 | 16,309 |
| Ancillary operations, net | 49 | 50 | 38 | 6,001 | 6,002 | 6,258 | 180 | 291 | 303 | 1,012 | 836 | 998 |
| Donations | - | 178 | 220 | - | - | - | 350 | 354 | 368 | 276 | 465 | 380 |
| Research and Education | - | - | - | 32,000 | 55,207 | 40,946 | - | - | - | - | - | - |
| Investment and other income | 1,828 | 2,964 | 3,378 | 57,709 | 66,857 | 55,138 | 5,970 | 6,378 | 6,441 | 4,238 | 5,877 | 5,487 |
| Amortized external capital contributions | 4,885 | 4,927 | 4,884 | 55,500 | 55,371 | 71,386 | 8,098 | 7,891 | 7,818 | 10,000 | 9,842 | 9,910 |
| **TOTAL REVENUE** | 212,544 | 219,223 | 212,553 | 2,405,525 | 2,449,068 | 2,226,769 | 240,928 | 242,028 | 228,159 | 228,803 | 229,080 | 218,664 |
| **EXPENSE** | | | | | | | | | | | | |
| Facility-based inpatient acute nursing services | 37,669 | 37,998 | 33,792 | 674,483 | 668,877 | 619,686 | 36,167 | 36,138 | 34,038 | 49,392 | 49,469 | 46,832 |
| Facility-based emergency and outpatient services | 8,789 | 8,966 | 9,017 | 271,097 | 268,221 | 246,624 | 21,539 | 22,331 | 18,935 | 16,668 | 17,575 | 15,502 |
| Facility-based continuing care services | 38,125 | 39,440 | 37,154 | 225,557 | 221,113 | 216,910 | 30,834 | 28,915 | 29,730 | 20,490 | 19,662 | 18,895 |
| Ambulance services | 2,787 | 3,095 | 2,789 | 13,559 | 12,956 | 10,269 | - | - | - | 11,618 | 11,484 | 3,818 |
| Community-based care | 9,740 | 8,309 | 8,792 | 85,294 | 86,063 | 66,940 | 14,261 | 13,647 | 12,028 | 6,663 | 6,853 | 5,737 |
| Home care | 19,734 | 20,160 | 17,917 | 74,390 | 74,346 | 67,025 | 13,233 | 12,980 | 12,372 | 13,121 | 13,074 | 11,395 |
| Diagnostic & therapeutic services | 30,879 | 33,147 | 28,700 | 452,214 | 449,934 | 424,978 | 46,658 | 44,728 | 41,144 | 38,610 | 40,785 | 37,291 |
| Promotion, prevention and protection services | 6,932 | 6,044 | 5,751 | 78,695 | 75,454 | 51,432 | 10,788 | 10,364 | 9,463 | 10,434 | 10,295 | 9,382 |
| Research and education | 72 | 20 | 33 | 106,262 | 105,335 | 85,565 | - | - | - | - | 25 | 45 |
| Administration | 13,553 | 13,721 | 12,602 | 60,113 | 56,609 | 55,648 | 9,543 | 9,513 | 8,779 | 10,387 | 10,893 | 10,716 |
| Information technology | 2,843 | 2,642 | 2,803 | 42,249 | 41,728 | 62,788 | 3,959 | 3,960 | 3,864 | 4,325 | 4,307 | 3,595 |
| Support services | 43,337 | 43,228 | 41,434 | 304,963 | 306,257 | 278,791 | 53,544 | 52,945 | 51,869 | 40,095 | 39,985 | 38,949 |
| Amortization of facilities and improvements | 3,832 | 3,593 | 3,602 | 34,049 | 36,010 | 31,828 | 5,253 | 5,190 | 5,207 | 7,000 | 6,894 | 6,946 |
| Capital assets write down | - | - | - | - | - | - | | | - | - | - | - |
| **TOTAL EXPENSE prior to the following items** | 218,292 | 220,363 | 204,386 | 2,422,925 | 2,402,903 | 2,218,484 | 245,779 | 240,711 | 227,429 | 228,803 | 231,301 | 209,103 |
| Restructuring / Legal settlement costs AMHB | | | | | | | | | | | | |
| **TOTAL EXPENSE** | 218,292 | 220,363 | 204,386 | 2,422,925 | 2,402,903 | 2,218,484 | 245,779 | 240,711 | 227,429 | 228,803 | 231,301 | 209,103 |
| **Excess (deficiency) of revenue over expense** | (5,748) | (1,140) | 8,167 | (17,400) | 46,165 | 8,285 | (4,851) | 1,317 | 730 | - | (2,221) | 9,561 |

**HEALTH AUTHORITY**
**FINANCIAL SUMMARY**
**STATEMENT OF OPERATIONS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | NORTHERN LIGHTS HEALTH REGION | | | ALBERTA MENTAL HEALTH BOARD | | | ALBERTA CANCER BOARD | | | HEALTH AUTHORITY TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **REVENUE** | | | | | | | | | | | | |
| Alberta Health and Wellness contributions | 71,224 | 72,023 | 67,506 | 43,491 | 42,944 | 35,523 | 244,941 | 242,937 | 194,727 | 5,863,602 | 5,851,839 | 5,299,508 |
| Other government contributions | 1,027 | 1,198 | 2,323 | 19 | 2 | 307 | 2,876 | 2,758 | 3,536 | 87,093 | 97,714 | 91,195 |
| Fees and charges | 6,012 | 6,914 | 4,993 | - | - | - | 5,100 | 6,825 | 5,244 | 432,747 | 457,478 | 422,888 |
| Ancillary operations, net | (64) | (90) | (42) | - | - | - | 690 | 873 | 739 | 17,264 | 17,128 | 20,538 |
| Donations | 180 | 256 | 463 | - | 75 | - | 7,562 | 6,730 | 2,541 | 14,414 | 16,458 | 6,483 |
| Research and Education | - | - | - | - | - | - | 10,746 | 12,692 | 9,817 | 42,746 | 67,899 | 50,763 |
| Investment and other income | 1,450 | 1,541 | 1,124 | 314 | 721 | 479 | 15,260 | 19,862 | 16,797 | 174,769 | 213,964 | 182,814 |
| Amortized external capital contributions | 5,093 | 5,155 | 6,019 | 74 | 74 | 197 | 13,451 | 13,054 | 13,069 | 197,505 | 202,311 | 211,593 |
| **TOTAL REVENUE** | 84,922 | 86,997 | 82,386 | 43,898 | 43,816 | 36,506 | 300,626 | 305,731 | 246,470 | 6,830,140 | 6,924,791 | 6,285,782 |
| **EXPENSE** | | | | | | | | | | | | |
| Facility-based inpatient acute nursing services | 23,991 | 23,609 | 19,270 | 12,963 | 13,180 | 12,411 | 13,126 | 14,288 | 13,351 | 1,753,512 | 1,765,457 | 1,618,638 |
| Facility-based emergency and outpatient services | 6,513 | 6,749 | 5,793 | 6,686 | 6,803 | 6,540 | 84,864 | 78,311 | 66,275 | 782,317 | 772,195 | 692,956 |
| Facility-based continuing care services | 4,227 | 4,634 | 3,831 | - | - | - | - | - | - | 602,389 | 594,316 | 581,496 |
| Ambulance services | - | 22 | 112 | - | - | - | - | - | - | 43,441 | 44,146 | 26,843 |
| Community-based care | 2,434 | 2,527 | 2,180 | 5,778 | 3,561 | 2,362 | 37,755 | 27,818 | 25,759 | 292,184 | 277,655 | 240,562 |
| Home care | 3,383 | 2,932 | 2,618 | - | - | - | - | - | - | 272,236 | 268,681 | 243,451 |
| Diagnostic & therapeutic services | 17,910 | 16,678 | 15,150 | 6,079 | 5,613 | 5,042 | 68,253 | 70,337 | 57,100 | 1,277,181 | 1,284,241 | 1,177,679 |
| Promotion, prevention and protection services | 6,875 | 6,153 | 5,507 | 2,299 | 2,067 | 1,289 | 14,092 | 11,726 | 9,927 | 224,356 | 215,049 | 172,705 |
| Research and education | - | - | - | 2,768 | 1,133 | 795 | 28,891 | 26,822 | 23,624 | 166,334 | 164,571 | 137,694 |
| Administration | 5,868 | 6,556 | 5,067 | 6,154 | 5,046 | 4,900 | 9,115 | 10,188 | 8,123 | 236,480 | 225,341 | 204,410 |
| Information technology | 4,079 | 3,177 | 3,367 | 734 | 595 | 1,013 | 8,757 | 10,331 | 8,954 | 136,036 | 138,917 | 149,679 |
| Support services | 16,700 | 16,864 | 15,309 | 2,350 | 2,166 | 1,008 | 26,036 | 26,734 | 22,921 | 959,347 | 984,427 | 890,399 |
| Amortization of facilities and improvements | 3,481 | 3,626 | 4,000 | - | - | - | 4,737 | 4,769 | 4,724 | 114,278 | 117,535 | 110,696 |
| Capital assets write down | - | - | 583 | - | - | - | - | - | - | 6,479 | 6,479 | 7,281 |
| **TOTAL EXPENSE prior to the following items** | 95,461 | 93,527 | 82,787 | 45,811 | 40,164 | 35,360 | 295,626 | 281,324 | 240,758 | 6,866,570 | 6,859,010 | 6,254,489 |
| Restructuring / Legal settlement costs AMHB | | | | - | - | 94 | | | | - | - | 94 |
| **TOTAL EXPENSE** | 95,461 | 93,527 | 82,787 | 45,811 | 40,164 | 35,454 | 295,626 | 281,324 | 240,758 | 6,866,570 | 6,859,010 | 6,254,583 |
| **Excess (deficiency) of revenue over expense** | (10,539) | (6,530) | (401) | (1,913) | 3,652 | 1,052 | 5,000 | 24,407 | 5,712 | (36,430) | 65,781 | 31,199 |

TABLE III

**HEALTH AUTHORITY SUMMARY**
**STATEMENT OF FINANCIAL POSITION AND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | CHINOOK REGIONAL HEALTH AUTHORITY | | PALLISER HEALTH REGION | | CALGARY HEALTH REGION | | DAVID THOMPSON REGIONAL HEALTH AUTHORITY | |
|---|---|---|---|---|---|---|---|---|
| | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **ASSETS** | | | | | | | | |
| Cash and investments | 9,401 | 18,698 | 12,001 | 10,233 | 29,314 | 45,687 | 20,973 | 44,890 |
| Accounts receivable | 4,522 | 4,770 | 4,109 | 4,457 | 44,938 | 34,949 | 19,528 | 6,440 |
| Contributions receivable from Alberta Health and Wellness | 6,322 | 3,421 | 1,589 | 6,454 | 63,205 | 36,713 | 44,166 | 6,502 |
| Inventories | 2,897 | 2,314 | 1,029 | 982 | 24,252 | 21,089 | 5,935 | 5,524 |
| Prepaid expenses | 4,540 | 1,578 | 1,940 | 1,021 | 3,384 | 8,935 | 2,390 | 2,768 |
| **Current Assets** | 27,682 | 30,781 | 20,668 | 23,147 | 165,093 | 147,373 | 92,992 | 66,124 |
| Non-current cash and investments | 27,026 | 16,709 | 15,045 | 18,812 | 436,170 | 390,961 | 26,020 | 29,737 |
| Capital assets | 185,550 | 176,950 | 74,274 | 71,719 | 1,150,236 | 939,770 | 417,860 | 405,415 |
| Other assets | 11,861 | 7,818 | 10,072 | 9,999 | 147,991 | 18,508 | 21,669 | 22,338 |
| **TOTAL ASSETS** | 252,119 | 232,258 | 120,059 | 123,677 | 1,899,490 | 1,496,612 | 558,541 | 523,614 |
| **LIABILITIES, NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Bank indebtedness | - | - | 934 | 4,731 | - | - | - | - |
| Accounts payable and accrued liabilities | 20,337 | 24,036 | 12,586 | 9,713 | 188,013 | 160,432 | 42,426 | 39,572 |
| Accrued vacation pay | 11,433 | 10,263 | 6,515 | 6,124 | 82,787 | 74,114 | 20,702 | 19,257 |
| Deferred contributions | 9,132 | 6,635 | 10,522 | 13,507 | 87,308 | 54,494 | 56,472 | 19,450 |
| Current portion of long term debt | 121 | 56 | - | - | 1,108 | 218 | 210 | 201 |
| **Current Liabilities** | 41,023 | 40,990 | 30,557 | 34,075 | 359,216 | 289,258 | 119,810 | 78,480 |
| Deferred contributions | 3,400 | 3,670 | 9,594 | 9,999 | 31,595 | 30,657 | 21,223 | 21,914 |
| Deferred capital contributions | 26,380 | 15,975 | - | - | 329,673 | 221,698 | 26,020 | 29,737 |
| Long-term debt | 149 | 178 | - | - | 62,522 | 16,717 | 647 | 850 |
| Unamortized external capital contributions | 168,693 | 164,674 | 63,533 | 63,334 | 1,016,544 | 851,470 | 381,641 | 372,325 |
| Other liabilities | 2,467 | 367 | - | - | 4,531 | 3,423 | - | - |
| **TOTAL LIABILITIES** | 242,112 | 225,854 | 103,684 | 107,408 | 1,804,081 | 1,413,223 | 549,341 | 503,306 |
| **NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Accumulated surplus/(deficit) | (6,730) | (5,788) | 5,634 | 7,884 | 11,473 | 3,555 | (25,737) | (11,306) |
| Investment in capital assets from internally funded sources | 16,587 | 12,042 | 10,741 | 8,385 | 83,936 | 79,834 | 34,937 | 31,614 |
| Endowments | 150 | 150 | - | - | - | - | - | - |
| **TOTAL NET ASSETS AND ENDOWMENTS** | 10,007 | 6,404 | 16,375 | 16,269 | 95,409 | 83,389 | 9,200 | 20,308 |
| **TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS** | 252,119 | 232,258 | 120,059 | 123,677 | 1,899,490 | 1,496,612 | 558,541 | 523,614 |
| **CASH FLOWS** | | | | | | | | |
| Cash generated from (used by) operating activities | 2,991 | 5,920 | 6,467 | 163 | 75,016 | 14,670 | (17,658) | (4,254) |
| Cash used by investing activities | (37,238) | (11,084) | (6,230) | (8,172) | (349,964) | (359,433) | (43,941) | (53,577) |
| Cash generated from financing activities | 24,950 | 16,349 | 1,531 | 10,569 | 258,575 | 369,965 | 37,682 | 43,365 |
| Increase (decrease) in cash and cash equivalent | (9,297) | 11,185 | 1,768 | 2,560 | (16,373) | 25,202 | (23,917) | (14,466) |
| Cash and cash equivalent, beginning of year | 18,698 | 7,513 | 10,233 | 7,673 | 45,687 | 20,485 | 44,890 | 59,356 |
| Cash and cash equivalent, end of year | 9,401 | 18,698 | 12,001 | 10,233 | 29,314 | 45,687 | 20,973 | 44,890 |
| Non-current cash and investments, end of year | 27,026 | 16,709 | 15,045 | 18,812 | 436,170 | 390,961 | 26,020 | 29,737 |
| Total cash, cash equivalent and non-current investments, end of year | 36,427 | 35,407 | 27,046 | 29,045 | 465,484 | 436,648 | 46,993 | 74,627 |

**HEALTH AUTHORITY SUMMARY**
**STATEMENT OF FINANCIAL POSITION AND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | EAST CENTRAL HEALTH | | CAPITAL HEALTH | | ASPEN REGIONAL HEALTH AUTHORITY | | PEACE COUNTRY HEALTH | |
|---|---|---|---|---|---|---|---|---|
| | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **ASSETS** | | | | | | | | |
| Cash and investments | 15,436 | 18,334 | 166,487 | 176,958 | 47,061 | 50,582 | 22,639 | 20,620 |
| Accounts receivable | 2,146 | 1,994 | 109,712 | 84,787 | 5,675 | 4,317 | 4,618 | 4,569 |
| Contributions receivable from Alberta Health and Wellness | 6,088 | 1,678 | 37,192 | 45,782 | 3,472 | 3,774 | 4,214 | 8,159 |
| Inventories | 637 | 576 | 14,337 | 12,842 | 1,483 | 1,452 | 1,007 | 1,082 |
| Prepaid expenses | - | - | 97,181 | 67,809 | 1,420 | 1,399 | 930 | 1,525 |
| **Current Assets** | 24,307 | 22,582 | 424,909 | 388,178 | 59,111 | 61,524 | 33,408 | 35,955 |
| Non-current cash and investments | 19,392 | 19,663 | 483,771 | 470,080 | 16,347 | 17,774 | 6,997 | 5,347 |
| Capital assets | 100,163 | 91,858 | 1,000,049 | 882,028 | 149,110 | 128,304 | 193,853 | 183,780 |
| Other assets | - | - | 409,529 | 50,314 | 2,464 | 2,547 | 3,419 | 4,768 |
| **TOTAL ASSETS** | 143,862 | 134,103 | 2,318,258 | 1,790,600 | 227,032 | 210,149 | 237,677 | 229,850 |
| **LIABILITIES, NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Bank indebtedness | - | - | - | - | - | - | - | - |
| Accounts payable and accrued liabilities | 17,177 | 11,892 | 196,650 | 194,600 | 19,757 | 19,848 | 21,805 | 18,325 |
| Accrued vacation pay | 5,838 | 5,281 | 81,330 | 72,322 | 10,180 | 9,369 | 9,893 | 8,654 |
| Deferred contributions | 7,053 | 5,237 | 146,929 | 119,880 | 11,512 | 9,274 | 4,668 | 7,650 |
| Current portion of long term debt | - | - | | 807 | | - | 345 | 34 |
| **Current Liabilities** | 30,068 | 22,410 | 424,909 | 387,609 | 41,449 | 38,491 | 36,711 | 34,663 |
| Deferred contributions | 503 | 488 | 51,572 | 52,674 | 2,464 | 2,547 | - | - |
| Deferred capital contributions | 18,888 | 19,175 | 833,987 | 460,647 | 22,865 | 28,867 | 7,314 | 9,696 |
| Long-term debt | - | - | - | 25,859 | - | - | 5,794 | 102 |
| Unamortized external capital contributions | 88,837 | 85,771 | 865,699 | 768,740 | 137,387 | 118,694 | 179,170 | 174,480 |
| Other liabilities | - | - | 14,599 | 13,744 | - | - | - | - |
| **TOTAL LIABILITIES** | 138,296 | 127,844 | 2,190,766 | 1,709,273 | 204,165 | 188,599 | 228,989 | 218,941 |
| **NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Accumulated surplus/(deficit) | (5,760) | 172 | 6,225 | 6,605 | 11,144 | 11,940 | (1,992) | 1,745 |
| Investment in capital assets from internally funded sources | 11,326 | 6,087 | 121,267 | 74,722 | 11,723 | 9,610 | 10,680 | 9,164 |
| Endowments | - | - | - | - | - | - | - | - |
| **TOTAL NET ASSETS AND ENDOWMENTS** | 5,566 | 6,259 | 127,492 | 81,327 | 22,867 | 21,550 | 8,688 | 10,909 |
| **TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS** | 143,862 | 134,103 | 2,318,258 | 1,790,600 | 227,032 | 210,149 | 237,677 | 229,850 |
| **CASH FLOWS** | | | | | | | | |
| Cash generated from (used by) operating activities | 2,658 | 6,769 | 75,271 | 40,378 | 6,495 | 8,534 | 5,180 | 14,220 |
| Cash used by investing activities | (13,727) | (21,843) | (232,795) | (436,710) | (28,333) | (12,379) | (18,732) | (4,697) |
| Cash generated from financing activities | 8,171 | 20,393 | 147,053 | 422,790 | 18,317 | 30,950 | 15,571 | 6,142 |
| Increase (decrease) in cash and cash equivalent | (2,898) | 5,319 | (10,471) | 26,458 | (3,521) | 27,105 | 2,019 | 15,665 |
| Cash and cash equivalent, beginning of year | 18,334 | 13,015 | 176,958 | 150,500 | 50,582 | 23,477 | 20,620 | 4,955 |
| Cash and cash equivalent, end of year | 15,436 | 18,334 | 166,487 | 176,958 | 47,061 | 50,582 | 22,639 | 20,620 |
| Non-current cash and investments, end of year | 19,392 | 19,663 | 483,771 | 470,080 | 16,347 | 17,774 | 6,997 | 5,347 |
| Total cash, cash equivalent and non-current investments, end of year | 34,828 | 37,997 | 650,258 | 647,038 | 63,408 | 68,356 | 29,636 | 25,967 |

TABLE III

**HEALTH AUTHORITY SUMMARY**
**STATEMENT OF FINANCIAL POSITION AND**
**STATEMENT OF CASH FLOWS**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | NORTHERN LIGHTS HEALTH REGION | | ALBERTA MENTAL HEALTH BOARD | | ALBERTA CANCER BOARD | | HEALTH AUTHORITY TOTAL | |
|---|---|---|---|---|---|---|---|---|
| | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 ACTUAL | 2004/05 ACTUAL |
| **ASSETS** | | | | | | | | |
| Cash and investments | 4,628 | 9,122 | 7,717 | 8,455 | 46,477 | 20,427 | 382,134 | 424,006 |
| Accounts receivable | 3,209 | 1,875 | 203 | 115 | 8,549 | 7,993 | 207,209 | 156,266 |
| Contributions receivable from Alberta Health and Wellness | 1,284 | 1,544 | 3,061 | 1,460 | 1,393 | 4,075 | 171,986 | 119,562 |
| Inventories | 733 | 565 | - | - | 7,092 | 6,098 | 59,402 | 52,524 |
| Prepaid expenses | 469 | 573 | 779 | 498 | 1,648 | 861 | 114,681 | 86,967 |
| **Current Assets** | 10,323 | 13,679 | 11,760 | 10,528 | 65,159 | 39,454 | 935,412 | 839,325 |
| Non-current cash and investments | 1,163 | 1,643 | 5,968 | 125 | 43,651 | 39,198 | 1,081,550 | 1,010,049 |
| Capital assets | 81,399 | 81,498 | 215 | 183 | 144,607 | 135,679 | 3,497,316 | 3,097,184 |
| Other assets | 5,329 | 1,788 | - | - | - | - | 612,334 | 118,080 |
| **TOTAL ASSETS** | 98,214 | 98,608 | 17,943 | 10,836 | 253,417 | 214,331 | 6,126,612 | 5,064,638 |
| **LIABILITIES, NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Bank indebtedness | - | - | - | - | - | - | 934 | 4,731 |
| Accounts payable and accrued liabilities | 8,443 | 6,109 | 2,318 | 725 | 39,500 | 25,674 | 569,012 | 510,926 |
| Accrued vacation pay | 2,860 | 2,624 | 260 | 221 | 6,550 | 5,927 | 238,348 | 214,156 |
| Deferred contributions | 3,223 | 2,299 | 2,201 | 833 | 26,154 | 21,061 | 365,174 | 260,320 |
| Current portion of long term debt | 240 | 360 | - | - | - | - | 2,024 | 1,676 |
| **Current Liabilities** | 14,766 | 11,392 | 4,779 | 1,779 | 72,204 | 52,662 | 1,175,492 | 991,809 |
| Deferred contributions | 4 | 5 | 1,071 | 542 | - | - | 121,426 | 122,496 |
| Deferred capital contributions | 6,488 | 3,426 | - | - | 10,381 | 12,928 | 1,281,996 | 802,149 |
| Long-term debt | - | - | - | - | - | - | 69,112 | 43,706 |
| Unamortized external capital contributions | 77,536 | 77,832 | 41 | 115 | 116,649 | 118,884 | 3,095,730 | 2,796,319 |
| Other liabilities | - | - | - | - | - | - | 21,597 | 17,534 |
| **TOTAL LIABILITIES** | 98,794 | 92,655 | 5,891 | 2,436 | 199,234 | 184,474 | 5,765,353 | 4,774,013 |
| **NET ASSETS AND ENDOWMENTS** | | | | | | | | |
| Accumulated surplus/(deficit) | (4,443) | 2,287 | 11,878 | 8,332 | 26,225 | 13,062 | 27,917 | 38,488 |
| Investment in capital assets from internally funded sources | 3,863 | 3,666 | 174 | 68 | 27,958 | 16,795 | 333,192 | 251,987 |
| Endowments | - | - | - | - | - | - | 150 | 150 |
| **TOTAL NET ASSETS AND ENDOWMENTS** | (580) | 5,953 | 12,052 | 8,400 | 54,183 | 29,857 | 361,259 | 290,625 |
| **TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS** | 98,214 | 98,608 | 17,943 | 10,836 | 253,417 | 214,331 | 6,126,612 | 5,064,638 |
| **CASH FLOWS** | | | | | | | | |
| Cash generated from (used by) operating activities | (3,464) | (3,040) | 5,237 | 358 | 47,178 | 13,995 | 205,371 | 97,713 |
| Cash used by investing activities | (8,882) | (6,694) | (5,975) | 381 | (30,335) | (18,721) | (776,152) | (932,929) |
| Cash generated from financing activities | 7,852 | 5,744 | - | - | 9,207 | 16,664 | 528,909 | 942,931 |
| Increase (decrease) in cash and cash equivalent | (4,494) | (3,990) | (738) | 739 | 26,050 | 11,938 | (41,872) | 107,715 |
| Cash and cash equivalent, beginning of year | 9,122 | 13,112 | 8,455 | 7,716 | 20,427 | 8,489 | 424,006 | 316,291 |
| Cash and cash equivalent, end of year | 4,628 | 9,122 | 7,717 | 8,455 | 46,477 | 20,427 | 382,134 | 424,006 |
| Non-current cash and investments, end of year | 1,163 | 1,643 | 5,968 | 125 | 43,651 | 39,198 | 1,081,550 | 1,010,049 |
| Total cash, cash equivalent and non-current investments, end of year | 5,791 | 10,765 | 13,685 | 8,580 | 90,128 | 59,625 | 1,463,684 | 1,434,055 |

**HEALTH AUTHORITY FINANCIAL SUMMARY**
**SCHEDULE OF EXPENSES BY OBJECT**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | CHINOOK REGIONAL HEALTH AUTHORITY | | | PALLISER HEALTH REGION | | | CALGARY HEALTH REGION | | | DAVID THOMPSON REGIONAL HEALTH AUTHORITY | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| Salaries and Benefits | 169,731 | 169,715 | 161,797 | 103,108 | 104,165 | 93,123 | 1,162,744 | 1,168,336 | 1,056,321 | 361,681 | 362,994 | 340,372 |
| Contracts with health service operators | 50,869 | 49,751 | 46,935 | 31,759 | 29,576 | 27,474 | 428,385 | 425,785 | 395,023 | 30,280 | 33,664 | 29,379 |
| Contracts under the Health Care Protection Act | - | - | - | - | - | - | 14,455 | 11,965 | 8,706 | - | - | - |
| Drugs and gases | 4,706 | 5,610 | 4,736 | 3,690 | 3,750 | 3,340 | 82,595 | 87,319 | 80,053 | 11,526 | 11,866 | 10,918 |
| Medical and surgical supplies | 7,333 | 7,581 | 7,064 | 4,150 | 4,333 | 4,020 | 95,944 | 102,150 | 90,185 | 11,817 | 12,940 | 11,290 |
| Other contracted services | 20,439 | 19,411 | 19,790 | 9,035 | 9,875 | 8,327 | 231,040 | 235,663 | 200,595 | 30,266 | 32,968 | 28,960 |
| Interest on long-term debt | - | 41 | 15 | - | - | - | - | - | - | 33 | 33 | 31 |
| Other | 32,304 | 33,278 | 30,863 | 20,287 | 20,297 | 19,129 | 222,226 | 227,261 | 192,311 | 70,612 | 70,966 | 67,853 |
| Amortization: | | | | | | | | | | | | |
| Capital equipment - internally funded | 2,467 | 2,478 | 2,295 | 1,500 | 1,835 | 1,755 | 12,069 | 15,185 | 14,058 | 4,936 | 3,736 | 3,623 |
| Capital equipment - externally funded | 3,860 | 3,624 | 3,509 | 1,900 | 2,272 | 2,009 | 36,439 | 40,126 | 29,932 | 4,714 | 7,336 | 5,629 |
| Facilities and Improvements | 7,864 | 8,174 | 7,004 | 3,484 | 3,262 | 3,704 | 31,729 | 33,115 | 31,075 | 14,080 | 13,943 | 13,865 |
| Capital assets write down - equipment | - | - | - | - | - | - | - | - | - | 3,947 | 3,947 | - |
| Capital assets write down - facilities and improvements | - | - | - | - | - | - | - | - | 6,698 | 2,532 | 2,532 | - |
| | 299,573 | 299,663 | 284,008 | 178,913 | 179,365 | 162,881 | 2,317,626 | 2,346,905 | 2,104,957 | 546,424 | 556,925 | 511,920 |
| Less amounts reported in ancillary operations | (1,393) | (1,615) | (1,557) | (1,000) | (908) | (954) | (19,818) | (24,908) | (19,192) | (6,452) | (6,710) | (5,881) |
| **TOTAL EXPENSES** | 298,180 | 298,048 | 282,451 | 177,913 | 178,457 | 161,927 | 2,297,808 | 2,321,997 | 2,085,765 | 539,972 | 550,215 | 506,039 |

TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY**
**SCHEDULE OF EXPENSES BY OBJECT**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | EAST CENTRAL HEALTH | | | CAPITAL HEALTH | | | ASPEN REGIONAL HEALTH AUTHORITY | | | PEACE COUNTRY HEALTH | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| Salaries and Benefits | 84,636 | 80,810 | 78,638 | 1,118,496 | 1,114,672 | 1,030,733 | 149,491 | 141,941 | 135,902 | 157,068 | 156,437 | 137,749 |
| Contracts with health service operators | 101,430 | 102,298 | 91,904 | 661,178 | 662,635 | 595,023 | 32,219 | 31,847 | 29,164 | 5,015 | 5,521 | 5,375 |
| Contracts under the Health Care Protection Act | - | - | - | 4,579 | 4,036 | 3,332 | - | - | - | - | - | - |
| Drugs and gases | 1,472 | 1,591 | 1,641 | 85,503 | 85,420 | 74,052 | 3,764 | 3,879 | 3,626 | 4,060 | 4,359 | 3,934 |
| Medical and surgical supplies | 1,198 | 1,393 | 1,299 | 106,767 | 105,908 | 89,875 | 4,041 | 4,454 | 3,761 | 4,183 | 4,829 | 4,373 |
| Other contracted services | 6,468 | 5,835 | 4,845 | 140,346 | 136,885 | 125,190 | 12,682 | 14,028 | 11,947 | 13,168 | 15,030 | 14,178 |
| Interest on long-term debt | - | - | - | 3,371 | 2,523 | 1,340 | - | - | - | - | 163 | 6 |
| Other | 18,067 | 23,410 | 21,281 | 244,687 | 232,756 | 213,018 | 34,525 | 36,099 | 34,374 | 33,909 | 34,277 | 32,622 |
| Amortization: | | | | | | | | | | | | |
| Capital equipment - internally funded | 535 | 744 | 537 | 39,000 | 33,148 | 37,988 | 1,866 | 1,603 | 1,787 | 1,250 | 963 | 1,212 |
| Capital equipment - externally funded | 1,319 | 1,329 | 1,315 | 21,451 | 25,279 | 39,171 | 3,057 | 2,765 | 2,690 | 3,150 | 3,113 | 3,074 |
| Facilities and Improvements | 3,832 | 3,593 | 3,602 | 34,049 | 36,396 | 31,403 | 5,280 | 5,217 | 5,234 | 7,000 | 6,909 | 6,946 |
| Capital assets write down - equipment | - | - | - | - | 3,041 | 14,284 | - | - | - | - | (30) | (150) |
| Capital assets write down - facilities and improvements | - | - | - | - | - | - | - | - | - | - | (15) | - |
| | 218,957 | 221,003 | 205,062 | 2,459,427 | 2,442,699 | 2,255,409 | 246,925 | 241,833 | 228,485 | 228,803 | 231,556 | 209,319 |
| Less amounts reported in ancillary operations | (665) | (640) | (676) | (36,502) | (39,796) | (36,925) | (1,146) | (1,122) | (1,056) | - | (255) | (216) |
| **TOTAL EXPENSES** | 218,292 | 220,363 | 204,386 | 2,422,925 | 2,402,903 | 2,218,484 | 245,779 | 240,711 | 227,429 | 228,803 | 231,301 | 209,103 |

**HEALTH AUTHORITY FINANCIAL SUMMARY**
**SCHEDULE OF EXPENSES BY OBJECT**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | NORTHERN LIGHTS HEALTH REGION | | | ALBERTA MENTAL HEALTH BOARD | | | ALBERTA CANCER BOARD | | | HEALTH AUTHORITY TOTAL | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL | 2005/06 BUDGET | 2005/06 ACTUAL | 2004/05 ACTUAL |
| Salaries and Benefits | 62,179 | 59,491 | 48,833 | 5,057 | 4,016 | 3,489 | 118,542 | 105,712 | 90,195 | 3,492,733 | 3,468,289 | 3,177,152 |
| Contracts with health service operators | 6,699 | 6,363 | 5,111 | 36,217 | 32,135 | 28,021 | - | - | - | 1,384,051 | 1,379,575 | 1,253,409 |
| Contracts under the Health Care Protection Act | - | - | - | - | - | - | - | - | - | 19,034 | 16,001 | 12,038 |
| Drugs and gases | 1,388 | 1,566 | 1,193 | - | - | - | 75,074 | 69,514 | 55,572 | 273,778 | 274,874 | 239,065 |
| Medical and surgical supplies | 2,021 | 2,295 | 1,808 | - | - | - | 2,802 | 3,529 | 2,917 | 240,256 | 249,412 | 216,592 |
| Other contracted services | 5,204 | 5,796 | 5,949 | 1,876 | 1,780 | 1,426 | 33,068 | 35,287 | 31,296 | 503,592 | 512,558 | 452,503 |
| Interest on long-term debt | - | - | - | - | - | - | - | - | - | 3,404 | 2,760 | 1,392 |
| Other | 12,706 | 13,152 | 13,748 | 2,557 | 2,125 | 2,266 | 52,499 | 56,577 | 49,877 | 744,379 | 750,198 | 677,342 |
| Amortization: | | | | | | | | | | | | |
| Capital equipment - internally funded | 626 | 636 | 738 | 30 | 34 | 55 | 4,006 | 3,559 | 3,094 | 68,285 | 63,921 | 67,142 |
| Capital equipment - externally funded | 1,500 | 1,565 | 1,635 | 74 | 74 | 197 | 8,897 | 8,297 | 8,534 | 86,361 | 95,780 | 97,695 |
| Facilities and Improvements | 3,674 | 3,720 | 4,161 | - | - | - | 4,756 | 4,958 | 4,724 | 115,748 | 119,287 | 111,718 |
| Capital assets write down - equipment | - | - | - | - | - | - | - | - | - | 3,947 | 6,958 | 14,134 |
| Capital assets write down - facilities and improvements | - | - | 583 | - | - | - | - | - | - | 2,532 | 2,517 | 7,281 |
| | 95,997 | 94,584 | 83,759 | 45,811 | 40,164 | 35,454 | 299,644 | 287,433 | 246,209 | 6,938,100 | 6,942,130 | 6,327,463 |
| Less amounts reported in ancillary operations | (536) | (1,057) | (972) | - | - | - | (4,018) | (6,109) | (5,451) | (71,530) | (83,120) | (72,880) |
| **TOTAL EXPENSES** | 95,461 | 93,527 | 82,787 | 45,811 | 40,164 | 35,454 | 295,626 | 281,324 | 240,758 | 6,866,570 | 6,859,010 | 6,254,583 |

TABLE V

**HEALTH AUTHORITY SUMMARY OF OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | CHINOOK | PALLISER | CALGARY | DAVID THOMPSON | EAST CENTRAL | CAPITAL HEALTH | ASPEN |
|---|---|---|---|---|---|---|---|
| **I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE** | 1.2% | 0.1% | 0.3% | -2.1% | -0.5% | 1.9% | 0.5% |
| **II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES** | 4.2% | 4.1% | 2.9% | 4.6% | 6.2% | 2.4% | 4.0% |
| **III. WORKING CAPITAL** | | | | | | | |
| Current Assets | 27,682 | 20,668 | 165,093 | 92,992 | 24,307 | 424,909 | 59,111 |
| Current Liabilities | 41,023 | 30,557 | 359,216 | 119,810 | 30,068 | 424,909 | 41,449 |
| WORKING CAPITAL RATIO | 0.67 | 0.68 | 0.46 | 0.78 | 0.81 | 1.00 | 1.43 |
| **IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO** *excludes unusual items* | 87.2% | 83.8% | 86.0% | 82.9% | 83.9% | 85.4% | 84.2% |
| **V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS** | 2.8 | 4.1 | 3.5 | 4.2 | 5.1 | 1.8 | 3.2 |
| **VI. TOTAL FTEs** *(excludes Board)* | 2,491 | 1,557 | 16,443 | 5,790 | 1,424 | 15,938 | 2,332 |

**HEALTH AUTHORITY SUMMARY OF**
**OTHER FINANCIAL INFORMATION**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | PEACE | NORTHERN LIGHTS | ALBERTA MENTAL HEALTH BOARD | ALBERTA CANCER BOARD | HEALTH AUTHORITY TOTAL 2006 | HEALTH AUTHORITY TOTAL 2005 |
|---|---|---|---|---|---|---|
| **I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE** | -1.0% | -7.5% | 8.3% | 8.0% | 0.9% | 0.5% |
| **II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES** | 4.7% | 7.0% | 12.6% | 3.6% | 3.3% | 3.3% |
| **III. WORKING CAPITAL** | | | | | | |
| Current Assets | 33,408 | 10,323 | 11,760 | 65,159 | 935,412 | 839,325 |
| Current Liabilities | 36,711 | 14,766 | 4,779 | 72,204 | 1,175,492 | 991,809 |
| WORKING CAPITAL RATIO | 0.91 | 0.70 | 2.46 | 0.90 | 0.80 | 0.85 |
| **IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO** *excludes unusual items* | 82.9% | 77.0% | 106.9% | 86.4% | 85.3% | 84.7% |
| **V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS** | 4.5 | 4.9 | 2.0 | 5.5 | 3.1 | 2.6 |
| **VI. TOTAL FTEs** *(excludes Board)* | 2,368 | 855 | 43 | 1,503 | 50,743 | 48,752 |

**TABLE VI**

**HEALTH AUTHORITY SUMMARY OF FEDERAL DIAGNOSTIC/MEDICAL EQUIPMENT FUND**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | CHINOOK REGIONAL HEALTH AUTHORITY | | | PALLISER HEALTH REGION | | | CALGARY HEALTH REGION | | | DAVID THOMPSON REGIONAL HEALTH AUTHORITY | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE |
| Diagnostic Imaging | 1,993 | 53 | 1,940 | 680 | 680 | - | 1,357 | 3,673 | (2,316) | 4,329 | 858 | 3,471 |
| Laboratory | 227 | 225 | 2 | 469 | 469 | - | 341 | 199 | 142 | - | - | - |
| Medical | 5 | 5 | - | 11 | 11 | - | 10,033 | 9,492 | 541 | - | - | - |
| Surgical | 197 | 185 | 12 | 205 | 205 | - | 3,554 | 2,363 | 1,191 | - | - | - |
| Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - |
| Patient Care/Support | 20 | 29 | (9) | - | - | - | 863 | 421 | 442 | - | - | - |
| Total Expenditures | $ 2,442 | $ 497 | $ 1,945 | $ 1,365 | $ 1,365 | $ - | $ 16,148 | $ 16,148 | $ - | $ 4,329 | $ 858 | $ 3,471 |

**HEALTH AUTHORITY SUMMARY OF**
**FEDERAL DIAGNOSTIC/MEDICAL**
**EQUIPMENT FUND**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | EAST CENTRAL HEALTH | | | CAPITAL HEALTH | | | ASPEN REGIONAL HEALTH AUTHORITY | | | PEACE COUNTRY HEALTH | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE |
| Diagnostic Imaging | 1,050 | 1,076 | (26) | 7,143 | 7,143 | - | 794 | 794 | - | 76 | - | 76 |
| Laboratory | 165 | 140 | 25 | - | - | - | 346 | 346 | - | 443 | 399 | 44 |
| Medical | 185 | 176 | 9 | 6,117 | 6,117 | - | 113 | 113 | - | 633 | 346 | 287 |
| Surgical | 256 | 263 | (7) | 1,407 | 1,407 | - | 550 | 550 | - | 398 | 726 | (328) |
| Rehabilitation | - | - | - | - | - | - | 8 | 8 | - | 25 | 8 | 16 |
| Patient Care/Support | - | - | - | 2,442 | 2,442 | - | 81 | 81 | - | 187 | 41 | 146 |
| Total Expenditures | $ 1,656 | $ 1,655 | $ 1 | $ 17,109 | $ 17,109 | $ - | $ 1,893 | $ 1,893 | $ - | $ 1,761 | $ 1,521 | $ 241 |

**TABLE VI**

**HEALTH AUTHORITY SUMMARY OF**
**FEDERAL DIAGNOSTIC/MEDICAL**
**EQUIPMENT FUND**
**FOR THE YEAR ENDED MARCH 31, 2006**
**(In Thousands)**

| | NORTHERN LIGHTS HEALTH REGION | | | ALBERTA CANCER BOARD | | | HEALTH AUTHORITY TOTAL | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | 2005/06 PLANNED | 2005/06 ACTUAL | UNSPENT BALANCE | UNSPENT % |
| Diagnostic Imaging | 644 | 644 | - | - | - | - | 18,066 | 14,921 | 3,145 | 17.41% |
| Laboratory | - | - | - | - | - | - | 1,992 | 1,779 | 213 | 10.68% |
| Medical | - | - | - | 2,342 | 2,342 | - | 19,439 | 18,603 | 836 | 4.30% |
| Surgical | - | - | - | - | - | - | 6,566 | 5,698 | 868 | 13.22% |
| Rehabilitation | - | - | - | - | - | - | 33 | 17 | 16 | 49.78% |
| Patient Care/Support | - | - | - | - | - | - | 3,594 | 3,014 | 579 | 16.12% |
| Total Expenditures | $ 644 | $ 644 | $ - | $ 2,342 | $ 2,342 | $ - | $ 49,690 | $ 44,032 | $ 5,658 | 11.39% |

# Alphabetical List of Entities' Financial Statements in Ministry 2005/06 Annual Reports

## Entities Included in the Consolidated Government Reporting Entity

| Ministry, Department, Fund or Agency | Ministry Annual Report |
|---|---|
| Access to the Future Fund[1] | Advanced Education |
| Agriculture Financial Services Corporation | Agriculture, Food and Rural Development |
| Alberta Alcohol and Drug Abuse Commission | Health and Wellness |
| Alberta Capital Finance Authority | Finance |
| Alberta Energy and Utilities Board | Energy |
| Alberta Foundation for the Arts | Community Development |
| Alberta Gaming and Liquor Commission | Gaming |
| Alberta Heritage Foundation for Medical Research Endowment Fund | Finance |
| Alberta Heritage Savings Trust Fund | Finance |
| Alberta Heritage Scholarship Fund | Finance |
| Alberta Heritage Science and Engineering Research Endowment Fund | Finance |
| Alberta Historical Resources Foundation | Community Development |
| Alberta Insurance Council | Finance |
| Alberta Local Authorities Pension Plan Corporation[2] | Finance |
| Alberta Pensions Administration Corporation | Finance |
| Alberta Petroleum Marketing Commission | Energy |
| Alberta Research Council Inc. | Innovation and Science |
| Alberta Risk Management Fund | Finance |
| Alberta School Foundation Fund | Education |
| Alberta Science and Research Authority | Innovation and Science |
| Alberta Securities Commission | Finance |
| Alberta Social Housing Corporation | Seniors and Community Supports |
| Alberta Sport, Recreation, Parks and Wildlife Foundation | Community Development |
| Alberta Treasury Branches | Finance |
| ATB Investment Management Inc. | Finance |
| ATB Investment Services Inc. | Finance |
| ATB Services Inc. | Finance |
| Child and Family Services Authorities: | Children's Services |
| Calgary and Area Child and Family Services Authority | |
| Central Alberta Child and Family Services Authority | |
| East Central Alberta Child and Family Services Authority | |
| Edmonton and Area Child and Family Services Authority | |
| North Central Alberta Child and Family Services Authority | |
| Northeast Alberta Child and Family Services Authority | |
| Northwest Alberta Child and Family Services Authority | |

[1] Established July 10, 2005.

[2] Incorporated December 16, 2005.

| Ministry, Department, Fund or Agency | Ministry Annual Report |
|---|---|
| Southeast Alberta Child and Family Services Authority | |
| Southwest Alberta Child and Family Services Authority | |
| Metis Settlements Child and Family Services Authority | |
| Credit Union Deposit Guarantee Corporation | Finance |
| Department of Agriculture, Food and Rural Development | Agriculture, Food and Rural Development |
| Department of Advanced Education | Advanced Education |
| Department of Children's Services | Children's Services |
| Department of Community Development | Community Development |
| Department of Education | Education |
| Department of Energy | Energy |
| Department of Finance | Finance |
| Department of Gaming | Gaming |
| Department of Health and Wellness | Health and Wellness |
| Department of Innovation and Science | Innovation and Science |
| Department of Seniors and Community Supports | Seniors and Community Supports |
| Department of Solicitor General and Public Security | Solicitor General and Public Security |
| Department of Sustainable Resource Development | Sustainable Resource Development |
| Environmental Protection and Enhancement Fund | Sustainable Resource Development |
| Gainers Inc. | Finance |
| Government House Foundation | Community Development |
| Historic Resources Fund | Community Development |
| Human Rights, Citizenship and Multiculturalism Education Fund | Community Development |
| iCORE Inc. | Innovation and Science |
| Lottery Fund | Gaming |
| Ministry of Aboriginal Affairs and Northern Development[3] | Aboriginal Affairs and Northern Development |
| Ministry of Advanced Education | Advanced Education |
| Ministry of Agriculture, Food and Rural Development | Agriculture, Food and Rural Development |
| Ministry of Children's Services | Children's Services |
| Ministry of Community Development | Community Development |
| Ministry of Economic Development[3] | Economic Development |
| Ministry of Education | Education |
| Ministry of Energy | Energy |
| Ministry of Environment[3] | Environment |
| Ministry of Executive Council[3] | Executive Council |
| Ministry of Finance | Finance |
| Ministry of Gaming | Gaming |
| Ministry of Government Services[3] | Government Services |

[3] Ministry includes only the departments so separate departmental financial statements are not necessary.

| Ministry, Department, Fund or Agency | Ministry Annual Report |
|---|---|
| Ministry of Health and Wellness | Health and Wellness |
| Ministry of Human Resources and Employment[3] | Human Resources and Employment |
| Ministry of Infrastructure and Transportation[3] | Infrastructure and Transportation |
| Ministry of Innovation and Science | Innovation and Science |
| Ministry of International and Intergovernmental Relations[3] | International and Intergovernmental Relations |
| Ministry of Justice[3] | Justice |
| Ministry of Municipal Affairs[3] | Municipal Affairs |
| Ministry of Restructuring and Government Efficiency[3] | Restructuring and Government Efficiency |
| Ministry of Seniors and Community Supports | Seniors and Community Supports |
| Ministry of Solicitor General and Public Security | Solicitor General and Public Security |
| Ministry of Sustainable Resource Development | Sustainable Resource Development |
| N.A. Properties (1994) Ltd. | Finance |
| Natural Resources Conservation Board | Sustainable Resource Development |
| Persons with Developmental Disabilities Community Boards: | Seniors and Community Supports |
| Calgary Region Community Board | |
| Central Region Community Board | |
| Edmonton Region Community Board | |
| Northeast Region Community Board | |
| Northwest Region Community Board | |
| South Region Community Board | |
| Persons with Developmental Disabilities Provincial Board | Seniors and Community Supports |
| Provincial Judges and Masters in Chambers Reserve Fund | Finance |
| Safety Codes Council | Municipal Affairs |
| Supplementary Retirement Plan Reserve Fund | Finance |
| Victims of Crime Fund | Solicitor General and Public Security |
| Wild Rose Foundation | Community Development |

[3] Ministry includes only the department so separate department financial statements are not necessary.

## Entities NOT Included in the Consolidated Government Reporting Entity

| Fund or Agency | Ministry Annual Report |
|---|---|
| Alberta Foundation for Health Research | Innovation and Science |
| Alberta Heritage Foundation for Medical Research | Innovation and Science |
| Alberta Heritage Foundation for Science and Engineering Research | Innovation and Science |
| Alberta Teachers' Retirement Fund Board | Education |
| Improvement Districts' Trust Account | Municipal Affairs |
| Local Authorities Pension Plan | Finance |
| Long-Term Disability Income Continuance Plan – Bargaining Unit | Human Resources and Employment |
| Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded | Human Resources and Employment |
| Management Employees Pension Plan | Finance |
| Provincial Judges and Masters in Chambers Pension Plan | Finance |
| Provincial Judges and Masters in Chambers (Unregistered) Pension Plan | Finance |
| Public Service Management (Closed Membership) Pension Plan | Finance |
| Public Service Pension Plan | Finance |
| Special Areas Trust Account | Municipal Affairs |
| Special Forces Pension Plan | Finance |
| Supplementary Retirement Plan for Public Service Managers | Finance |
| Workers' Compensation Board | Human Resources and Employment |

## Schools, Universities, Colleges and Hospitals Included in the Consolidated Government Reporting Entity on a Modified Equity Basis[4]

| School Boards and Schools | Ministry Annual Report |
|---|---|
| Almadina School Society | Education |
| Aspen View Regional Division No. 19 | Education |
| Aurora School Ltd. | Education |
| Battle River Regional Division No. 31 | Education |
| Black Gold Regional Division No. 18 | Education |
| Boyle Street Education Centre | Education |
| Buffalo Trail Public Schools Regional Division No. 28 | Education |
| Calgary Arts Academy Society | Education |
| Calgary Girls' School Society | Education |
| Calgary Roman Catholic Separate School District No. 1 | Education |
| Calgary School District No. 19 | Education |
| Calgary Science School Society | Education |
| Canadian Rockies Regional Division No. 12 | Education |
| CAPE-Centre for Academic and Personal Excellence Institute | Education |
| Chinook's Edge School Division No. 73 | Education |
| Christ the Redeemer Catholic Separate Regional Division No. 3 | Education |
| Clearview School Division No. 71 | Education |
| East Central Alberta Catholic Separate Schools Regional Division No. 16 | Education |
| East Central Francophone Education Region No. 3 | Education |
| Edmonton Catholic Separate School District No. 7 | Education |
| Edmonton School District No. 7 | Education |
| Elk Island Catholic Separate Regional Division No. 41 | Education |
| Elk Island Public Schools Regional Division No. 14 | Education |
| Evergreen Catholic Separate Regional Division No. 2 | Education |
| Foothills School Division No. 38 | Education |
| Fort McMurray Roman Catholic Separate School District No. 32 | Education |
| Fort McMurray School District No. 2833 | Education |
| Fort Vermilion School Division No. 52 | Education |
| Foundations for the Future Charter Academy Charter School Society | Education |
| Golden Hills School Division No. 75 | Education |
| Grande Prairie Roman Catholic Separate School District No. 28 | Education |
| Grande Prairie Public School District No. 2357 | Education |

[4]The Public Sector Accounting Board of the Canadian Institute of Chartered Accountants has issued standards that require controlled entities to be fully consolidated line-by-line. In a transitional period to March 31, 2008, the Ministry is permitted to use the modified equity method of accounting. Under the modified equity method, the controlled entities' net assets and operating results would be included in one line on the Ministry's consolidated statements of financial position and operations, respectively. The Ministry has not yet included the financial statements of these controlled entities. In the transitional period, the government will assess when and how to include these controlled entities in the Ministry's consolidated financial statements. The financial results of these controlled entities are included in the consolidated financial statements of the Province of Alberta for the year ended March 31, 2006 on a modified equity basis.

| School Boards and Schools | Ministry Annual Report |
|---|---|
| Grande Yellowhead Regional Division No. 35 | Education |
| Grasslands Regional Division No. 6 | Education |
| Greater North Central Francophone Education Region No. 2 | Education |
| Greater Southern Public Francophone Education Region No. 4 | Education |
| Greater Southern Separate Catholic Francophone Education Region No. 4 | Education |
| Greater St. Albert Catholic Regional Division No. 29 | Education |
| High Prairie School Division No. 48 | Education |
| Holy Family Catholic Regional Division No. 37 | Education |
| Holy Spirit Roman Catholic Separate Regional Division No. 4 | Education |
| Horizon School Division No. 67 | Education |
| Lakeland Roman Catholic Separate School District No. 150 | Education |
| Lethbridge School District No. 51 | Education |
| Living Waters Catholic Regional Division No. 42 | Education |
| Livingstone Range School Division No. 68 | Education |
| Medicine Hat Catholic Separate Regional Division No. 20 | Education |
| Medicine Hat School District No. 76 | Education |
| Moberly Hall School Society | Education |
| Mother Earth's Children's Charter School Society | Education |
| New Horizons Charter School Society | Education |
| Northern Gateway Regional Division No. 10 | Education |
| Northern Lights School Division No. 69 | Education |
| Northland School Division No. 61 | Education |
| Northwest Francophone Education Region No. 1 | Education |
| Palliser Regional Division No. 26 | Education |
| Parkland School Division No. 70 | Education |
| Peace River School Division No. 10 | Education |
| Peace Wapiti School Division No. 76 | Education |
| Pembina Hills Regional Division No. 7 | Education |
| Prairie Land Regional Division No. 25 | Education |
| Prairie Rose Regional Division No. 8 | Education |
| Red Deer Catholic Regional Division No. 39 | Education |
| Red Deer School District No. 104 | Education |
| Rocky View School Division No. 41 | Education |
| St. Albert Protestant Separate School District No. 6 | Education |
| St. Paul Education Regional Division No. 1 | Education |
| St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 | Education |
| Sturgeon School Division No. 24 | Education |
| Suzuki Charter School Society | Education |
| Westmount Charter School Society | Education |

| School Boards and Schools | Ministry Annual Report |
|---|---|
| Westwind School Division No. 74 | Education |
| Wetaskiwin Regional Division No. 11 | Education |
| Wild Rose School Division No. 66 | Education |
| Wolf Creek School Division No. 72 | Education |

| Universities | Ministry Annual Report |
|---|---|
| Athabasca University | Advanced Education |
| The University of Alberta | Advanced Education |
| The University of Calgary | Advanced Education |
| The University of Lethbridge | Advanced Education |

| Colleges | Ministry Annual Report |
|---|---|
| Alberta College of Art and Design | Advanced Education |
| Bow Valley College | Advanced Education |
| Grande Prairie Regional College | Advanced Education |
| Grant MacEwan College | Advanced Education |
| Keyano College | Advanced Education |
| Lakeland College | Advanced Education |
| Lethbridge Community College | Advanced Education |
| Medicine Hat College | Advanced Education |
| Mount Royal College | Advanced Education |
| NorQuest College | Advanced Education |
| Northern Lakes College | Advanced Education |
| Olds College | Advanced Education |
| Portage College | Advanced Education |
| Red Deer College | Advanced Education |

| Technical Institutes and The Banff Centre | Ministry Annual Report |
|---|---|
| Northern Alberta Institute of Technology | Advanced Education |
| Southern Alberta Institute of Technology | Advanced Education |
| The Banff Centre for Continuing Education | Advanced Education |

| Regional Health Authorities and Other Health Institutions | Ministry Annual Report |
|---|---|
| Alberta Cancer Board | Health and Wellness |
| Alberta Mental Health Board | Health and Wellness |
| Aspen Regional Health Authority | Health and Wellness |
| Calgary Health Region | Health and Wellness |
| Capital Health | Health and Wellness |
| Chinook Regional Health Authority | Health and Wellness |
| David Thompson Regional Health Authority | Health and Wellness |
| East Central Health | Health and Wellness |

| Regional Health Authorities and Other Health Institutions | Ministry Annual Report |
|---|---|
| Northern Lights Health Region | Health and Wellness |
| Peace Country Health | Health and Wellness |
| Palliser Health Region | Health and Wellness |

# Ministry Contacts

For further information regarding the contents of this annual report please contact:

| Position | Name | Phone Number |
|---|---|---|
| Minister of Health and Wellness | Iris Evans | (780) 427-3665<br>Fax: (780) 415-0961 |
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| Health Workforce<br>Assistant Deputy Minister | Richard Butler | (780) 427-1310<br>Fax: (780) 415-8455 |
| Information Strategic Services<br>Assistant Deputy Minister | Linda Miller | (780) 415-1501<br>Fax: (780) 422-5176 |
| Program Services<br>Assistant Deputy Minister | Janet Skinner | (780) 415-1599<br>Fax: (780) 422-3674 |
| Public Health<br>Assistant Deputy Minister | Wayne McKendrick | (780) 415-8913<br>Fax: (780) 422-3671 |
| Strategic Directions<br>Assistant Deputy Minister | Annette Trimbee | (780) 427-7038<br>Fax: (780) 415-0570 |
| Communications<br>Executive Director | Mark Kastner | (780) 427-7164<br>Fax: (780) 427-1171 |
| Human Resources<br>Executive Director | Rick Brick | (780) 427-1060<br>Fax: (780) 422-1700 |
| Alberta Alcohol and Drug Abuse Commission Chief Executive Officer | Murray Finnerty | (780) 415-0370<br>Fax: (780) 423-1419 |