

Alberta Ministry of Health and Wellness
.....
Annual Report 2002/2003

SECTION I



www.healthyalberta.com

Alberta
HEALTH AND WELLNESS

For further information

For additional copies of this document or Section II, or further information about Alberta Health and Wellness, contact:

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22nd floor, 10025 Jasper Avenue
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You can find this document on Alberta Health and Wellness' Internet Web site - <http://www.health.gov.ab.ca>

For research or technical inquiries on the performance measures and statistical data in the "Results Analysis" section, contact:

Alberta Health and Wellness
Standards and Measures
22nd floor, 10025 Jasper Avenue
Edmonton, Alberta T5J 2N3

For research or technical inquiries on the "Financial Information" section, contact:

Alberta Health and Wellness
Financial Planning and Reporting
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The Alberta Public Service received the Gold Award for Innovative Management from the Institute of Public Administration of Canada (IPAC) for its Corporate Human Resource Development Strategy. This innovative approach to meeting the human resource needs of the Alberta government is a long-term commitment to learning, leadership and the promotion of the Alberta public service as an attractive employer.

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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 consult the contact list on page 3.





P R E F A C E

Public Accounts 2002/2003

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 24, 2003 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, where available, which are accountable to the Minister of Health and Wellness.





C O N T A C T L I S T

Financial Information for Regional Health Authorities and Provincial Health Boards

For further financial information regarding the regional health authorities or provincial health boards, please contact:

New Region after March 31, 2003	Responsible For Reporting of the Following 2002/2003 Health Authorities	Contact Phone Number
Chinook	1 Chinook	(403) 382-6019
Palliser	2 Palliser	(403) 529-8058
Calgary	3 Headwaters	(403) 541-3677
	4 Calgary	(403) 541-3677
David Thompson	5 HA #5	(403) 341-8622
	6 David Thompson	(403) 341-8622
	9 Crossroads	(403) 341-8622
East Central	7 East Central	(780) 608-8820
Capital	8 Westview	(780) 407-3652
	10 Capital	(780) 407-3652
Aspen	11 Aspen	(780) 349-8705
	12 Lakeland	(780) 349-8705
	15 Keweenaw	(780) 349-8705
Peace Country	13 Mistahia	(780) 538-6138
	14 Peace	(780) 538-6138
Northern Lights	16 Northern Lights	(780) 791-6037
	17 Northwestern	(780) 791-6037
ACB	ACB	(780) 422-2233
AMHB	AMHB	(780) 412-6350





Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2003, 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 12, 2003 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original Signed]

Gary G. Mar, Q.C.
Minister of Health and Wellness
September 12, 2003





Message from the Minister

I am pleased to reflect on the past year and the significant progress we have made in building a public health care system for Albertans.

Our task has been one of continual improvement, of finding the most efficient and affordable ways to deliver essential health care services.

In 2002/2003 Health and Wellness expended \$6.8 billion, an increase of \$516 million, or 8.2 per cent over 2001/2002. Health authorities received additional operating funds totaling \$236 million for an overall increase of 6.5 per cent.

In February 2003, federal, provincial and territorial governments met to discuss future health care priorities. Agreement was reached to take action on primary health care, home care, catastrophic drug coverage and investing in new medical equipment. Alberta will receive \$248 million in the first year of a three-year commitment in the federal budget.

QUALITY HEALTH CARE

Albertans receive a high quality of care from a system that rates among the best in the country. The Canadian Institute for Health Information data show Alberta rated above the national average in several areas including per-person health spending and better survival rates for patients admitted to a hospital following a stroke or heart attack.

Alberta's Report on Comparable Health Indicators finds Albertans experience lower rates of in-hospital mortality rates for heart attacks and strokes, lower potential years of life lost for



lung cancer, colorectal cancer, heart attack and stroke and lower hospital re-admission rates for heart attacks.

Albertans also report a high rate of satisfaction with the health care they receive. The 2002 Alberta Health Survey shows 86 per cent of Albertans reported the quality of care they received as excellent or good.

FINDING EFFICIENCIES IN DELIVERING HEALTH CARE

We have taken concrete steps to find new efficiencies. The Health Resource Centre (HRC) in Calgary was approved to provide five orthopaedic procedures to Workers' Compensation Board (WCB) recipients and federal government employees such as the military and RCMP.

The transition to convert Alberta's 17 health regions to nine was completed April 1, 2003. The change to fewer, larger regions, and the transfer of mental health services to regional health authorities, responds to the recommendations of the Premier's Advisory Council on Health.

Alberta's health authorities will be more collaborative, innovative and accountable as government implements the recommendations of the Committee on Innovation and



Collaboration report. New multi-year performance agreements will be established later in 2003 that will require RHAs to improve collaboration and innovation, develop new models of care, create centres of specialization and contract with a blend of providers to offer a range of services.

HELPING ALBERTANS TO BE HEALTHY

In January 2002, the Alberta government accepted the recommendations of the Premier's Advisory Council on Health report and responded with an action plan to build a better public health system. The first priority of the action plan is to help Albertans stay healthy.

The Healthy U campaign was launched in January 2003 to encourage Albertans to lead healthy lifestyles and reduce their risk of chronic disease. The three-year health information campaign promotes the benefits of healthy eating and regular physical activity.

A large stakeholder group led by Alberta Health and Wellness developed the *Alberta Diabetes Strategy*. The 10-year strategy addresses prevention and management of diabetes in a co-ordinated and comprehensive manner. Government and non-government organizations will be taking action on diabetes prevention and management.

The Alberta Alcohol and Drug Abuse Commission (AADAC) and Alberta Health and Wellness launched a strategy to reduce the number of young people starting to use tobacco, encourage and help current tobacco users to

quit, and reduce non-smokers' exposure to environmental (second-hand) tobacco smoke.

The *Prevention of Youth Tobacco Use Act* was proclaimed to make it illegal for anyone under the age of 18 to use or possess tobacco in a public place.

This year, Alberta was among the first provinces and territories to provide routine conjugate meningococcal and conjugate pneumococcal vaccinations to protect infants from serious diseases such as meningitis, serious blood infections and pneumonia. Regional health authorities administer these immunization programs at a cost of \$2.33 million for conjugate meningococcal vaccine and \$4.96 million for conjugate pneumococcal vaccine. Alberta Health and Wellness also provides \$2.3 million in administrative support to help regional health authorities provide these vaccinations.

Successful pilot tests of electronic medication information are now being expanded to provide access for radiology and laboratory tests. By viewing complete and accurate electronic health information about their patients, health care providers will be able to make more effective decisions about the care they provide.

I am pleased with our progress on health reform and look forward to meeting tomorrow's challenges of building a better public health care system for Albertans.

[Original Signed]

Gary G. Mar, Q.C.
Minister of Health and Wellness
M.L.A. Calgary Nose Creek



Management's Responsibility for Reporting

The Ministry of 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 Health and Wellness. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts 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 designed to:

- provide reasonable assurance 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 Finance and the Minister of 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]

Dr. Roger Palmer
Deputy Minister
Ministry of Health and Wellness
September 12, 2003

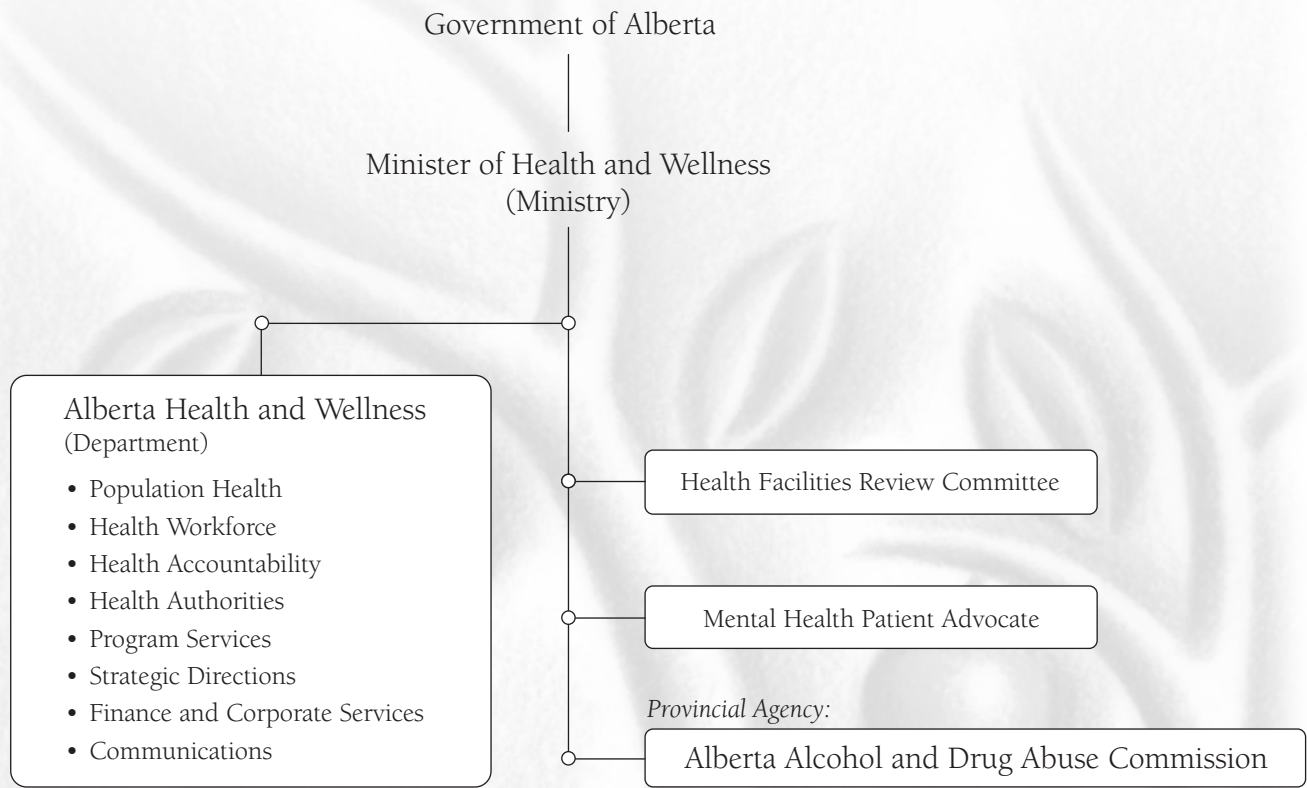




OVERVIEW

Ministry of Health and Wellness Organization

(April, 2002 to March, 2003)



Ministry Contacts

Minister of Health and Wellness,

GARY G. MAR

Telephone: (780) 427-3665

Fax: (780) 415-0961

Responsible for ensuring health services in the province are properly conducted in the public interest. Ultimately responsible for the overall quality of health services in Alberta and for reporting to the Legislature on the health of Albertans.

Deputy Minister of Health and Wellness,

ROGER PALMER

Telephone: (780) 422-0747

Fax: (780) 427-1016

Assists and supports the Minister of Health and Wellness in discharging his responsibilities and duties. Responsible for administrative management of the Ministry including human resource management and Alberta Wellnet.

Population Health Assistant Deputy Minister,

ART McINTYRE

Telephone: (780) 427-8596

Fax: (780) 422-3671

Provides leadership in health surveillance, disease control and prevention, and population health strategy development. Facilitates coordinated approaches to improving public health and medical care through public health policy development. Develops policies and strategies for publicly funded drug programs.

Finance and Corporate Services Assistant

Deputy Minister,

BRUCE PERRY

Telephone: (780) 427-0885

Fax: (780) 422-3672

Provides leadership on internal and external funding allocations, financial accountability, and fiscal planning and governance to sustain the public health system. Conducts analytical studies and works with the Auditor General on fiscal reporting matters. Manages Alberta Health and Wellness financial resources and advises on legal and legislative issues and capital planning.

Health Workforce Assistant Deputy Minister,

RICHARD BUTLER

Telephone: (780) 427-1912

Fax: (780) 415-8455

With regional health authorities, physicians, professional associations and other partners, promotes innovative approaches and strategies to achieve a balanced workforce to meet Alberta's health needs in a fiscally sustainable manner. Responsible for contracts and physician compensation, health workforce planning, health professions and the office of the provincial medical care consultant.



**Strategic Directions Assistant Deputy Minister,
ANNETTE TRIMBEE**

Telephone: (780) 427-7038
Fax: (780) 415-0570

Coordinates environmental scanning to identify, track and address strategic issues, prepares the Ministry Business Plan, develops health system policy and strategies, and works with federal/provincial/territorial health departments on current and emerging intergovernmental issues to assist in planning and policy development.

**Health Accountability Assistant Deputy Minister,
TODD HERRON**

Telephone: (780) 427-5280
Fax: (780) 422-5176

Leads and supports health system accountability and continuous improvement through developing and refining performance expectations, evaluating and reporting on performance, managing information and technology resources and promoting knowledge-based decision making. Through Alberta Wellnet, promotes the use of technology to improve quality of care, access to health services, health promotion and health system management.

**Program Services Assistant Deputy Minister,
JANET SKINNER**

Telephone: (780) 415-1599
Fax: (780) 422-3674

Provides Albertans and health care practitioners with customer registration, information and billing services and administers both the Alberta Aids to Daily Living and Emergency Health Services air and ground ambulance programs.

**Health Authorities Assistant Deputy Minister,
WAYNE MCKENDRICK**

Telephone: 415-8913
Fax: (780) 415-0961

Facilitates effective working relationships between the Ministry and the province's health authorities, including establishing multi-year performance agreements with health authorities and maintaining liaison with the health authorities on health service and change initiatives.



Communications Director,

CAROL CHAWRUN

Telephone: (780) 427-7164

Fax: (780) 427-1171

Provides strategic communications counsel and support to help the department, Minister and government communicate on health issues with the health system and Albertans. Initiates information programs and public education campaigns, and provides services that include media relations, correspondence support and liaising with department staff and other partners.

**Alberta Alcohol and Drug Abuse Commission
Chief Executive Officer,**

R.M. FINNERTY

Telephone: (780) 427-2837

Fax: (780) 423-1419

Provides or funds a range of alcohol, other drug and problem gambling prevention, treatment and information services for Albertans through a network of offices and community agencies. Services include community outpatient counseling and prevention, crisis and detoxification, residential treatment and research, information and monitoring services.

Health Facilities Review Committee Chair,

BOB MASKELL, MLA EDMONTON-MEADOWLARK

Telephone: (780) 427-4924

Fax: (780) 427-0806

Monitors the quality of care, treatment and standards of accommodation provided to patients and residents in hospitals and continuing care centres.

Mental Health Patient Advocate,

JEANETTE McPHAIL

Telephone: (780) 422-1812

Fax: (780) 422-0695

Investigates complaints about mental health patients' rights, certification concerns and care and treatment issues. The Advocate has the authority to investigate facilities that admit formal patients (those patients involuntarily detained under the *Mental Health Act*) or are required to inform patients and their families and legal guardians of their rights under the *Mental Health Act*.



Vision, Mission and Core Businesses

VISION

The Government of Alberta's vision for the province 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.

This broader vision is supported by the vision of Alberta Health and Wellness:

Citizens of a healthy Alberta achieve optimal health and wellness.

The slogan "Healthy Albertans in a healthy Alberta" reflects this vision.

The health and wellness of a population is determined by factors such as education, employment, income and the environment, in addition to quality health services. The Government of Alberta wants Albertans to be able and encouraged to:

- realize their full health potential in a safe environment with appropriate income, housing, nutrition and education; and
- play a valued role in family, work and their community.

Alberta Health and Wellness contributes to this effort by ensuring Albertans have equitable access to affordable, effective and appropriate health and wellness services, when they need them.

The vision also requires individuals to take responsibility for health in their communities, in collaboration with the Ministry, providers of health services, other Ministries, other levels of government and the private sector.

MISSION AND CORE BUSINESSES

The mission of the Ministry is:

To maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders.

Two core businesses support this mission:

- 1. Lead and support a system for the delivery of quality health services.**
- 2. Encourage and support healthy living.**



Highlights for 2002/2003

Leading Albertans towards better health and care.

Health care, whether it consists of surgery to replace a hip or vaccinating an infant against a childhood disease, ultimately aims to make individuals as healthy as possible. A leading health care system helps people take steps towards wellness and healthy living through appropriate prevention, protection and treatment services. Throughout 2002/2003, the Ministry of Health and Wellness focused on transforming the public health system, to promote the health of Albertans while maintaining financial sustainability. The Ministry worked on implementing the reforms recommended by the Premier's Advisory Council on Health, in consultation with regional health authorities, health care professionals and other key partners.

ACCESSIBLE, QUALITY CARE

In 2002/2003, the Ministry and its partners explored innovative ways to make fuller use of the skills and knowledge of health care professionals and improve access to health care.

- New alternate funding plans for academic physicians at Alberta's two medical schools were launched. The plans remunerate over 220 academic physicians for their delivery of clinical services, teaching duties, research and administrative work. The plans will help increase the quality of time these physicians spend teaching students, caring for patients or on research, and help attract

and retain medical specialists. Alberta Health and Wellness provided \$8.25 million, and Alberta Learning \$3 million, to fund the plans for 2002/2003.

- New Health Professions Advisory Board was established to advise the Minister about the regulation of all Alberta health professions, to make better use of health professionals in the delivery of care. The Board has met on a regular basis to consider changes to entry requirements and authorization of additional restricted activities for selected health professions, as well as regulation of additional health professions.
- Pilot testing of the Alberta Waitlist Registry began. The registry will put waitlists for selected procedures on the Internet, to assist Albertans needing services make a choice on where to go to receive the services.
- Province-wide services, such as heart surgeries and kidney dialysis, received \$418 million in 2002/2003. This is an increase of six per cent over the previous year, and reflects the Government of Alberta's commitment to ensuring Albertans have access to these critical health services.

Measures and results

High ratings for quality of care and patient satisfaction were maintained in 2002/2003. In spite of increased funding, access to services remains a challenge; public perceptions of ease of access did not change, and either wait lists or wait times for selected procedures continued to increase.



PROTECTION, PROMOTION AND PREVENTION

A key element of the health system is providing Albertans with supports to live healthy lives and avoid injury and disease. This was a critical focus of action in 2002/2003.

- A public information and education campaign, titled Healthy U, was launched early in 2003, to raise awareness about the importance of healthy eating and regular physical activity. The campaign included television and radio advertisements and a newspaper supplement, as well as a Web site with evidence-based health information. The campaign builds on the work of health, nutrition and active living organizations in the province.
- A cross-ministry committee developed ten-year objectives and targets for nine key health issues, as part of a Healthy Alberta Promotion and Prevention Policy Framework. The objectives and targets are for diabetes, obesity, physical activity, mental health, chronic heart and lung disease, tobacco use, substance abuse and accident injury. Strategies to reach the targets were identified.
- The Alberta Diabetes Strategy was developed. The strategy addresses primary prevention, financial assistance for low-income Albertans, screening for diabetes and complications for Aboriginal people living off reserve, care and management of diabetes and enhanced funding for diabetic supplies for low income Albertans.
- Two new vaccines were added to Alberta's routine immunization program. The conjugate meningococcal and conjugate pneumococcal vaccine will be given to infants, starting at age two months. The vaccines will cost \$20 million annually.

- The Alberta Alcohol and Drug Abuse Commission (AADAC) launched an information campaign to reduce and prevent tobacco use in Alberta. The campaign included radio advertisements and a tobacco reduction magazine delivered to homes in eight major centres, followed by television and poster advertising about the commission's toll-free Smoker's Help Line. AADAC also launched a comprehensive program to educate children about the dangers of tobacco and prevent them from starting to smoke.

Measures and results

Self-reported health status in both the 16 to 64 and 65 and over age groups increased slightly in 2003. A substantial majority of Albertans feel they are in good to excellent health.

HEALTH SYSTEM AND MINISTRY EFFECTIVENESS

Ensuring that Albertans are well served by the health system, as individuals who use health services and as taxpayers, is important. In 2002/2003, the Ministry worked towards greater accountability, effectiveness and efficiency throughout the health system.

- Alberta's performance exceeded the Canadian average in several health areas, according to the first Alberta's Report on Comparable Health Indicators. All provinces reported on a set of comparable health indicators to give Canadians reliable information about the health of the population and performance of the health system.
- The Canadian Institute for Health Information confirmed that Albertans receive high quality care in its Health Care in Canada 2002 report. Alberta performed better than the Canadian average in several



areas, including per-person health spending, joint replacement surgery and heart attack survival rates.

- The Committee on Innovation and Collaboration released its report with 50 recommendations to improve regional health authority collaboration, innovation and accountability. The Government of Alberta accepted all recommendations except one that called for a collaboration fund; it was felt that collaboration should occur within existing budgets.
- Following the report of the Committee on Collaboration and Innovation, new boundaries to combine Alberta's 17 health regions into nine were announced. The new boundaries better reflect where patients go for health services, reduce administration and provide greater opportunities for innovation and collaboration. They are effective April 1, 2003.
- Two Pharmaceutical Information Network (PIN) pilots were successfully conducted in Westlock and Leduc. The projects demonstrated that electronic sharing of prescription information improves patient safety by providing more complete patient medication profiles and prescription information, reducing the risk of errors and improving detection of patient medication compliance. PIN is a core component of the electronic health record.

Measures and results

Public self-rated knowledge of health services improved slightly in 2003. While most staff indicated they understand their contribution to the Ministry's success, levels of understanding declined compared to last year. Staff in other ministries continued to report high levels of satisfaction with Alberta Health and Wellness' contribution to cross-government initiatives.

FINANCIAL RESULTS AND FUNDING PRIORITIES

Access to a quality, publicly funded health care system continued to be a top priority for the government in 2002/2003. During this period, the Ministry spent \$6.841 billion, 33.1 per cent of total government expense.

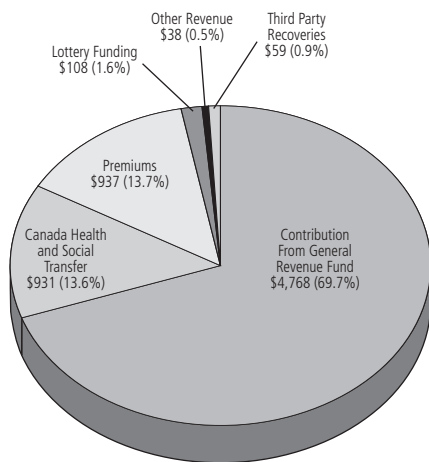
The 2002/2003 fiscal year represented the beginning of the transition to a sustainable health care system. The \$6.8 billion expenditure is an increase of \$515.8 million (8.2 per cent) over 2001/2002, an extra \$1.4 million per day. The increased spending reflects:

- Increased support for the delivery of acute, long term and continuing care, as well as mental health and cancer services, to Albertans — \$247.2 million.
- Continued access to critical health services, such as heart surgeries and kidney dialysis — \$23.6 million.
- Delivery of physician services in both community and hospital settings and the development of alternative compensation arrangements and innovative service delivery models — \$214.7 million.
- Continued demand for non-group drug benefits, primarily by seniors — \$49.4 million.
- The first year of a three-year commitment to develop a province-wide information and advice service (Health Link) — \$10.9 million.
- The implementation of recommendations from the Premier's Advisory Council on Health, such as the Healthy U campaign and the development of alternate funding plans for academic physicians — \$12.5 million.

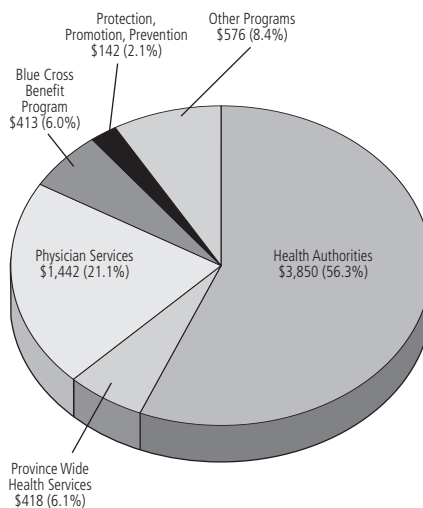


- Continued support of activities and programs to protect and promote health and prevent disease — \$19.4 million. This included a new initiative entitled the *Alberta Tobacco Reduction Strategy*.
- Increases in health care insurance premium write offs — \$17.9 million.
- The termination of the Extended Health Benefits program, which provided assistance to seniors with optical and dental costs — (\$23.5 million). To assist low-income seniors, increased funding was allocated to the Alberta Seniors Ministry.
- The completion of the federal government's commitment for medical/diagnostic equipment — (\$48.9 million).
- Completion of an initiative that ensured consistency in the information maintained by the health authorities on health services — (\$7.4 million).

Source of Funding



How Funding was Spent



Total \$6,841 Million





Communication with Albertans

Alberta Health and Wellness consulted with Albertans and communicated progress on health reform and department initiatives. These activities included:

Regional health authority boundary changes

Alberta Health and Wellness supported and communicated the decision to move from 17 to nine health regions through meetings with MLAs, regional health authorities, and municipal and county officials.

Healthy U campaign

Alberta Health and Wellness developed a \$1.7 million public education campaign to promote healthy choices and lifestyles which included television and radio advertising, a supporting Web site and other public communications.

Other health reform achievements

Communications support and public promotion were provided to a range of achievements including:

- expanding scopes of practice for licensed practical nurses and nurse practitioners.
- approval of Alberta's first surgical facility to offer overnight stays for uninsured procedures.
- Alberta's first report on nationally comparable health indicators.
- The launch of the Alberta Tobacco Reduction Strategy.

- *Commission on the Future of Health Care In Canada (Roy Romanow Report)*: provided analysis and Alberta Health and Wellness Minister's response within hours of the report's release.
- *Reform Highlights* — March 2003: document highlighting key health reform activities January 2002 – March 2003.

Review committees

Alberta Health and Wellness provided counsel and support to a range of health reform review teams. The department provided strategic communications counsel to the Minister in responding to the following committee reports and recommendations.

- Health Reform Implementation Team: produced two reports monitoring progress on health reform.
- Expert Advisory Panel to Review Publicly Funded Health Services; Committee on Collaboration and Innovation; M.L.A. Task Force on Health Care Funding and Revenue Generation: wrote reports and recommendations to the Minister.
- MLA Review Committee on Ambulance Services: wrote and produced a draft and final report.



Federal/Provincial/Territorial Meeting of Ministers of Health

Alberta Health and Wellness hosted this annual meeting in Banff in September 2002 and provided support to the Minister as chair of the event.

Cross-ministry initiatives

Alberta Health and Wellness collaborated with other government departments and various stakeholders in the Health Sustainability Initiative, the Aboriginal Policy Initiative, the Alberta Children and Youth Initiative and the Economic Development Initiative.

Web site

Alberta Health and Wellness launched a user-friendly department Web site. It tied for second in an annual evaluation (*Insight into Government*), up from eighth place the year before.

Public inquiries

The Customer Services and Registration Branch responded to 1,153,159 telephone calls, answered 1,136,202 written inquiries and served 126,513 walk-in clients.

The department responded to more than 4,000 e-mail inquiries and more than 7,300 Ministerial action requests.

Media relations

Alberta Health and Wellness produced 64 news releases on topics like health reform, immunization programs, public health warnings, health funding and program changes.



RESULTS ANALYSIS

Message from the Deputy Minister

Health care remains the number one priority for Albertans. Our work focuses on taking the necessary steps to create a healthier population and provide high quality services in the most effective and affordable way.

The challenge to delivering a high quality system remains constant: rising costs in serving a growing population with high expectations.

The total per capita expenditure by Alberta Health and Wellness in 2002/2003 was \$2,197 — a cost that climbs each year.

According to the 2001/2002 *Alberta Health Care Insurance Plan (AHCIP) Statistical Supplement*, the average cost per patient of basic health care (physician and allied health service practitioner services) rose by nine per cent to \$417.46 from \$383.63.

In 2002/2003, \$1.28 billion was allotted to physicians for basic health services, a 16.4 per cent increase from the previous \$1.09 billion. Alberta spent more than \$413 million on Alberta Blue Cross benefits, up 13.6 per cent from \$364 million — with drugs accounting for 95 per cent of these expenditures.

BUILDING A BETTER SYSTEM WITH OUR PARTNERS

The Alberta health reform plan calls for building a more accountable system, focused on results. The transition plan to create nine health regions, with integrated mental health services within those regions, was a dominant

focus for the department. Patients will see improved service as regions take advantage of cost efficiencies possible with a larger population base, and then use these savings to better respond to local health needs.

The Minister of Health and Wellness and I met with health authority executives and staff, and municipal and county representatives in the nine new regions in early February to discuss the transition plan. We heard concerns about the composition of the new boards, pressures in emergency departments, and the challenges regional health authorities face as they work to match resources with health care needs. We also heard consistent support for health reform and boundary changes.

A new department unit has been established to develop effective working relationships between the department and regional health authorities. This unit will establish the new multi-year performance agreements with the health authorities. It will also work closely with the health authorities in the areas of further integration of mental health services and rural health service initiatives.

Albertans should see no disruption in access to services as the nine health authorities assume responsibility for mental health programs and facilities and get down to the business of managing their expanded regions. The change to fewer, larger regions, and the transfer of mental health services, respond to the recommendations of the Premier's Advisory Council on Health.



STRATEGIES FOR BETTER HEALTH

Work continued on many fronts to advance the government's action plan on health in response to the recommendations of the Premier's Advisory Council on Health report.

Wellnet achieved its first success with the Pharmaceutical Information Network (PIN) pilot project. The first of its kind in Canada, PIN provides the electronic exchange of medication information — allowing for enhanced quality, efficiency, and patient safety. In addition, great strides have been made in moving forward with the Electronic Health Record Pilot Project.

The department collaborated with regional health authorities on an integrated system that will be used to post waiting times for surgeries and procedures. This will lead to an Internet wait list registry showing wait times for surgeries and diagnostic tests performed by specific surgeons and health professionals that will help Albertans plan, with their physicians, where they should go to receive these services.

Alberta Health and Wellness worked with other ministries and stakeholder groups as part of the Health Sustainability Initiative to develop the Healthy Alberta Promotion and Prevention Policy Framework. This framework sets out a plan to improve the health and wellness of Albertans and establishes targets to reduce the rate of chronic diseases such as heart disease, cancer, chronic obstructive pulmonary disease and type 2 diabetes by 2012.

A new Healthy Aging and Seniors Wellness Strategic Framework, 2002 – 2012 was established to improve the well being of seniors and baby boomers. This framework is a key planning tool for healthy aging in Alberta that advocates promoting health and preventing disease and injury, optimizing mental and physical function and managing chronic disease.

MAKING THE BEST USE OF HEALTH CARE PROFESSIONALS

The first-time Health Professions Advisory Board was appointed to provide advice to the Minister of Health and Wellness about the regulation of all Alberta health professions. Licensed practical nurses and nurse practitioners were given expanded scopes of practice under new approved regulations.

The department implemented alternate funding agreements with physicians at the University of Alberta departments of medicine and pediatrics and the University of Calgary department of pediatrics. These compensation agreements allow academic physicians more time to concentrate on teaching, conducting research and consulting with patients than the traditional fee-for-service payment arrangement.

Funding was awarded to Aboriginal students from across the province to help them pursue studies in health-related fields ranging from nursing to massage therapy, dentistry to naturopathy. The Aboriginal Health Careers Bursary program is a key component of the Alberta Aboriginal Health Strategy to improve the health status of Aboriginal communities.

I am proud of our accomplishments and look forward to working with our many partners in advancing health reform initiatives in the year ahead.

[Original Signed]

Dr. Roger Palmer
Deputy Minister
Alberta Health and Wellness



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 Key Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Health and Wellness' key performance measures included in the *2002-2003 Annual Report of the Ministry* I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the key performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the key performance measures included in the *2002-2003 Annual Report of the Ministry of Health and Wellness*.

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

Edmonton, Alberta
August 1, 2003





Core Businesses

Alberta Health and Wellness has two core businesses:

1. LEAD AND SUPPORT A SYSTEM FOR THE DELIVERY OF QUALITY HEALTH SERVICES

A system of quality health services is in place for Albertans who are medically fragile, injured, ill or in need of diagnosis, treatment or support. While responsibility for service delivery rests with health authorities, agencies and individual health care providers, the Ministry establishes direction, policy and provincial standards. Key Ministry roles are to set priorities based on health needs, determine the financial, capital and human resources required, and measure and report on the performance of the system. For 2002/2003, the Ministry expended \$6.62 billion on this core business.

2. ENCOURAGE AND SUPPORT HEALTHY LIVING

A primary focus of our health system is to support and encourage the health and wellness of Albertans. These programs promote and protect health, prevent disease and injury, provide knowledge and intervention to address health risks, and help Albertans make informed decisions about their health. Programs are provided through the Ministry, regional health authorities and provincial agencies. In addition, the Ministry contributes to cross-ministry initiatives addressing factors that influence health. For 2002/2003, \$221 million was spent to support this core business.

The core businesses are directed towards four goals:

GOAL 1

To sustain and improve the delivery of accessible, effective, quality health services to Albertans who need them.

GOAL 2

To improve the health and wellness of Albertans through provincial strategies for protection, promotion and prevention.

GOAL 3

To support and promote a system for health.

GOAL 4

To optimize the effectiveness of the Ministry.

The following four sections provide information about actions, key achievements, performance indicators and results for each goal in 2002/2003.



Goal 1 To sustain and improve the delivery of accessible, effective, quality health services to Albertans who need them.

Health authorities and individual health practitioners have primary responsibility for health service delivery. The Ministry of Health and Wellness promotes continuous improvement and innovation to ensure health services address the needs of Albertans, meet high standards of quality and achieve positive health and wellness results.

THE MINISTRY

- works closely with health authorities, agencies and other stakeholders to support optimal use of health professionals;
- works with health authorities to promote appropriate investment and management of provincial resources through review and approval of business and capital plans; and
- administers the Alberta health care insurance plan and operates the claims payment system for practitioners, Aids to Daily Living suppliers, air ambulance operators and other services.

WHAT WE DID

Continued implementing the recommendations of the Premier's Advisory Council on Health.

- Formed a cross-ministry Health Sustainability Initiative Committee to coordinate implementation of the recommendations that would benefit most from cross-ministry collaboration. Ten ministries are represented.
 - Launched a comprehensive three-year campaign, Healthy U, to provide Albertans with current, evidence-based information about healthy choices and factors that influence health.

- Developed a health promotion framework to focus resources on key targets for improved healthy behaviours and reduced injury and chronic disease.
- Developed the Healthy Aging and Seniors Wellness Framework to enhance the well being of seniors and baby boomers.
- Developed a forecasting model to help determine future demand for long-term care, supportive living and home care, and developed strategies to expand supportive living options.
- Under the *Alberta Tobacco Reduction Strategy*, funded community tobacco reduction projects, initiated a Smoker's Help line and launched a large-scale social marketing campaign.
- Increased the focus on determinants of health under the Early Childhood Development Initiative. Implemented related indicators in October 2002, and integrated early childhood development strategies into 2003 – 2006 business plans of ministries and authorities.

- Developed and began pilot testing an Alberta Waitlist Registry to put waitlists for selected procedures on the Internet.
- Began work on a central booking system to improve access to selected services, including surgeries, through a co-ordinated, Alberta-wide scheduling system. Initial implementation in summer 2003 will focus on orthopedic surgery.
- Established an 11-member panel to review all categories of services currently funded by the public health system; made recommendations to the Minister about



which treatments and procedures should continue to be funded and provided advice on a process for review of new health services for public funding.

- Increased health care premium rates and changed premium assistance programs. Currently, 302,968 accounts are subsidized.

Promoted new models of health service delivery.

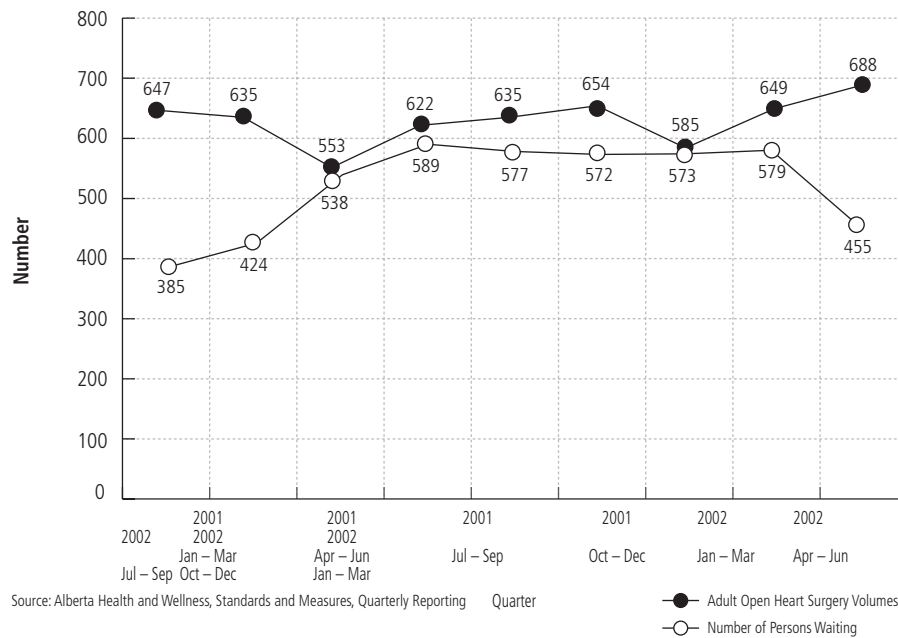
- Allocated \$54.7 million over three years from the Health Canada Primary Health Care Transition Fund to develop a province-wide health information and advice service (Health Link) and to fund regional primary health care projects. Held stakeholder consultations on primary health care reform, which led to a draft strategy.
- Continued to provide support and direct the evaluation of projects selected for funding under the Health Innovation Fund.
- Approved overnight stays at the Health Resource Centre in Calgary for five orthopedic procedures to patients uninsured under the *Canada Health Act*. The Government of Alberta does not fund the centre or the procedures.
- Established an MLA Committee on rural health care to make recommendations on a provincial strategy to meet the unique health service needs of rural Albertans.
- Supported completion of the MLA Review of ground ambulance service delivery in partnership with the Ministries of Human Resources and Employment and Municipal Affairs.

Maintained access to certain province-wide or essential services and actively monitored waiting lists.

- Provided \$418 million for province-wide services — key specialized services such as dialysis and heart surgeries. This was an increase of six per cent from the previous year, ensuring these life-saving medical procedures would be there for Albertans.
- Targets for access to six health services (children's mental health, MRI/CT, major joint replacement, cardiac services, and breast and prostate cancer) are being developed by the newly established Access Standards Working Group and five sub-committees.
- Experienced little change in the number of persons waiting for heart surgery, or the number of surgeries performed, compared to 2001/2002. According to *Alberta's Report of Comparable Health Indicators*, Alberta has the lowest hospital mortality following heart attacks among provinces and also has the lowest one-year mortality following heart attacks, indicating Albertans with heart disease receive high quality care.



**Alberta — Adult Open Heart Surgery Volumes and Number of Persons Waiting
January – March 2001 to January – March 2003**



Developed a strategy for organ and tissue donation and transplantation in Alberta.

Developed an implementation plan and drafted policies, standards and guidelines to create an integrated and coordinated system. The policies will be used to develop new legislation and a new organ and tissue donation system following consultation with stakeholders.

Implemented key policy directions resulting from the recommendations of the Long Term Care Review.

- Released the *Healthy Aging and Seniors Wellness Strategic Framework, 2002 – 2012*, which identifies provincial priorities and provides a planning tool for regional health authorities and community organizations.
- Released the *Alzheimer Disease and Other Dementias Initiative* report, which contains themes and priorities for care to help regional health authorities plan service delivery.

- Released *Tracking Progress: A Progress Report on Continuing Care Reform in Alberta* in September 2002.
- Supported effective workforce development and deployment in long term care:
 - Defined core competencies, needs assessment and learning objectives for 11 health disciplines in the proposed Geriatric In-Service Mentoring Program.
 - Developed a *Health Care Aide Awareness and Promotion* strategy to support efforts to recruit health care aides.
 - Identified potential roles for nurse practitioners and clinical nurse specialists.

HEALTHY AGING POLICIES FOCUS ON HELPING PEOPLE BE AS HEALTHY AS POSSIBLE, AND REMAIN IN THEIR HOMES AND COMMUNITIES AS LONG AS POSSIBLE.



- Reviewed continuing care service plans and provided feedback to regional health authorities on capital components.
- Reviewed regional health authority 10-year plans for long-term care, developed to provide longer-range planning of service delivery.

Worked with the Alberta Medical Association and health authorities to better align physician services with regional health service delivery processes and implement alternate payment plans.

- Managed successfully the \$1.33 billion Medical Services Budget and maintained the hard cap.
- Implemented changes to the *Schedule of Medical Benefits* to better align physician compensation with current clinical practices.

- Implemented Alberta’s first four alternate funding plans for academic physicians and a new primary health care alternate payment plan. The plans involve 250 physicians.
- Provided \$12.1 million from the Medical Services Delivery Innovation Fund to 56 physician groups to develop alternative compensation arrangements and innovative service delivery models.
- Facilitated closer physician/regional health authority relations by involving regional health authorities in negotiations for a new master agreement with the Alberta Medical Association.
- Distributed specialist on-call funding to regional health authorities for distribution to physicians, further connecting physician services and regional health delivery processes.

Number of Physicians in Alberta

The number of physicians participating in the Alberta Health Care Insurance Plan has increased steadily since 1998.

	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
Physicians per 1,000 Albertans	1.54	1.58	1.63	1.67	1.68
Number of Physicians	4,442	4,641	4,856	5,079	5,203

Source: Alberta Health Care Insurance Plan (AHCIP). Mid-year population for 1998/1999 to 2002/2003 taken from Population Registry as of September 30 of each fiscal year. Number of physicians is taken from the number compensated through the AHCIP. There are additional physicians practising in Alberta who are not compensated through AHCIP.

ALTERNATE FUNDING PLANS PROVIDE COMPENSATION TO ACADEMIC PHYSICIANS FOR DELIVERY OF CLINICAL SERVICES, INSTRUCTION, RESEARCH AND ADMINISTRATIVE WORK — THEIR DUTIES IN A TEACHING ENVIRONMENT.



Improved funding frameworks.

- Reallocated funding from targeted items to general regional health authority budgets, giving the authorities more discretion on the use of these funds to meet regional population health care needs.
- Refined the regional health authority funding formula, leading to a more accurate measurement of population health needs and a more equitable funding allocation.

Ensured reasonable access and appropriate use of prescription drugs.

- Added 177 new drug products to the Alberta Health and Wellness Drug Benefit List, following review by the Expert Committee on Drug Evaluation and Therapeutics. Currently, over 3,600 drugs are on the list.
- Continued development of a major project in partnership with the pharmaceutical industry and other key stakeholders to ensure the appropriate use of drugs for patients with arthritis.
- Participated in the completion of common drug reviews for 21 new drugs under the inter-provincial common review process. The process allows provinces to share results of drug reviews, to reduce duplication and improve the consistency of reviews.

Expanded Telehealth in collaboration with health authorities and health providers.

- The Regional Health Authorities have made significant investments from their own budgets over and above the funds received from an anonymous donor and Alberta Health and Wellness. By the end of 2002/2003, all Regional Health Authorities and the two provincial boards were participating in Telehealth, most having systems installed throughout their regions.
- Increased use of Telehealth for an expanded range of clinical, administrative and educational services. Projects include:
 - In Grande Prairie and surrounding communities, patients with suspected lung cancer use Telehealth for simultaneous assessment by their local physician and cancer surgeons, and specialists at the University of Alberta Hospital and the Cross Cancer Institute.
 - In Red Deer, Telehealth is used to provide follow-up visits for patients who require access to geriatric specialists located in Calgary.
 - The number of transactions for clinical consultations, administrative purposes and learning sessions has doubled from 2002 to 2003.

Donor and Provincially Funded Telehealth Installations

	March 2001	March 2002	March 2003*
Videoconference Sites	70	146	164
Teleradiology Sites	19	21	25

*Including partner sites and additional planned systems, total network size by fall 2003 is expected to exceed 235 sites.



TELEHEALTH USES INFORMATION TECHNOLOGY TO CONNECT PATIENTS AND HEALTH SERVICE PROVIDERS IN RURAL AND REMOTE COMMUNITIES WITH SPECIALISTS IN URBAN CENTRES—SAVING TIME AND TRAVEL FOR PATIENTS.

Continued implementation of the *Health Professions Act*.

- Amended the *Public Health Act* and enacted the new Nurse Practitioner Regulation to remove legislative barriers to full utilization of nurse practitioners in the health system.
- Completed seven competency profiles, bringing the total to 17 for nine health professions. Continued competence programs are a requirement of the *Health Professions Act*.
- Proclaimed the *Health Professions Act* for five health professions. Undertook policy development, in consultation with stakeholders, for an additional 11 professions.
- Established the Health Professions Advisory Board in May 2002 to advise the Minister on the regulation of all Alberta health professions.

Enhanced quality assurance at provincial public health laboratory services.

- Reviewed more than 1,700 laboratory procedures used by the Provincial Laboratory for Public Health — Microbiology to achieve greater efficiency. Standardized the testing methods used at both the Edmonton and Calgary sites and implemented a new information system to create an integrated database for laboratory test results.

Worked with health authorities on regional amalgamations and enhanced inter-regional collaboration.

- Developed a transition plan for reducing the number of regional health authorities from 17 to nine, effective April 1, 2003. Regional boundaries were redefined based on input from health authorities and patient utilization patterns. Mental health services were moved to health regions.

Key Performance Measures and Results

MEASURE 1.A

Wait lists and/or wait times for MRI, joint replacement, heart surgery, cancer therapy, and long-term care

- Hip or knee replacement average wait times.
Target (2002) = 4 months average
- Heart surgery/angioplasty average wait times.
Target (2002) = 1 to 6 weeks, depending on urgency
- Cancer radiation therapy average wait times.
Target (2002) = 4 weeks
- MRI wait list. Target (2002) = decreased wait list
- Long-term care facility admission wait list.
Target (2003) = decreased wait list

RATIONALE

Waiting for health services is one measure of whether the health system is providing reasonable access to needed health services. Very urgent need receives immediate response, while less urgent cases are placed on waiting lists according to the level of need. In recent years, Alberta Health and Wellness has developed a process for quarterly reporting of the number of persons waiting and/or the length of time spent waiting for these specified services.



RESULTS

a) Hip and knee replacement surgery	2001/2002				2002/2003				Target 2002
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Total number waiting at quarter's end	2,428	2,624	2,754	2,710	2,583	2,753	3,032	2,810	
Average wait time in months	4.3	4.9	4.6	5.1*	4.8	5.2	5.1	4.9	4 months

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system. Q=quarter

*Note: Data for the 4th Quarter of 2001/2002 (revised) and for 2002/2003 include all reporting health regions (reporting in 2001/2002 did not include Chinook Health Region).

DISCUSSION

The number of persons waiting for hip or knee replacement surgery has increased slowly during this two-year period, while the average waiting time estimate has remained fairly steady at about five months, one month above the 2002 target.

b) Adult open heart surgery	2001/2002				2002/2003				Target 2002	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Total number waiting at quarter's end	424	538	589	577	572	573	579	455		
Median wait times in weeks										
Urgent inpatient	Calgary	1.0	1.1	1.0	1.0	1.1	1.0	1.0	0.9	1 week
	Capital	1.4	1.9	1.4	1.7	1.7	1.4	1.9	1.4	
Urgent outpatient	Calgary	13.3	16.4	16.9	17.4	17.3	17.9	18.6	17.9	2 weeks
	Capital	14.1	16.4	15.9	21.9	21.0	23.1	23.0	21.0	
Planned outpatient	Calgary	12.0	15.3	12.9	14.9	19.9	18.3	17.0	18.0	6 weeks
	Capital	15.6	16.7	21.4	20.4	26.9	22.7	23.1	22.1	

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system.

Note: Angioplasty waiting time results are not reported, since they are only available from Capital Health Authority.

DISCUSSION

The number of persons waiting for heart surgery has not changed significantly over the past year. Average waiting times for heart surgery have been at, or close to, targets for urgent inpatients, but above targets for the two outpatient groups.



c) Cancer radiation therapy: Average wait time in weeks		2001/2002				2002/2003				Target 2002
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Breast cancer	Cross	6.5	7.0	8.5	9.5	10.5	10.5	10.0	11.5	4 weeks
	Tom Baker	2.0	6.0	5.0	6.0	12.5	9.0	7.0	8.0	
Prostate cancer	Cross	9.5	15.0	16.0	11.5	14.0	17.0	12.0	6.5	4 weeks
	Tom Baker	7.0	11.0	6.0	5.0	8.0	5.5	6.0	7.5	

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system. Data are provided by the Alberta Cancer Board.

DISCUSSION

Over the past two years, average waiting times for radiation therapy for breast or prostate cancer have remained above the four week target time.

d) MRI diagnostic tests: Number of persons waiting and scans performed	2001/2002				2002/2003				Target 2002
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
MRI waiting list	8,432	8,539	8,577	8,993	12,104	13,422	15,718	16,149	Decreasing
MRI scans performed	15,437	15,582*	18,892	20,233	19,867	19,002	19,937	20,095	

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system.

* Revised.

DISCUSSION

The number of persons waiting for a Magnetic Resonance Imaging (MRI) scan has increased during 2002/2003, while the volume of MRIs performed in Alberta has remained constant.

e) Long-term care facility admission: Number of Persons Waiting	2001/2002				2002/2003				Target 2003
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
In acute care hospital	406	465	394	351	436	435	387	340	Decreasing
Urgent in community	439	434	417	378*	454	440	488	457	Decreasing

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system.

*Revised.



DISCUSSION

The number of persons waiting for long-term care placements was generally similar to levels reported for 2001/2002. While results do vary from one quarter to the next, a strong decreasing trend is not yet evident.

The Ministry continues to monitor progress and publish regular reports on these wait lists (reports can be found on the Alberta Health and Wellness Web site: www.health.gov.ab.ca).

Several new developments are underway which will have an impact on information about waiting for health services. In response to recommendations from the Premier's Advisory Council on Health (January 2002), new information systems are being developed to support detailed Web site reporting of waiting lists and waiting times, and to support the proposed access standards for selected procedures.

Source: Alberta Health and Wellness: Regional Health Authorities Quarterly Reporting system.



MEASURE 1.B

Ratings of ease of access to health services

The percentage of Albertans who report access to health services is “easy” or “very easy.”

Target (2004) = 80 per cent

RATIONALE

Access to publicly funded health services is a fundamental principle for the health care system. Health services are made available to all Albertans through the public health system, and the Ministry’s goal is to achieve reasonable access for all.

RESULTS

	1999	2000	2001	2002	2003	Target 2004
Ease of access to health services (percentage responding easy or very easy)	73	64	64	62	62	80
*Ease of access to physician services (percentage responding easy or very easy)	—	—	86	84	86	85
*Ease of access to hospital services (percentage responding easy or very easy)	—	—	71	73	72	75

Source: Alberta Health Survey, 1999 – 2003.

* **Note:** Measures of ease of access to physician services and ease of access to hospitals are new key measures in the 2003 – 2006 Ministry business plan.

DISCUSSION

Ratings of ease of access to health services remain below target levels. When asked what makes access difficult, most people mention long waits for appointments with physicians. Even though the availability of physicians per population has been increasing over the past several years (from 1.54 in 1998/1999 to about 1.68 in 2002/2003), this increase has not yet had the expected impact on ratings of access.

Related questions in the Alberta health survey yield more specific results. When asked about specific services, Albertans report easy or very easy access to physicians (86 per cent),

and services in hospitals (72 per cent). These results are near or at the Ministry targets, and may be a more accurate reflection of Albertans’ experiences with access to these health services.

Source: Alberta Health and Wellness Survey (annual). Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 74 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20. Adult Albertans are asked: “How easy or difficult is it for you to get the health care services you need when you need them? Would you say it is: very easy, easy, a bit difficult, or very difficult?” The measure is the percentage of people who respond “easy” or “very easy.” Similar questions and response scales are used to obtain ratings of access to physician and hospital services.



MEASURE 1.C

Ratings of quality of service received:
(a) overall, and (b) in hospital

The percentage of people who reported the overall quality of care they received was “excellent” or “good.”

Target (2003) = 90 per cent

The percentage of people who reported the quality of care they received in hospital was “excellent” or “good.”

Target (2003) = 85 per cent

RATIONALE

Our goal is to ensure provision of high quality health services. These key measures reflect the views of Albertans about the quality of services they received, based on their experiences with the health system.

RESULTS

	1999	2000	2001	2002	2003	Target 2003
Quality of Care Personally Received (percentage responding good or excellent)	78	86	86	86	85	90
Quality of Care Received in Hospital (percentage responding good or excellent)	74	83	80	81	83	85

Source: Alberta Health Survey; 1999 – 2003.

DISCUSSION

Albertans continue to receive high quality health services; results for 2003 are not significantly different from those reported since 2000. Many of the Ministry’s actions and achievements directly affect the quality and effectiveness of health services. Funding ensures appropriate levels of health professionals, staff, equipment, medications and supplies. Through legislation such as the *Health Professions Act* and the *Hospitals Act*, we ensure health professionals are highly skilled and professional in their interactions with patients and health facilities are managed appropriately.

Source: Alberta Health and Wellness Survey (annual). Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 74 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20. For “quality of care received in hospital” (approximate sample = 1,200) the results are accurate within three per cent 19 times out of 20.

Adult Albertans who report they have obtained health services during the past 12 months (approximate sample of 3,000 each year) are asked: “Overall, how would you rate the quality of care you personally have received in the past 12 months? Would you say it was: excellent, good, fair or poor?” The measure is the percentage of people responding “excellent” or “good.”

Respondents who report having received health services at a hospital within the past 12 months are asked: “How would you rate the quality of care you most recently received at the hospital? Would you say it was: excellent, good, fair or poor?” The measure is the percentage of people responding “excellent” or “good.”



MEASURE 1.D

Patient satisfaction with the way service was provided

The percentage of persons who received a health service and who are satisfied with the way the service was provided. (Percentage responding “somewhat satisfied” or “very satisfied”).

Target (2003) = 90 per cent

RATIONALE

It is important to Albertans that health services are provided in a way that respects the dignity of each person. For example, it is important health providers are friendly, are good listeners, answer questions, and perform their duties in an efficient and professional manner.

RESULTS

Measure	2001	2002	2003	Target 2003
Percentage satisfied with the way services were provided (percentage responding “very” or “somewhat” satisfied)	88	86	87	90

Source: Alberta Health Survey, 2001 – 2003.

DISCUSSION

Generally, Albertans are very satisfied with the way health services are provided. Satisfied patients most often mentioned “efficient and timely service.” Only about eight per cent were dissatisfied: these patients most often mentioned their reasons for dissatisfaction as “the provider did a poor job” or reported the service was “rushed.”

Source: Alberta Health and Wellness Survey (annual). Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 74 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent, 19 times out of 20.

Adult Albertans who report they have obtained health services during the past 12 months (approximate sample of 3,000 each year) are asked: “How satisfied were you with the way the service was provided to you? Were you: very satisfied, somewhat satisfied, neither satisfied nor dissatisfied, somewhat dissatisfied, or very dissatisfied?” The measure is the per cent responding “very satisfied” or “somewhat satisfied.”



Goal 2 To improve the health and wellness of Albertans through provincial strategies for protection, promotion and prevention.

Individual health and wellness is determined by a number of factors, including genetic endowment, early childhood development, education, environment, employment status and personal decisions about lifestyle behaviours. Promotion, protection and prevention services support Albertans in their pursuit of health. Access to accurate and timely information helps them make wise choices to prevent disease or injury and safeguard their own health, wellness and quality of life.

WHAT WE DID

Established 10-year objectives and targets for key health issues in Alberta.

- Developed a Healthy Alberta Promotion and Prevention Policy Framework through a cross-ministry committee under the Health Sustainability Initiative. The framework provides objectives for nine key health issues, targets for 2012 and strategies to reach the targets. The cross-ministry committee also completed a report on non-financial incentives, which will be used to support implementation of the framework. Both documents will be used to support collaboration on health promotion and disease prevention.

Provided information about key health issues and their determinants, and the health status of Albertans.

- Launched the Healthy U campaign, a three-year health education and information campaign. The first phase included television and radio ads, a newspaper supplement, a health information Web site and a survey to help direct activities for the second year.

The campaign incorporates information on non-financial incentives to promote healthy living.

- Collaborated with partners in health promotion and disease and injury prevention initiatives.
 - Supported and participated in the Alberta Healthy Living Network, which provides leadership on chronic disease prevention and health promotion.
 - Through the Alberta Heart Health Project, worked with regional health authorities to help them address physical inactivity, improve prevention of chronic disease and expand knowledge of the population health approach.

WWW.HEALTHYALBERTA.COM



Implemented, monitored and supported provincial population-based screening programs.

- Started development of an information system, the Cervical Cancer Screening Application, that supports access to information to operate the screening program. The system will also be used for breast cancer screening and other population-based screening programs.
- Reviewed the co-ordination and operation of the newborn metabolic screening program with regional health authorities, to improve program delivery.



Conducted population and laboratory-based surveillance to strategically address issues such as chronic and communicable disease management.

- Introduced an enhanced prenatal screening program for HIV, hepatitis B, rubella, varicella and syphilis. Developed guidelines for follow-up care to enhance prevention and treatment for mothers and help prevent transmission of disease to infants. Transferred screening for these infections to the Provincial Laboratory for Public Health.

Communicable Disease	1996	1997	1998	1999	2000	2001	2002**
AIDS*	2.8	1.9	0.8	1.4	1.6	1.1	0.9
E.coli 0157	5.8	6.8	9.0	6.6	10.9	9.5	8.5
Gonorrhea	17.2	14.6	18.5	18.3	19.8	27.0	31.8
Invasive meningococcal	0.2	0.1	0.2	0.1	2.6	2.0	0.8
Measles	0.3	8.8	0.04	0.6	4.1	0.2	0.1
Pertussis	41.2	27.6	26.3	28.2	15.6	11.0	9.7
Tuberculosis	5.1	5.9	5.5	5.1	4.5	3.9	4.1

Source: Alberta Health and Wellness; Notifiable Diseases, HIV / AIDS and TB databases. Rates (per 100,000) are based on mid-year population from the Alberta Health Registry files.

*AIDS rates are based on year of report. All other counts are for calendar year of occurrence.

**Preliminary data.

Addressed potential public health threats.

- Proactively prepared a draft Alberta Pandemic Influenza Contingency Plan. This plan is a framework for responding to outbreaks of communicable diseases, such as severe acute respiratory syndrome (SARS), and will be updated as additional information becomes available.
- Developed a technical reference manual for private, public and communal drinking water systems in Alberta that are outside the regulatory approval of Alberta Environment. The manual includes an emergency response protocol in the event of a failed or compromised drinking water supply.
- Organized an education conference for public health staff on outbreak investigation and reporting of suspected or confirmed food and waterborne enteric disease, in response to an enteric outbreak in 2002. Timeliness of reporting and the rigor of investigations have improved.
- Completed or initiated reviews of Environmental Impact Assessments on 19 energy projects in Alberta, with Alberta Environment and Alberta Justice.
- Developed and distributed a response plan for West Nile Virus, through committees involving Alberta Agriculture, Food and Rural Development, Alberta Sustainable Resources and Alberta Environment.



- Developed and distributed response guidelines for outbreaks of infectious or communicable diseases, outlining the responsibilities of the Ministry, regional health authorities, First Nations and Inuit Health, and the Provincial Laboratory for Public Health.
- Issued reports on the Swan Hills Waste Treatment Centre, exposure to hydrogen sulphide and Grande Prairie air quality.

Implemented a long-range immunization plan in the context of a national strategy.

- Introduced two new vaccines — conjugate meningococcal and conjugate pneumococcal vaccine — to Alberta's Routine Childhood Immunization Program.
- Supported development of a national immunization registry by electronic data collection. Five health regions are submitting immunization data electronically and three are going through the certification process.

ALBERTA'S IMMUNIZATION PROGRAMS
PROTECT CHILDREN AND ADULTS
AGAINST 13 COMMUNICABLE DISEASES.
IMMUNIZATION IS AVAILABLE AT
PUBLIC HEALTH OFFICES THROUGHOUT
THE PROVINCE.

Collaborated with partners on injury and suicide prevention initiatives.

- Through the Alberta Centre for Injury Control and Research, developed an *Injury Control Strategy*, setting key targets for provincial priorities.
- Supported suicide prevention projects through the Community Injury Control Fund.

- Funded the Alberta Occupant Restraint Program. The program surveyed seat belt wear rates in rural Alberta, which increased to 76.4 per cent in 2002 from 69 per cent in 1999.

Developed a diabetes prevention strategy.

- Working with stakeholders, developed a provincial strategy that addresses prevention, care and management of diabetes. Components of the strategy are enhanced funding of diabetic supplies for low income Albertans, prevention and education programs, and screening of Aboriginal Albertans for diabetes and its complications.

Developed an Alberta plan for emergency preparedness and response to chemical, biological, radiological and nuclear threats, in conjunction with federal/provincial/territorial partners.

- Developed a suspicious package protocol and procedures for the storage and release of antibiotics purchased and stockpiled by Health Canada. Reviewed the *Security Management Statutes Amendment Act*, and contributed to the national smallpox contingency plan.
- Identified critical components to operate the health system in an emergency, in collaboration with regional health authorities.
- Co-chaired the Federal/Provincial/Territorial Special Task Force on Emergency Preparedness and Response that developed a plan for strengthening capabilities to prepare for and respond to health issues arising from chemical, biological, radiological and nuclear threats.



Key Performance Measures and Results

MEASURE 2.A

Self-reported health status

Percentage of Albertans ages 18 – 64 who report their health is excellent, very good or good.

Target (2003) = 90 per cent

Percentage of Albertans ages 65+ who report their health is excellent, very good, or good.

Target (2003) = 80 per cent

RATIONALE

Self-reported health status is a good indicator of the health and well being of Albertans, and 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 chronic disease, disability, temporary illness and mental health.

RESULTS

	1999	2000	2001	2002	2003	Target 2003
Age 18 – 64 (percentage reporting excellent, very good, or good health)	90	90	89	88	90	90
Age 65+ (percentage reporting excellent, very good, or good health)	78	79	72	78	80	80

Source: Alberta Health Survey, 1999- 2003.

DISCUSSION

Self-reported health status was slightly higher for both age groups in 2003, compared to the previous year, and is at the targeted levels for 2003. The self-reported health status of Albertans has been at or near the target values for most of the last five years.

Note: This measure for the 18 – 64 age group has changed. In the past, the measure was reported as the percentage reporting “excellent” or “very good” health. The measure was changed in the 2002/2003 Ministry business plan to include the percentage responding “good” to maintain consistency in reporting between the two age groups.

Source: Alberta Health and Wellness Survey (annual). Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 74 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20.

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.” Sample size for the 18 – 64 age group is about 3,450, and estimates for this sample are accurate within about two per cent 19 times out of 20. Sample size for the age 65+ group is about 550, and these estimates are accurate within about four per cent 19 times out of 20.



MEASURE 2.B

Mortality rates for injury and suicide

Age standardized mortality rates for death due to injury and suicide.

Targets (2002) = 45 (injury); 13 (suicide)

RATIONALE

Injury, including suicide, is a major cause of death in Alberta. Our injury and suicide mortality rates are among the highest in Canada.

RESULTS

Mortality Rates: Injury and Suicide per 100,000 Population		1997	1998	1999	2000	2001	Target 2002
Injury and suicide	Males	70	75	67	67	70	
	Females	31	29	29	30	30	
	All Albertans	50	52	48	48	50	45
Suicide	Males	22	23	24	20	24	
	Females	7	6	6	7	7	
	All Albertans	14	14	15	14	16	13

Source: Alberta Health and Wellness; calculated from Vital Statistics (April 2003) and the Alberta Health Registration File (mid-year population estimates). Mortality rates are standardized to the 1996 Canada population.

DISCUSSION

Injury mortality rates in 2001 were very similar to rates reported for the past several years, and have not changed overall since 1997.

Source: The measure is derived from information on causes of death from Alberta Vital Statistics, and population information from the Alberta Health and Wellness Registration File. The rates do not include Albertans who died in other provinces. Rates are age standardized to the 1996 Canadian Census population.



MEASURE 2.C

Breast cancer-screening rates

The percentage of women ages 50-69 years who receive mammography screening every two years. Target (2003) = 75 per cent

RATIONALE

Appropriate screening can have a significant impact on early detection and prevention of death due to breast cancer.

RESULTS

Reported Use of Medical Screening Tests for Breast Cancer	1994/ 1995	1996/ 1997	1998/ 1999	2000/ 2001	Target 2003
Mammography, last 2 years (percentage of women age 50 – 69)	71	64	69	71	75

Source: National Population Health Survey (NPHS) (1994/1995, 1996/1997, 1998/1999); Canadian Community Health Survey (2000/2001)

Note: Screening results are based on self-report.

DISCUSSION

Breast cancer screening rates have not changed significantly during the past several years, and remain below the 75 per cent target. Recent improvements in programs to deliver services to rural and remote parts of Alberta, and improvements in data systems are expected to improve these results by 2002/2003.

Source: National Population Health Survey (NPHS) (1994/1995, 1996/1997, 1998/1999) and the Canadian Community Health Survey (CCHS) (2000/2001); Statistics Canada. The NPHS, conducted every two years by Statistics Canada. Approximately 1,200 Albertans are interviewed, either by telephone or in person. The measure is the per cent of women aged 50-69 years who report having a mammogram for breast cancer screening in the past two years. Estimates for this measure are based on a smaller sub-sample of the NPHS, and may be accurate within eight per cent 19 times out of 20. The CCHS includes a much larger sample of Albertans (14,000), and the estimate for this measure from the CCHS is accurate to within four per cent 19 times out of 20.

[Note: The NPHS is a longitudinal survey, interviewing the same persons every two years; trends should be interpreted with caution.]



MEASURE 2.D

Childhood immunization rates

The percentage of two-year-old children who have received the recommended immunizations.

Target (2002) = 98 per cent
(diphtheria, pertussis, tetanus, haemophilus influenza b, polio)

Target (2002) = 98 per cent
(measles, mumps, rubella)

RATIONALE

Immunization contributes to the health of our children since immunization against childhood diseases has a significant impact on their incidence. A high rate of immunization for a population can help ensure the incidence of a disease remains low and outbreaks are controlled.

RESULTS

Percentage immunized at age 2	1997	1998	1999	2000	2001	Target 2002
Diphtheria, tetanus, pertussis, polio, Hib (4 doses)	80	77	79	79	78	98
Measles, mumps, rubella (1 dose)	90	86	89	90	87	98

Source: Alberta Health and Wellness

DISCUSSION

Immunization coverage 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.

Source: The measure is the number of children aged two years who have received the required immunization, divided by the total population two years of age. Population at age two is estimated from Alberta Health and Wellness mid-year registration files. Database on reported immunizations is compiled from data provided by Health Canada, which has responsibility for Aboriginal children on reserves, and by regional health authorities. A few cases have not been reported, however this does not significantly affect these results.



MEASURE 2.E

Non-smoking rate

The percentage of Albertans age 12 and older who do not smoke. Target (2002) = 75 per cent

RATIONALE

The use of tobacco is considered one of the leading preventable causes of illness and premature deaths due to cardiovascular and respiratory diseases.

RESULTS

Non-Smoking rate	1994/ 1995	1996/ 1997	1998/ 1999	2000/ 2001	Target 2002
Percentage aged 12 and older, who do not smoke	72	72	72	72	75

Source: National Population Health Survey (NPHS) (1994/1995, 1996/1997, 1998/1999); Canadian Community Health Survey (2001).

DISCUSSION

The per cent of Albertans who smoke has not changed in the past six years. A comprehensive tobacco reduction strategy has been developed. Strategies to discourage smoking, such as a substantial increase in tobacco taxes, are also expected to have an impact, especially in younger age groups. The number of cigarettes sold legally in Alberta in the year ending March 31, 2003 dropped by 24.4 per cent.

Source: Statistics Canada: National Population Health Survey (NPHS) (1994/1995, 1996/1997, 1998/1999); Canadian Community Health Survey (CCHS) 2000/2001. Approximately 1,200 Albertans are interviewed for the NPHS, either by telephone or in person. Results for the NPHS sample are accurate within three per cent 19 times out of 20. The CCHS includes a much larger sample of Albertans (14,000), and the estimate for this measure from the CCHS is accurate to within one per cent 19 times out of 20. [The NPHS is a longitudinal survey, interviewing the same persons every two years; trends should be interpreted with caution.]



Goal

3 To support and promote a system for health.

Numerous stakeholders are involved in organizing and delivering health services to Albertans. Coordinating their efforts is a continuous challenge. Effective communication, accountability and information systems are essential, as is leadership in addressing system-wide challenges such as sustainability of the public health system and confidentiality of Albertan's health information.

WHAT WE DID

Improved accountability for service provision, governance and management.

- Ensured health authority proposals for capital investment were linked to approved health authority business plan strategies, service plans and financial plans.
- Supported Alberta Infrastructure in the development and implementation of a revised accountability framework for capital projects.
- Initiated a review of designated nursing homes to ensure all current nursing home contracts comply with the *Nursing Home Act* and regulations.
- Supported the implementation of provincial information security policies and procedures in support of the *Health Information Act (HIA)* and the *Freedom of Information and Protection of Privacy (FOIP) Act*.
- Reviewed and confirmed the status of all active and auxiliary hospitals.

Collaborated with health authorities and other partners on workforce planning.

- Drafted a comprehensive workforce plan in collaboration with Alberta Learning and regional health authorities. Conducted analyses of supply and demand of workers, trends affecting health workforce planning and current strategies.
- Negotiated with Citizenship and Immigration Canada to allow health authorities and providers to recruit up to 75 foreign-trained health professionals through the Provincial Nominee Program.

Developed information technology systems to support implementation of an Electronic Health Record (EHR) that will include individual demographic information, medication histories and laboratory test results histories.

- Developed components of EHR for implementation in 2003/2004:
 - Developed and tested an Alberta Provider Directory.
 - Implemented the Provincial Personal Health Identifier initiative to create a single, standard patient identifier across the health system.
 - Completed the Person Directory application to give authorized users access to patient identifiers and the ability to enter and update demographic information. Redeveloped the Stakeholder Demographic Health Information standard to support the consistency of information in the directory.



- Conducted pilots of the Pharmaceutical Information Network (PIN) in Westlock and Leduc. PIN is being updated for incorporation into EHR.
- Developed a Laboratory Test Results History application. Completed a repository of laboratory test results for Capital Health Authority. A similar repository is in development in Calgary Health Region.
- Provided information technology services to support the Physician Office System Program, and developed a set of message specifications to connect physician office systems to EHR.
- Participated in the development of the Western Health Information Collaborative (WHIC) Provider Registry for western Canada.
- Developed privacy content and selected a vendor for privacy and security awareness training for regional health authorities. Developed training material for pharmacists in consultation with the College of Pharmacists of Alberta, and started work on similar material for physicians with the College of Physicians and Surgeons of Alberta and the Alberta Medical Association.
- Identified minimum connectivity requirements and gaps between health authority preparedness and those requirements, to strengthen security of information.
- Continued to support existing Seniors Drug Profile (SDP) sites prior to transition to the EHR. SDP was replaced by PIN in some locations.
- Established the Information Management/ Information Technology (IM/IT) Governance Council to provide oversight of all provincially funded sector IM/IT investments in health that are significant in terms of investment, scope, or strategic impact. Membership is comprised of representatives and stakeholders from the health authorities, organizations and associations.

Seniors Drug Profile

The Seniors Drug Profile gives health service providers access to information about the medication dispensed to Alberta seniors. Once the provincial Electronic Health Record is ready for implementation, Seniors Drug Profile sites will be gradually transitioned to the Electronic Health Record.

	March 2002	March 2003
Number of health facilities	103	98
Number of sites, including home care sites	423	571
Number of physician offices	39	48
Number of patient profiles accessed (six months prior to reporting date)	37,420	24,374*

*The number of patient profiles accessed through the program declined following implementation of the Health Information Acts S. 59 while health authorities developed processes for obtaining the required consent.



AN ELECTRONIC HEALTH RECORD IS A COLLECTION OF INDIVIDUAL HEALTH INFORMATION, FROM DIFFERENT HEALTH PROFESSIONALS, OVER TIME, TO SUPPORT BETTER TREATMENT AND CARE. IT WILL BE ACCESSIBLE ACROSS ALBERTA.

Prepared for integration of mental health services into health regions.

- Developed a transfer plan through the Mental Health Transition and Implementation Team. The plan provided for the transfer of mental health programs, services and facilities to regional health authorities on a geographic basis, effective April 1, 2003. The Alberta Mental Health Board will continue to govern and operate province-wide services and programs such as forensic psychiatry, suicide prevention, Aboriginal mental health and tele-mental health.

Co-chaired the process for coordinating federal/provincial/territorial (FPT) initiatives and collaborative inter- and intra-provincial ventures.

- As lead province for 2002/2003, chaired and co-chaired numerous intergovernmental conferences and committees:
 - June 2002 Deputy Ministers of Health Conferences.
 - September 2002 Ministers of Health Conferences.
 - Ministers of Health Symposium on Quality Health.
 - Deputy Ministers' Retreat.
 - Emergency Preparedness Network.
 - Deputy Ministers' Special Task Group for Reviewing F/P/T Business Processes.
 - Emerging Technology and Information Technology Committee.

- Working Group for Performance Indicator Reporting Committee.

- Served as Liaison Deputy Minister to the Canadian Council for Donation and Transplantation. Led the process to evaluate the effectiveness of the Council from February to May 2003.

Expanded the mandate of the Health Services Utilization Commission to establish the Health Services Utilization and Outcomes Commission.

- Expanded the commission's mandate to increase its focus on monitoring and reporting on the performance of the health system, including quality of services, access, safety, overall performance, patient satisfaction and use of the system. Nine commissioners were appointed.

Shared health system performance information.

- Published *Alberta's Report on Comparable Health Indicators*, in accordance with the Federal/Provincial/Territorial agreement to develop and report on comparable health indicators. The report compares Alberta's performance on more than 60 health system indicators with national averages.
- Published *The 2002 Public Survey about Health and the Health System in Alberta*, an annual survey that includes self-ratings of health status and ratings of the quality of health services received.

ALBERTA'S REPORT ON COMPARABLE HEALTH INDICATORS SHOWED ALBERTANS' HEALTH STATUS IS SIMILAR TO THE CANADIAN AVERAGE AND WAIT TIMES FOR SERVICES ARE ALSO SIMILAR TO THE NATIONAL AVERAGE.



Prepared a plan for the efficient and effective utilization, maintenance, upgrading and replacement of health facilities in the province.

- Prepared a provincial health capital plan that supports the capital budget approval process.

Supported evidence-based decision-making through research and evaluation.

- Invested approximately \$22 million in Alberta-based research interests and organizations including those sponsored by the Alberta Heritage Foundation for Medical Research, the Alberta Cancer Board, and the Health Services Utilization and Outcomes Commission. The funding supports health research for policy development, and health system improvement, reform and innovation.

Established province-wide standards for information technology, in conjunction with the Alberta Government Chief Information Officer.

- For the Ministry:
 - Initiated compliance reviews for incorporation of the Government of Alberta Enterprise Architecture — the cross-government standard — across the Ministry, to support cross-government sharing of information and services.
 - Upgraded e-mail and file/print applications to government standards.
- For the health system:
 - Updated information and technology standards for immunization/adverse reaction reporting, the Pharmaceutical Information Network (PIN) and Telehealth.
 - Developed standards to build data sets for emergency health services and breast and cervical cancer screening.

- Facilitated the adoption of standards for the Alberta Waitlist Registry project.

Established a long-term funding approach to support the development of information technology systems.

- Developed a funding model for health system information management/information technology (IM/IT) requirements, to set Ministry-wide priorities and improve co-ordination of initiatives.
- Submitted a funding proposal to Health Infoway Inc. as part of the Western Health Information Collaborative, including \$19 million for PIN and \$6 million for further development requirements.
- Through Alberta Wellnet, developed standing offer contracts for regional health authorities purchasing services or equipment to improve their information technology.

Addressed barriers to cost-effectiveness and revenue generation in health authorities.

- Accepted 49 of the 50 recommendations of the Committee on Collaboration and Innovation, to make regional health authorities more collaborative, innovative and accountable.
- Established new hospital billing rates for out-of-province patients and other non-entitled persons (e.g. RCMP, military personnel) to allow recovery of the full costs of hospital services, and introduced flexibility for RHAs to charge higher rates to the Workers' Compensation Board, where warranted, on the basis of a proposal.
- Implemented inflation adjustments for in-patient care rates under reciprocal billing arrangements with other provinces and territories.



Key Performance Measures and Results

MEASURE 3.A

Public self-rated knowledge of health services available

The percentage of Albertans who rate their knowledge of health services available to them as “excellent” or “good.”

Target (2003) = 70 per cent

RATIONALE

Albertans who are knowledgeable about health services available are better able to access these services to seek appropriate services. Alberta Health and Wellness, health authorities and health professionals have responsibilities to contribute to Albertans’ knowledge about health services. A more knowledgeable public can help improve the effectiveness and efficiency of the health system by making good decisions about how to use our health resources.

RESULTS

Self-Reported Knowledge of Health Services	1999	2000	2001	2002	2003	Target 2003
Knowledge of which health services are available (percentage responding excellent or good)	63	63	66	62	65	70

Source: Alberta Health Survey, 1999 – 2003.

DISCUSSION

Self-reported knowledge of available health services remains below target, but did improve slightly in 2003, from the 2002 result. The health system has changed significantly in recent years, and changes continue to be discussed, which has likely contributed to the feeling that the system is unfamiliar. More effort is needed to inform health providers and the public about which services are available.

Source: Alberta Health and Wellness Survey (annual). Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 74 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20. Albertans are asked: “In general, how would you rate your knowledge of the health services available to you? Would you say: excellent, good, fair or poor?” The measure is the percentage of respondents who answered “excellent” or “good.”



MEASURE 3.B

Stakeholder ratings of access to information

The percentage of Ministry stakeholders who report easy access to health system information.

Target (2003) = Improvement

RATIONALE

The collection and provision of health system information, and the protection of privacy, are important functions of the Ministry.

RESULTS

Measure currently under development.

Source: An annual survey of users of Ministry information is under development.



Goal

4 To optimize the effectiveness of the Ministry.

To be as effective and efficient as possible, the Ministry must keep pace with new knowledge and use its human, financial and technological resources in an optimal fashion. Internally, the Ministry must foster a culture of learning. Externally, the Ministry must collaborate with key stakeholders, particularly with other government departments, to support cross-government initiatives.

WHAT WE DID

Implemented an Information Management Framework that includes standardized definitions and performance measures within the Ministry.

- Formed cross-functional teams to coordinate activities to improve quality and standardization of department data and information resources.
- Implemented and reported on performance measures for management of information.

Participated in collaborative initiatives with other ministries.

- Under the Early Childhood Initiative, promoted positive birth outcomes, maternal health and healthy infancy:
 - Directed federal funding to regional health authorities to implement Young Family Wellness services and to the Alberta Mental Health Board and AADAC to deliver treatment and support services to high-risk women and/or families who are pregnant or raising young children.
 - Implemented a work plan to establish the Alberta Perinatal Health Program.

- Collaborated on reports on Alberta's baseline expenditures for young children and their families, investments in enhanced services, and the status of indicators for the health and well being of young children.
- Under the Alberta Children and Youth Initiative, collaborated on policies and processes to improve cross-ministry coordination and support for children and youth with special and complex needs and their families.
- Under the Initiative on Information Sharing, developed practice guidelines, training resources, and an implementation plan to improve information sharing among government ministries and community agencies.
- Under the Initiative on Youth in Transition, collaborated on a review of policies and made recommendations on how to better address issues affecting the transition of youth to adulthood.
- Under the Government of Alberta Security Services Project, worked with other ministries to develop a protocol to govern access to personal information and a Request for Proposal to obtain authorization and authentication services.
- Worked with Service Alberta to establish links to the Ministry's Healthy U Web site, connect after hours inquiries on the Alberta Health Care Insurance Plan to the Ministry voice-mail system, and update information on the Service Alberta Web site.
- Worked with health system stakeholders and Alberta Innovation and Science to ensure Supernet meets the needs of the health environment.



SUPERNET WILL SUPPORT PROJECTS LIKE THE ELECTRONIC HEALTH RECORD AND TELEHEALTH BY IMPROVING ACCESS TO INFORMATION TECHNOLOGY INFRASTRUCTURE IN RURAL AND REMOTE AREAS.

Worked with partners to achieve the objectives of the Aboriginal Policy Initiative and the Aboriginal Health Strategy.

- Provided \$550,000 in grant funding to 12 new community-based projects to improve Aboriginal access to provincial health services and build partnerships between regional health authorities and Aboriginal communities. Projects addressed mental health, diabetes, rehabilitation services, telehealth, injury prevention, children's health and home care.
- Awarded \$271,000 to 53 Aboriginal students through the Aboriginal Health Careers Bursary program.
- Provided grant funding to Aspen Regional Health Authority and the Metis Community Health Council "Family Friend Project," to provide home care services to the elderly and disabled in four eastern Metis Settlements.
- Signed a three-year health services partnership agreement with the Nunee Health Board and the Northern Lights Regional Health Authority. The agreement improves access to home care, mental health and other health services for residents of Fort Chipewyan.

THE ALBERTA HEALTH CAREERS BURSARY IS FUNDED BY ALBERTA HEALTH AND WELLNESS AND ADMINISTERED BY THE ALBERTA SCHOLARSHIPS PROGRAM. TO DATE, IT HAS AWARDED OVER \$1.1 MILLION TO 260 ABORIGINAL STUDENTS.

Maintained a plan for the resumption of business in the event of a public crisis, in close collaboration with Alberta Municipal Affairs.

- Drafted business resumption plans for the most critical business functions to ensure services can be resumed after an interruption to normal operations.



Key Performance Measures and Results

MEASURE 4.A

Quality of service provided by registry and client information service

Client ratings of quality of service received. The measure is the percentage of persons who make inquiries to the Customer Services and Registration Branch who report they are satisfied with the services received. Target (2003) = 85 per cent

RATIONALE

Customer Services and Registration Branch is a primary link between the public and Alberta Health Care Insurance Plan, providing responses to inquiries about health service claims and coverage. The department is committed to the Service Excellence Framework, a cross-government initiative to find ways to provide excellent service to Albertans and all other clients of government.

RESULTS

	2000	2001	2002	Target 2003
Client satisfaction with service provided by Registry and Client Information Services, Alberta Health and Wellness. (percentage responding satisfied or very satisfied)	86	85	82	85

Source: Customer Services and Registration Branch, Client Satisfaction Survey; June 2000, September 2001, January 2003.

DISCUSSION

These results indicate those Albertans who receive registry and information services from Alberta Health and Wellness remain satisfied with the services provided. Results from the 2002 survey are slightly lower than previous years, but the change is not statistically significant.

Source: Customer Services and Registration Branch, Client Satisfaction Survey conducted by Criterion Research (June 2000; September 2001; January 2003). The survey of 1,000 clients produces results accurate within three per cent 19 times out of 20.



MEASURE 4.B

Department staff who understand their contribution to the success of the Ministry

Percentage of department staff who report they understand how their work contributes to the success of the Ministry. The measure is the percentage who respond that their understanding is “excellent” or “good.”

Target (2002) = 80 per cent

RATIONALE

‘Alignment’ is one of the five strategic areas addressed in the Corporate Human Resource Plan that requires organizational supports. The Ministry must ensure the goals and behaviours of individual employees are aligned with department and government goals. There is greater opportunity for success if employees understand how their work contributes to the achievement of business goals.

RESULTS

	1999	2000	2001	2002	Target 2002
Per cent of department staff who agree or agree strongly they know or understand how their work contributes to the achievement of Ministry business plan.	85	83	95	83	80

Source: Government of Alberta Corporate Employee Survey (Core Measures Survey), 1999 – 2002; Personnel Administration Office.

DISCUSSION

Most department staff (83 per cent) indicate they have a good understanding of how their work contributes to the achievement of the Ministry business plan, exceeding the 2002 target of 80 per cent. Because of the significant number of new strategic initiatives started during the year in response to the report of the Premier’s Advisory Council on Health, the target for 2002 was set lower than the results from 2001 (95 per cent).

Source: Alberta Government’s Corporate Employee Survey (formerly called the Core Measures Survey) results for Alberta Health and Wellness. Department staff (n=293) are asked whether they agree or disagree with the statement: “You know and understand how your work contributes to the achievement of your department business plan.” The Corporate Employee Survey is conducted each year by the Personnel Administration Office of the Government of Alberta.



MEASURE 4.C

Satisfaction of other government ministries with the contribution of Alberta Health and Wellness to cross-government initiatives

Percentage of staff surveyed from other ministries who reported they were either satisfied or very satisfied with the contributions made by Alberta Health and Wellness to various cross-government initiatives.

Target (2002) = 86 per cent

RATIONALE

Alberta Health and Wellness must work with several other government departments in order to achieve its goals and the goals of government in general.

RESULTS

	2001	2002	Target 2002
Percentage of surveyed staff who were satisfied or very satisfied with department contribution.	86	83	86

Source: Department Survey of Other Ministries (December 2001; 2002).

DISCUSSION

Results from December 2002 again show very good results for the department, similar to results obtained in 2001. We continue to place a high priority on our work with other government departments.

Source: Alberta Health and Wellness survey (annual) "Satisfaction of Other Ministries with Alberta Health and Wellness' Contribution to Cross-ministry Initiatives." A total of 42 persons responded to the survey, a response rate of 98 per cent.



Integrated Results Analysis

The Alberta Health and Wellness annual report is a summary of the most significant activities of the Ministry and a high level report on the provincial health system's performance. The first three goals focus on the delivery of services and the infrastructure to support them while the fourth goal pertains to the effectiveness of the Ministry itself.

In 2002/2003 the Ministry, in conjunction with the health authorities and stakeholders, continued building the basic structure for a rejuvenated sustainable health system for Albertans. Change in a system as large and complex as Alberta's health system occurs over time, through a variety of implementation stages, which often run concurrently.

Similarly, the impact upon the health system, as indicated by performance measures, is realized over several years. Overall, Alberta's health system has made gains in the attainment of the four goals and their performance measures, but not all of the identified targets have been reached. Expectations are these targets will be reached, if not exceeded, as the health system adjusts and Albertans become familiar with the significant changes being implemented.

Goal 1 focuses on sustaining and improving the delivery of accessible, effective, quality health services to Albertans who need them. Funding was increased for acute, long term, and continuing care as well as mental health and cancer services. Access to other ongoing critical services such as heart surgery and kidney dialysis was maintained without significant funding increases. Goal 1 key performance measures indicated modest gains with the attainment of some of the targets identified.

Continued demographic and immigration growth coupled with citizen expectations have increased the demand on health services.

The numerous strategies and activities implemented in 2002/03 will result in increased sustainability for the health system as a whole in the coming years. These strategies included the initial development for a province-wide information and advice service (HealthLink), pilot testing of a waitlist registry and initial development for a co-ordinated Alberta-wide scheduling system for selected services. The initial planning and tracking processes for changes in long-term care were set in motion through the release of key reports such as the *Healthy Aging and Seniors Wellness Strategic Framework* and *Tracking Progress: A Progress Report on Continuing Care Reform in Alberta*. Collaboration of the health authorities, the Alberta Medical Association and other provinces was evident in the implementation of the alternate physician funding plans, inter-provincial common review process for drugs, expansion of Telehealth and the regional amalgamation of the health authorities.

Improving the health and wellness of Albertans through provincial protection, promotion and prevention strategies provided maintenance and some success for Goal 2 performance measures. Continued support of AADAC activities, initiation of the *Alberta Tobacco Reduction Strategy*, the Healthy U campaign and the diabetes prevention strategy, plus implementation of the long-range immunization plan as part of a national strategy, are expected to impact Albertans' health over the long term. Under the Health Sustainability Initiative, a



Healthy Alberta Promotion and Prevention Policy Framework with 10-year objectives and targets for key Alberta health issues was developed. This framework outlines the basic strategies for collaboration on health promotion and disease prevention, providing another solid building block for the long-term sustainability of the health system.

As there are numerous stakeholders involved in the organizing and delivery of health services in Alberta, effective communication, accountability and information systems are essential to long term viability. Extensive development and pilot testing to support the information system occurred with the standardization for the Alberta Waitlist Registry, Immunization/Adverse Reaction reporting, Pharmaceutical Information Network (PIN) implementation, development and testing of the Electronic Health Record (EHR) and expansion of Telehealth. As information and reporting system investment, upgrading and changes occurs with a variety of projects and stages running concurrently, gains are made incrementally each year. The final goal is an effective system providing accessible, reliable and privacy protected health information.

As the Ministry is one of the key components for the Alberta Health System, increased Ministry effectiveness enhances the overall system. Gains are being made, as reflected in the Goal 4 performance measures. Cross-ministry initiatives such as Health Sustainability, Early Childhood, Alberta Children and Youth, Information Sharing, Aboriginal Policy, and Youth in Transition are supported through the collaboration of numerous ministries.

To make the public health system sustainable, two challenges must be addressed: first, improving the efficiency with which services are delivered; and second, but perhaps more important, influencing the demand for services through activities such as prevention and health promotion. The Ministry is addressing both challenges through a variety of strategies. Successful implementation will be reflected by steady results in the quality, satisfaction and health status performance measures, an improvement in prevention measures, maintenance of Ministry effectiveness and an increase in the public knowledge of the health system resulting in an accurate perception of access to services.



Future Challenges

Shifting population demographics, the pace and costs of emerging technologies, heightened public expectations and changing disease patterns continue to inflate the costs of diagnosing and treating Canadians. Additional pressure is placed on the system through the need for information and refinement of plans to respond to future emerging public health concerns such as SARS. A population-wide agenda for staying healthy is recognized by all jurisdictions as a critical prerequisite for a sustainable health system. The Alberta health system needs to develop plans and be prepared to respond reasonably to manage risk of public health concerns such as SARS and West Nile Virus. To optimize Albertans' health and well being, we need to maintain a balance and synergy between services aimed at diagnosing and treating illness and initiatives focussed on promoting wellness and preventing injury and disease.

A shift in the system's orientation from illness to wellness will occur over time. Challenges arise as an adequate capacity for diagnosis and treatment must be maintained while the infrastructure and mindset for prevention and promotion is reinforced. System sustainability will be a principal concern, with particular focus on the scope of publicly funded services, utilization analysis, and collaboration and innovation among key stakeholders.

All parties share in the responsibility of "producing" or "creating" health. This direction and challenge will be identified, and must be pursued in and by every jurisdiction in Canada, if the public system and its values are to be sustained.



Organization with a Provincial Mandate 2002/2003

Alberta Alcohol and Drug Abuse Commission (AADAC)

MISSION

To assist Albertans in achieving freedom from the abuse of alcohol, other drugs and gambling.

CORE BUSINESSES, GOALS AND MEASURES

Core Business 1: Prevention

AADAC provides programs and services that increase the capacity of individuals, families, and communities to effectively address potential problems relating to alcohol, other drugs and gambling. Prevention aims to increase protective factors and reduce risk factors clearly associated with the development of addiction. Prevention services include early intervention, education and training programs. Services are delivered through a network of AADAC Offices and community-based Funded Agencies located throughout the province.



Goal 1 To prevent the development of alcohol, other drug, and gambling problems through planned actions that impact targeted populations and their immediate support systems.

MEASURE 1.A

Clients experience reasonable access to prevention services.

The per cent of clients who report “no difficulty” accessing prevention services.

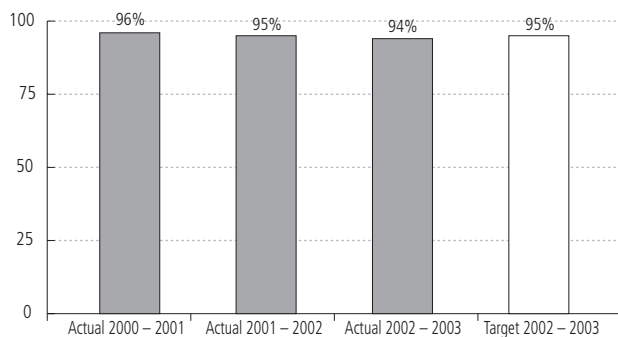
Target (2002/2003) = 95%

RATIONALE

Client and community access to prevention services increases the likelihood of effectively addressing potential alcohol, other drug and gambling problems. Achieving access targets means more Albertans received timely prevention services.

RESULTS

AADAC client access — Prevention



Per cent of clients reporting “no difficulty” accessing prevention services.

Source: AADAC Prevention Survey database

DISCUSSION

Results were within one per cent of the target; 94 per cent of clients reported “no difficulty” accessing prevention services.

Source: In 2002/2003, two mail-out surveys were conducted (September 2002 and March 2003). Mail-out surveys were sent to a random sample of 399 clients who consented to be contacted for follow-up and 227 surveys were returned (response rate = 56.9 per cent). The margin of error was ± 5.8 per cent, 19 times out of 20.



MEASURE 1.B

Clients are satisfied with prevention services.

The per cent of clients who report being “somewhat satisfied” or “very satisfied” with prevention services.

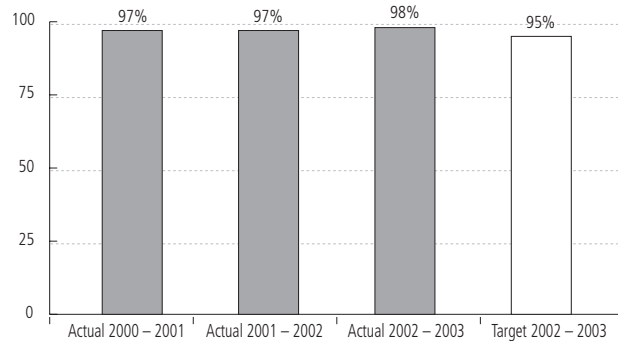
Target (2002/2003) — 95%

RATIONALE

It is important prevention programs meet the needs and expectations of the individuals or groups intended to receive these services. For this reason, AADAC surveys its clients’ level of satisfaction with the prevention services they received.

RESULTS

AADAC client satisfaction — Prevention



Per cent of clients reporting they were “somewhat satisfied” or “very satisfied” with prevention services received.

Source: AADAC Prevention Survey database

DISCUSSION

The target for client satisfaction with prevention services was exceeded; 98 per cent of clients reported they were “somewhat satisfied” or “very satisfied” with prevention services received.

Note: In previous annual reports, “very satisfied” was reported for client satisfaction with prevention services received. In 2002/2003, “somewhat satisfied” and “very satisfied” were combined to better reflect client satisfaction. The performance target was adjusted accordingly and previous years results were recalculated and reported in a consistent manner.

Source: In 2002/2003, two mail-out surveys were conducted (September 2002 and March 2003). Mail-out surveys were sent to a random sample of 399 clients who consented to be contacted for follow-up and 227 surveys were returned (response rate = 56.9 per cent). The margin of error was ± 5.8 per cent, 19 times out of 20.



Core Business 2: Treatment

AADAC provides programs and services to help people improve or recover from the harmful effects of alcohol, other drug and gambling problems. Services include community-based outpatient counselling and day programs as well as residential treatment services that provide a structured environment to assist dependent clients in their recovery

from addictions. Crisis services include detoxification, counselling on an emergency basis, referral and over-night shelter. An AADAC helpline is available toll-free, province-wide. Specialized programs are available for youth, women, men, Aboriginal peoples, business and industry referrals and those with opiate dependency.

Goal

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

MEASURE 2.A

Clients experience reasonable access to treatment services.

The per cent of clients who report “no difficulty” accessing treatment services.

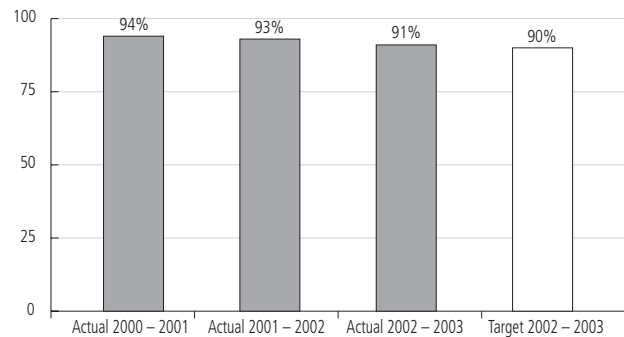
Target (2002/2003) = 90%

RATIONALE

Client access to treatment services increases the likelihood of positive outcomes. AADAC believes basic treatment services should be accessible to clients in their local community and specialized service should be available in a regional or provincial basis.

RESULTS

AADAC client access — Treatment



Per cent of clients reporting “no difficulty” accessing treatment services.

Source: AADAC System for Information and Service Tracking (ASIST) database. AADAC Interim Corporate Reporting (ICR) database.

DISCUSSION

The target for access to treatment services was exceeded; 91 per cent of clients reported “no difficulty” accessing treatment services.

Source: Clients in treatment services (excluding detoxification) were asked the access question on a form during their first treatment session; clients in detoxification services were asked the access question on a form at the end of service. Of the 44,931 admissions, 86.4 per cent answered the question and 13.6 per cent were missing.



MEASURE 2.B

Clients are satisfied with treatment services.

The per cent of clients who report being “somewhat satisfied” or “very satisfied” with treatment services.

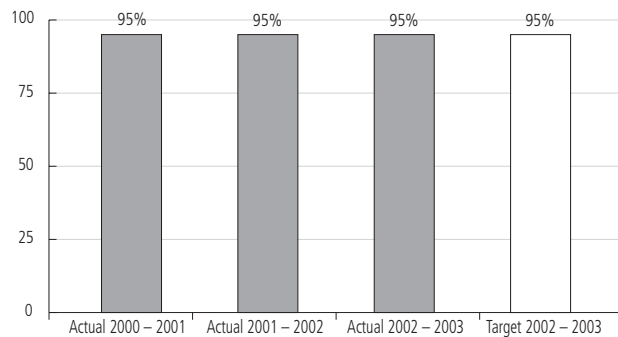
Target (2002/2003) = 95%

RATIONALE

It is important treatment programs meet the needs and expectations of the client or groups intended to receive these services. Therefore, AADAC surveys its clients’ level of satisfaction with the treatment services they received.

RESULTS

AADAC client satisfaction — Treatment



Per cent of clients reporting they were “somewhat satisfied” or “very satisfied” with treatment services received.

Source: AADAC Treatment Follow-up database.

DISCUSSION

The target for client satisfaction with treatment services was met; 95 per cent of clients reported they were “somewhat satisfied” or “very satisfied” with treatment services received.

Note: In previous annual reports, “very satisfied” was reported for client satisfaction with treatment services received. In 2002/2003, “somewhat satisfied” and “very satisfied” were combined to better reflect client satisfaction. The performance target was adjusted accordingly and previous years results were recalculated and reported in a consistent manner.

Source: Client satisfaction was assessed from two sources:

- (1) Follow-up telephone interviews for clients in treatment other than detoxification was conducted by an independent private research contractor. Clients entering treatment services (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 3,497 clients was telephoned three months after treatment completion. A total of 1,267 clients were interviewed and asked to rate their level of satisfaction with services received (response rate = 36.2 per cent). The margin of error is ± 2.7 per cent, 19 times out of 20.
- (2) Client satisfaction with detoxification was measured by a self-administered feedback survey given to clients at the end of service. Of the 11,914 detoxification admissions, 6,562 surveys were returned (response rate = 55.1 per cent).

Results from both sources were combined and weighted to provide total client satisfaction (n = 7,829).



MEASURE 2.C

Clients achieve abstinence or improved level of recovery.

Per cent of clients that report they were “abstinent” or “improved” three months after treatment.

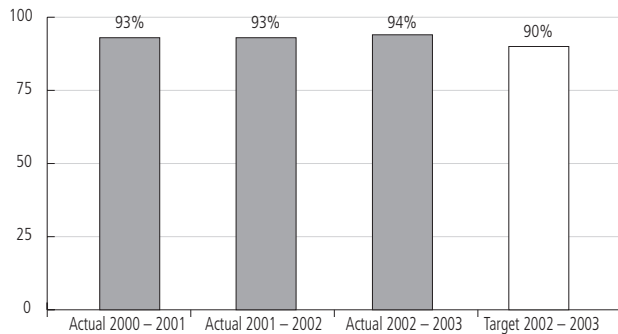
Target (2002/2003) — 90%

RATIONALE

AADAC offers a continuum of treatment services that address the individual needs of clients. The outcomes of treatment programs are measured to ensure these programs are effective.

RESULTS

Client level of recovery — Treatment



Per cent of clients reporting they were “abstinent” or “improved” three months after treatment.

Source: AADAC Treatment Follow-up database.

DISCUSSION

The target for level of recovery was exceeded; 94 per cent of clients reported they were “abstinent” or “improved” three months after treatment.

Source: Level of recovery was assessed using follow-up telephone interviews conducted by an independent private research contractor. Clients entering treatment services (excluding detoxification) were eligible for interview selection. Based on annual client admissions, sample quotas were assigned to each treatment type. A random sample of 3,497 clients was telephoned. A total of 1,267 clients were interviewed for follow-up three months after treatment (response rate = 36.2 per cent). The margin of error is ± 2.7 per cent, 19 times out of 20.



Core Business 3: Information

AADAC provides services that inform Albertans about alcohol, other drugs and gambling problems, and AADAC services. Albertans and other stakeholders are provided with current evidenced-based information on issues, emerging trends, research, and

performance measurement regarding addictions. Publications, videos, posters and information on AADAC's programs and services are available through AADAC offices and clinics and are also accessible through AADAC's Web site at www.aadac.com.

Goal 3 To provide evidence-based information about alcohol, other drug and gambling problems, and inform Albertans about AADAC's programs and services.

MEASURE 3.A

Albertans are informed about addictions and AADAC's services.

Number of hits on AADAC Web sites.

Number of calls to province-wide toll-free help lines.

Target (2002/2003) — 5% increase above 2000/2001 baseline

RATIONALE

Albertans who are informed about alcohol, other drug and gambling problems, and AADAC services are better able to make good decisions in these areas and are better able to access appropriate services.

RESULTS

Measure	Baseline 2000 – 2001	Actual 2002 – 2003	Target 2002 – 2003
Number of hits on AADAC Web sites	366,054	2,804,316	5% increase
Number of calls to province-wide toll-free help lines	3,484	15,738	5% increase

Source: Alberta Government Web Server Usage Statistics
AADAC Funded Services
Capital Health Authority's Capital Health Link

DISCUSSION

The targets for number of hits on AADAC Web sites and the number of calls to the helplines were exceeded; AADAC Web sites hits increased 666 per cent and calls to the helplines increased 352 per cent. The considerable increase in the number of hits on the Web sites is due mainly to the introduction

and marketing of two new Web sites — Youth and Parent/Teacher. The Smoker's Helpline was initiated and incorporated into the 1-866 AADAC Helpline, contributing to the large increase in helpline calls.

Source: Alberta Government Web Server Usage Statistics
AADAC Funded Services — Gambling Help Line (April -August, 2002)
Capital Health Authority's Capital Health Link — 1-866-33AADAC (August 6, 2002 – March 31, 2003)



Strategies

STRATEGY 1.0

Address substance abuse and problem gambling needs of Albertans through the delivery of sustainable prevention, treatment and information services.

Achievements:

- As part of the strategy to deliver specialized substance abuse and problem gambling services for children and youth, AADAC provided mobile services across the province and completed a process evaluation of AADAC mobile services for high-risk children/teens.
- In collaboration with stakeholders, AADAC developed new resources for grade 4, 7, and 9 students and increased teacher access to curriculum materials through AADAC's Web site. Orientation and training of AADAC and Funded Agency staff delivering services to schools across the province was completed.
- In collaboration with Alberta Learning and other stakeholders, AADAC launched The Alberta Youth Experience Survey — a province-wide study of junior and senior high students. Information on alcohol/drug use and gambling was collected from more than 4,000 students in 39 school divisions.
- AADAC continued to collaborate with the Gaming Ministry and provided representation on the Alberta Gaming Research Council. AADAC continued to work with Alberta Gaming to deliver awareness and intervention training to casino staff. In addition, AADAC Research Services initiated a study on the impact of problem gambling on families and completed an evaluation of the Problem Gambling Stabilization Program offered at Henwood Treatment Centre. Project funding for gambling programs was approved for the communities of Banff, Canmore, Edmonton, Grande Prairie, Hinton and St. Paul.
- In partnership with Alberta Mental Health Board and Regional Health Authorities, AADAC established a variety of local initiatives to enhance services for clients with mental health and addiction problems. AADAC Learning Services offered two courses on concurrent disorders to staff and allied professionals.
- AADAC co-ordinated the implementation of the *Alberta Tobacco Reduction Strategy (ATRS)*. Tobacco Reduction Counselors were hired throughout the province and funding was approved for 40 community tobacco reduction projects. The AADAC Smoker's Help line was initiated and incorporated into the 1-866 AADAC Help line. A large-scale social marketing campaign (*It's Time to Tell the Truth about Tobacco*) was launched and youth prevention programs were actively promoted during national Non-Smoking Week. The ATRS included a research framework to support the development of resources (e.g., *Tobacco Basics Handbook*), program planning, monitoring and evaluation.
- The Commission is a member of the Non-Prescription Needle Use consortium. Efforts to increase access to methadone treatment and streamline protocols for admission to the Opiate Dependency Program were initiated.
- AADAC participated in planning and hosting the Provincial Harm Reduction Conference held in Banff.



STRATEGY 2.0

Participate in key cross-government initiatives in a manner appropriate to AADAC's mandate and resources.

Achievements:

- AADAC is a core partner in the Health Sustainability Initiative, contributing through membership on the Partnering Deputies Committee as well as sub-committees (e.g., the seniors committee). AADAC's Learning Services delivered two courses for treatment providers who work with seniors.
- AADAC contributed to the implementation of the Aboriginal Policy Initiative through the establishment of four new addiction initiatives with the Mannawanis Native Friendship Centre, the Mikisew Cree First Nation, the Piikani Nation, and the Freedom River Counselling Group. AADAC sponsored the Blueprint for the Future (an Aboriginal career fair) held in Calgary, as well as the Indigenous People's Leadership Conference held in Edmonton.
- AADAC is a member of the Alberta Children and Youth Services Initiative (ACYI) Partnering Deputies Committee, which sets overall direction for this initiative. The commission is also represented on the ACYI Coordinating Committee, the Provincial Protection of Children Involved in Prostitution (PChIP) Committee, the Aboriginal Youth Suicide Prevention Working Committee, the Youth in Transition Implementation Committee, and the Southern Alberta Child and Youth Health Network.
- AADAC is supporting Alberta Children's Services in re-establishing the Alberta Partnership on FASD (fetal alcohol spectrum disorder). AADAC is also represented on the Canada Northwest FASD Partnership (formerly the Prairie Northern Pacific Partnership). AADAC's Learning Services developed and delivered training sessions on women's issues in treatment and working with clients with FASD.
- AADAC introduced Enhanced Services for Women (ESW). Services available in Calgary, Edmonton and Grande Prairie are designed to better reach pregnant women who need help for a substance use problem. A series of resources on substance use during pregnancy was developed to support this initiative.
- AADAC supports the *Economic Development Strategy* by promoting AADAC services as an important component in developing and maintaining a healthy and viable workforce. To this end, a feasibility study to expand the AADAC Business and Industry Clinic was completed and an evaluation initiated to assess the long-term outcomes for clients at the clinic. In addition, a replication of the 1992 study on substance abuse and gambling in the workplace was completed.



STRATEGY 3.0

Promote organizational effectiveness by facilitating new ways of delivering comprehensive, integrated addiction services.

- Focusing on a single point of entry to client services, a new contract was signed with Capital Health Link to provide Albertans with toll-free telephone access to alcohol, other drug (including tobacco) and problem gambling information and referral services. In addition, AADAC continued to offer services (e.g., emergency room assessment, on site counselling) to hospitals in all 17 RHAs.
- AADAC hosted a series of roundtable discussions (eight regional and one provincial session) to work with stakeholders to define future directions and priorities and discuss the sustainability of addiction services in the province. Over 260 individuals from across Alberta participated.
- AADAC continued to participate in provincial, national and international alliances. AADAC is represented on the Federal/Provincial/Territorial Advisory Committee on Alcohol and Other Drug Issues, as well as the national Alcohol and Drug Treatment and Rehabilitation Agreement. As a member of the Canadian Executive Council on Addictions, AADAC co-presented at hearings held by the House of Commons Special Committee on the Non-Medical Use of Drugs. AADAC also presented at the World Forum on Drug Dependencies (Montreal), and was invited to present at the 1st China International Symposium on Alcohol and Health (Shanghai) and the Hope 2002 Second International Conference on Substance Abuse and HIV (Mumbai, India).
- Building on AADAC's corporate human resource management strategy, core-training standards for supervisors and managers were identified and approved, and a new competency framework drafted to support the leadership continuity process. In addition, AADAC and Athabasca University established a distance-education management development certificate, providing advanced training for staff interested in management positions.



Future Challenges

AADAC will continue to be challenged to maintain quality addiction services while responding to changing client and community needs. These include:

- Working with others to co-ordinate services and responding to addictions as a key factor in population health.
- Balancing investment in treatment and prevention by continuing to provide immediate and compassionate care to those experiencing problems with substance use or gambling, and focusing over the long-term on prevention strategies that target youth and other sub-populations at risk for developing problems.
- Sustaining capacity through strategic planning and partnerships to meet increasing service demands due to population growth and urbanization, cultural diversity, and more complex client issues (e.g., mental health problems, FASD, HIV, and hepatitis concurrent with addictions).
- Demonstrating effectiveness through consistent delivery of programming based on research and best practices in the addiction field, and publicly reporting on outcomes and achievements.
- Remaining innovative in our delivery of services to reach those client groups (e.g., youth at risk, seniors, the homeless) who do not readily access programs and services through the usual routes.
- Changing demographics and recruitment of staff in a competitive labour market.
- Fostering community solutions through consultation and collaboration with citizens and stakeholders to ensure the formation of a comprehensive approach to substance abuse and problem gambling.
- Capitalizing on increased use of information technology to improve operational effectiveness and to provide services to an increasingly educated and sophisticated public.



Financial Information

Ministry of Health and Wellness

Consolidated Financial Statements

March 31, 2003



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2003

Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Changes in Financial Position

Notes to the Consolidated Financial Statements

Schedule 1 - Consolidated Revenue

Schedule 2 - Consolidated Dedicated Revenue Initiatives

Schedule 3 - Consolidated Expense Directly Incurred Detailed by Object

Schedule 4 - Consolidated Budget

Schedule 5 - Related Party Transactions

Schedule 6 - Allocated Costs



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 Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Health and Wellness as at March 31, 2003 and the consolidated statements of operations and changes in financial position 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 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.

Described in the following paragraphs are exceptions from Canadian generally accepted accounting principles. In aggregate, as at March 31, 2003, these matters result in an understatement of assets of approximately \$4,064 million and an understatement of liabilities of approximately \$3,320 million, resulting in recorded net liabilities being converted into net assets of approximately \$467 million. Similarly, there is an understatement of revenues of approximately \$749 million and an understatement of expenses of approximately \$815 million, resulting in an increase in the annual deficit of approximately \$66 million.

The Ministry of Health and Wellness is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policies that are exceptions from Canadian generally accepted accounting principles:

Reporting entity

The consolidated financial statements of the Ministry of Health and Wellness (the reporting entity) do not include the results of operations and net assets of regional health authorities and Provincial health boards as referred to in Note 2(a). Exclusion of the regional health authorities and the Provincial health boards from the reporting entity is an exception from Canadian generally accepted accounting principles. These principles



provide for the inclusion of the results of operations and net assets of organizations that are controlled by the government. In my opinion, the above noted organizations meet the criteria for inclusion in the reporting entity and, accordingly, the results of operations and net assets of these organizations should be included in the accompanying financial statements.

The following describes, at a summary level, the effect of not including regional health authorities and Provincial health boards in the accompanying financial statements and is intended to illustrate the overall magnitude of the effect on the financial statements. If these entities had been included in the financial statements, the total assets would increase by approximately \$4,024 million and total liabilities would increase by approximately \$3,320 million as at March 31, 2003, resulting in recorded net liabilities being converted into net assets of approximately \$427 million. Similarly, there would be an increase in revenue of approximately \$749 million and an increase in expenses of approximately \$818 million for the year ended March 31, 2003, resulting in an increase in the annual deficit of approximately \$69 million. Had consolidated financial statements been prepared, virtually every account in, and the information provided by way of note to, the accompanying financial statements would have been materially different.

Related Party Transactions

As the corporate government accounting policies followed stipulate that related parties include only those organizations that are part of the government reporting entity, transactions with the regional health authorities and Provincial health boards are not disclosed in these financial statements as transactions with related parties. Under Canadian generally accepted accounting principles, the regional health authorities and Provincial health boards are related parties of the Ministry of Health and Wellness. Since their net assets, revenues and expenses have not been included in these financial statements, a description of the nature and extent of the Ministry's transactions with them should have been included in Schedule 5, Related Party Transactions.

Capital Assets

The Ministry employs a policy of expensing capital asset purchases under \$15,000 in the year of acquisition. Consequently, a significant amount of resources available to the Ministry for future use has been recorded as if it had been consumed. It is estimated that at March 31, 2003, assets are understated and net liabilities are overstated by approximately \$40 million representing the unconsumed cost of capital assets at that date.

If capital asset purchases expensed on acquisition in the current year and previous years had instead been capitalized, amortization on these assets would have been included as expenses of the current year. As the value of capital asset purchases that were expensed in the current year is greater than the amount that would have been recorded as amortization expense, expenses are overstated for the year ended March 31, 2003 by approximately \$3 million.



In my opinion, because of the effects of the matters discussed under the Reporting Entity heading in the preceding paragraphs, these consolidated financial statements do not present fairly the financial position of the Ministry as at March 31, 2003 and the results of its operations and the changes in its financial position 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 23, 2003



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	<u>2003</u>		<u>2002</u>
	<u>Budget</u> <u>(Schedule 4)</u>	<u>Actual</u>	<u>Actual</u>
Revenues (Schedule 1)			
Internal Government Transfers	\$ 107,487	\$ 107,487	\$ 84,065
Transfer from the Government of Canada	1,171,577	950,155	1,143,448
Premiums and Fees	891,063	936,750	730,344
Other Revenue	58,975	78,434	77,744
	<u>2,229,102</u>	<u>2,072,826</u>	<u>2,035,601</u>
Expenses - Directly Incurred (Note 2c and Schedules 3 and 6)			
Program			
Regional Health Authorities and Health Boards	3,834,716	3,850,112	3,416,043
Province-Wide Services	415,492	418,042	394,466
Physician Services	1,436,667	1,441,543	1,226,803
Blue Cross Benefit Program	362,611	413,066	363,667
Extended Health Benefits	-	-	23,505
Allied Health Services	63,553	62,456	62,510
Protection, Promotion and Prevention	167,612	141,727	130,997
Human Tissue and Blood Services	120,016	115,605	104,000
Other Programs	186,897	147,382	159,801
Alberta Alcohol and Drug Abuse Commission	58,147	57,798	43,865
Response to Premier's Advisory Council on Health	25,000	13,586	1,071
Ministry Support Services	94,516	105,536	103,401
Systems Development	30,686	23,507	16,121
Supplemental Capital Equipment	-	-	48,996
One-Time Financial Assistance to Health Authorities	-	-	197,637
	<u>6,795,913</u>	<u>6,790,360</u>	<u>6,292,883</u>
Valuation Adjustments			
Health Care Insurance Premium Revenue Write-Offs	41,363	50,218	32,328
Other Write-Offs	-	45	16
	<u>41,363</u>	<u>50,263</u>	<u>32,344</u>
Provision for Vacation Pay	-	635	(1,933)
	<u>41,363</u>	<u>50,898</u>	<u>30,411</u>
Loss on Disposal of Capital Assets	-	-	2,129
	<u>6,837,276</u>	<u>6,841,258</u>	<u>6,325,423</u>
Net Operating Results	<u>\$ (4,608,174)</u>	<u>\$ (4,768,432)</u>	<u>\$ (4,289,822)</u>

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, 2003
(thousands of dollars)

	<u>2003</u>	<u>2002</u>
ASSETS		
Cash (Note 4)	\$ 23,208	\$ 8,648
Accounts Receivable, Loans and Advances (Note 5)	146,957	134,462
Consumable Inventory (Note 3)	5,636	170
Capital Assets (Note 6)	50,727	36,048
	<u>\$ 226,528</u>	<u>\$ 179,328</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 7)	\$ 412,805	\$ 370,540
Unearned Revenue (Note 8)	<u>91,029</u>	<u>133,287</u>
	<u>503,834</u>	<u>503,827</u>
NET LIABILITIES		
Net Liabilities at Beginning of Year	(324,499)	(332,140)
Net Operating Results	(4,768,432)	(4,289,822)
Net Transfer from General Revenues	4,815,625	4,297,463
Net Liabilities at End of Year	<u>(277,306)</u>	<u>(324,499)</u>
	<u>\$ 226,528</u>	<u>\$ 179,328</u>

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003	2002
Operating Transactions		
Net Operating Results	\$ (4,768,432)	\$ (4,289,822)
Non-cash items:		
Amortization	2,007	1,414
Loss on Disposal and Write Down of Capital Assets	-	2,129
Health Care Insurance Premium Revenue Write-Offs	50,218	32,328
Other Write-Offs	45	16
Provision for Vacation Pay	635	(1,933)
	<u>(4,715,527)</u>	<u>(4,255,868)</u>
Decrease (Increase) in Accounts Receivable, Loans and Advances and Inventory	(68,224)	11,225
Increase in Accounts Payable and Accrued Liabilities	41,630	105,673
(Decrease) in Unearned Revenue	(42,258)	(134,653)
Cash (Used) by Operating Transactions	<u>(4,784,379)</u>	<u>(4,273,623)</u>
Investing Transactions		
Purchases of Capital Assets	(16,686)	(22,083)
Net Transfer of Capital Assets	-	221
Cash (Used) by Investing Transactions	<u>(16,686)</u>	<u>(21,862)</u>
Financing Transactions		
Net Transfer from General Revenues	4,815,625	4,297,463
Net Cash Provided	<u>14,560</u>	<u>1,978</u>
Cash, Beginning of Year	8,648	6,670
Cash, End of Year	<u>\$ 23,208</u>	<u>\$ 8,648</u>

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, 2003

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 fulfil 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 set priorities based on health needs, determine the scope of financial, capital and human resources required, and measure and report 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

These consolidated financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries. 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. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

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)

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

<u>Organization</u>	<u>Authority</u>
Department of Health and Wellness	<i>Government Organization Act</i>
Alberta Alcohol and Drug Abuse Commission	<i>Alcohol and Drug Abuse Act</i>

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*.

(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 method of accounting. Cash received or receivable 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.



Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**(c) Basis of Financial Reporting (continued)****(iii) 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.

(iv) 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.

Directly incurred expenses include:

- amortization of capital assets.
- 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.

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)

(v) 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 \$15,000 for the Department and \$5,000 for Alberta Alcohol and Drug Abuse Commission. 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.

(vi) Liabilities

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

(vii) Net Liabilities

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

(viii) 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, travel advances, accounts payable and accrued liabilities are estimated to approximate their book values.

(ix) 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.



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

(c) Basis of Financial Reporting (continued)

- (x) Measurement Uncertainty
(amounts 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 allowance for doubtful accounts, in the amount of \$111,105 as reported in these consolidated financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2003 and past collection patterns. The actual amount collected could vary from that estimated.

Note 3 Change in Accounting Policy

Effective March 31, 2003, the Department changed its accounting policy for expensing consumable inventory (vaccines) from acquisition to consumption basis. This change of accounting policy has been applied on a prospective basis and is in anticipation of change in accounting policy for budgeting purposes for fiscal year 2003-04. This change in accounting policy resulted in the recording of inventory of \$5.1 million and reduction of the expenses by \$5.1 million for the year ended March 31, 2003.

Had this change in accounting policy been applied retroactively, with restatement of the comparative amounts, the impact on inventory and operating expenses would be as follows:

	2003	2002
	(thousands of dollars)	
Inventory increase	(a) \$ -	\$ 7,864
Operating expenses increase / (decrease)	\$ 2,744	\$ (5,120)

^(a) No change from prospective treatment of the change in accounting policy. (\$5.1 million recorded on Statement of Financial Position)



Note 4 Cash
(amounts in thousands)

The cash balance consists of the following:

	<u>2003</u>	<u>2002</u>
Department of Health and Wellness Bank Account	\$ 13,480	\$ 2,585
Alberta Alcohol and Drug Abuse Commission Consolidated Cash Investment Trust Fund	9,718	6,053
Accountable Advances	10	10
	<u>\$ 23,208</u>	<u>\$ 8,648</u>

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

	<u>2003</u>			<u>2002</u>
	Gross Amount	Allowance for Doubtful Accounts	Net Realizeable Value	Net Realizeable Value
Accounts Receivable	\$ 255,828	\$ 111,105	\$ 144,723	\$ 132,551
Refunds Receivable	2,085	-	2,085	1,908
Loans and Advances	149	-	149	3
	<u>\$ 258,062</u>	<u>\$ 111,105</u>	<u>\$ 146,957</u>	<u>\$ 134,462</u>

Accounts receivables are unsecured.



Note 6 Capital Assets
(amounts in thousands)

	2003			2002	
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Systems development					
Work in progress					
Wellnet projects		\$ 39,165	\$ -	\$ 39,165	\$ 26,608
Others		4,927	-	4,927	2,270
		<u>44,092</u>	<u>-</u>	<u>44,092</u>	<u>28,878</u>
Computer hardware and software	3-10 years	17,262	10,777	6,485	7,070
Equipment	10 years	266	116	150	100
		<u>17,528</u>	<u>10,893</u>	<u>6,635</u>	<u>7,170</u>
		<u>\$ 61,620</u>	<u>\$ 10,893</u>	<u>\$ 50,727</u>	<u>\$ 36,048</u>

Note 7 Accounts Payable and Accrued Liabilities
(amounts in thousands)

	2003	2002
Accounts payable	\$ 201,718	\$ 135,033
Accrued liabilities	203,528	228,583
Accrued vacation pay	7,559	6,924
	<u>\$ 412,805</u>	<u>\$ 370,540</u>



Note 8 Unearned Revenue
(amounts in thousands)

	<u>2003</u>	<u>2002</u>
Changes in unearned revenues are as follows:		
Restricted Cash received during the year:		
Health Care Insurance Premiums	\$ 29,742	\$ 23,144
Health Services for Persons with Hepatitis C	921	10,700
Third Party Recoveries	3	75
Federal/Provincial/Territorial Meetings	-	134
Institution Fees	<u>30</u>	<u>34</u>
	30,696	34,087
Less amounts recognized as revenue in the year	<u>(72,954)</u>	<u>(168,740)</u>
(Decrease) increase during the year	(42,258)	(134,653)
Balance at beginning of year	<u>133,287</u>	<u>267,940</u>
Balance at end of year	<u><u>\$ 91,029</u></u>	<u><u>\$ 133,287</u></u>
Balances at end of year are comprised of:		
Health Canada - Canada Health and Social Transfer	\$ 49,774	\$ 99,410
Health Care Insurance Premiums	29,742	23,144
Health Services for Persons with Hepatitis C	11,480	10,559
Third party recoveries	3	75
Federal/Provincial/Territorial Meetings	-	65
Institution Fees	<u>30</u>	<u>34</u>
	<u><u>\$ 91,029</u></u>	<u><u>\$ 133,287</u></u>



Note 9 Commitments
(amounts in thousands)

As at March 31, 2003, the Ministry has the following commitments:

	2003	2002
Specific programs commitments ^(a)	\$ 526,917	\$ 1,609,060
Service contracts	40,724	49,203
Equipment leases ^(b)	331	2,625
	\$ 567,972	\$ 1,660,888

- (a) The 2003 specific program commitments does not include the provision for medical services by physicians as the agreement with the Alberta Medical Association was not in place at March 31, 2003. The Ministry is currently in the process of negotiating an agreement with the Alberta Medical Association for the provision of the medical services by physicians.
- (b) The Ministry leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	2003	2002
2003	\$ -	\$ 918
2004	143	779
2005	110	480
2006	57	448
2007	21	-
	\$ 331	\$ 2,625

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 \$115,536 (2002 - \$104,000). Budgeted expenditure for the 2004 fiscal year is estimated at \$130,000.



Note 10 Contingencies and Equity Agreements with Voluntary Hospital Owners

Hepatitis C

The Ministry was named as defendant in 49 specific legal actions (2002 - 51 specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in 35 specific legal actions approximates \$563 million (2002 - \$583 million). For the other 14 claims, no specified amount has yet been claimed; the amount of these claims will be determined at trial. Forty-eight of these claims are covered by the Alberta Risk Management Fund. 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, 2003 the unpaid balance of the Ministry's commitment to the financial assistance package was \$17,942,000 (2002 - \$17,942,000).

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 termination of the equity agreements and transfer of the hospital assets to the Province. At March 31, 2003, the contingent payout liability upon termination is estimated at \$21 million (2002 - \$28.3 million).

Notifications to terminate certain equity agreements have been received by the Ministry. In 2002-2003, the Ministry expensed \$8.2 million (2002 - nil) 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, then transferred the hospital assets to Regional Health Authorities under lease agreements. The Regional Health Authorities will record the hospital assets at their net book value.

Other

At March 31, 2003, the Ministry was named as defendant in 22 other legal actions (2002 - 10 legal actions). Twenty-one of these claims have specified amounts totalling \$35.8 million and one has no specified amount (2002 - nine claims with a specified amount of \$19.2 million). The Ministry has been named jointly with other government entities in the claim with no specified amount. Fifteen claims (2002 - two claims) amounting to \$21.3 million (2002 - \$3.6 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
(amounts 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 infrastructure 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 Department 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.

	2003					2002	
	Western Health Information Collaborative	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total	
Opening receivable (payable) balance	\$ -	\$ 22,815	\$ (20)	\$ 1,944	\$ 24,739	\$ 17,725	
Add: Payments made during the year	321	128,711	1	2,905	131,938	122,050	
	321	151,526	(19)	4,849	156,677	139,775	
Less: Collections received during the year	264	123,351	-	2,763	126,378	115,036	
Closing receivable (payable) balance	\$ 57	\$ 28,175	\$ (19)	\$ 2,086	\$ 30,299	\$ 24,739	



Note 12 Defined Benefits Plan
(amounts 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 \$3,838 for the year ended March 31, 2003 (2002 - \$3,377).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968 (2001 – surplus \$5,338) and the Public Service Pension Plan reported actuarial deficiency of \$175,528 (2001 – actuarial surplus \$320,487). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472 (2001 – actuarial deficiency \$399).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of \$14,434 (2002 - \$8,646) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$3,053 (2002 - \$2,656). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 14 Approval of Financial Statements

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2003		2002
	Budget (Schedule 4)	Actual	Actual
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 107,487	\$ 107,487	\$ 84,065
	<u>107,487</u>	<u>107,487</u>	<u>84,065</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	1,147,716	931,106	1,091,777
Primary Health Care / Medical Equipment	13,845	10,880	49,042
Other	10,016	8,169	2,629
	<u>1,171,577</u>	<u>950,155</u>	<u>1,143,448</u>
Premiums and Fees:			
Health care insurance:			
Premiums before premium assistance	850,327	1,032,117	793,604
Less:			
Premium assistance under legislation	-	(133,078)	(98,842)
	<u>850,327</u>	<u>899,039</u>	<u>694,762</u>
Add:			
Penalties	18,107	14,440	13,171
Interest and miscellaneous	566	396	378
	<u>869,000</u>	<u>913,875</u>	<u>708,311</u>
Health care insurance premiums, penalties and interest			
Non-Group Blue Cross Benefits:			
Premiums before premium assistance	20,000	23,528	22,556
Less:			
Premium assistance under legislation	-	(2,210)	(2,092)
	<u>20,000</u>	<u>21,318</u>	<u>20,464</u>
Non-Group Blue Cross premiums			
Total premiums	889,000	935,193	728,775
Other	2,063	1,557	1,569
	<u>891,063</u>	<u>936,750</u>	<u>730,344</u>
Other revenue:			
Third party recoveries	56,005	58,874	56,840
Miscellaneous:			
Previous years' refunds of expenditure	1,400	15,846	17,895
Other	1,570	3,714	3,009
	<u>58,975</u>	<u>78,434</u>	<u>77,744</u>
Total Revenue	<u>\$ 2,229,102</u>	<u>\$ 2,072,826</u>	<u>\$ 2,035,601</u>



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003		(Shortfall)/ Excess
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	
Health Care Insurance Premium Revenue ^(b)	\$ 897,000	\$ 913,875	\$ 16,875
Non-Group Drug Benefits ^(c)	21,170	21,318	148
Primary Health Care Initiative ^(d)	13,845	10,880	(2,965)
Health Services for Persons with Hepatitis C ^(e)	8,500	1,779	(6,721)
Vaccine Administration and Education ^(f)	535	300	(235)
Statistical Information ^(g)	200	95	(105)
Drug Product Rebates ^(h)	150	144	(6)
Third Party Liability Annual Direct Payment Study ⁽ⁱ⁾	100	79	(21)
Diabetes Surveillance ^(j)	60	60	-
Reporting Adverse Reactions to Blood Products ^(k)	50	50	-
	<u>\$ 941,610</u>	<u>\$ 948,580</u>	<u>\$ 6,970</u>

(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. Expenses associated with this initiative are included in the Statement of Operations under the Physician Services expense classification.



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

- (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 Blue Cross Benefit Program expense classification.
- (d) Health Canada is providing funding to support primary care initiative that will be undertaken by the province. The funding of \$54.7 million will be provided over the next four fiscal years and will be used in the areas of proposal development, Health Link implementation, capacity-building fund and administration. Expenses associated with this initiative are included in the Statement of Operations under the Other Programs expense classification.
- (e) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. Expenses associated with this initiative are included in the Statement of Operations under the Other Programs expense classification.
- (f) This is a two-year project where the pharmaceutical companies will provide the ministry with monetary “value added” benefits based on the amount of vaccine purchased. The value added benefit will be dependant on the number of doses purchased by the department. This funding will be used to support the administration , promotional and educational campaign of the department’s immunization plan. Expenses associated with this initiative are included in the Statement of Operations under the Protection, Promotion and Prevention expense classification.
- (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 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. To ensure the new drug is used within the guidelines and expenditure forecast made by a pharmaceutical company, a Product Listing Agreement was negotiated. If the use of the drug exceeds the bounds of the Agreement, the drug manufacturer agrees to rebate a percentage of the cost overrun. This rebate is used to offset the cost of the ministry drug programs. Expenses associated with this initiative are included in the Statement of Operations under the Blue Cross Benefit Program expense classification.
- (i) The Ministry is undertaking a study to determine the appropriate amount of the Annual Direct Payment charged to insurance companies for Third Party Liability motor vehicle accident claims in the province. The Insurance Bureau of Canada is providing the funding for this study and the revenue received will be used to offset the ministry’s costs. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (j) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The Ministry used 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 Services expense classification.
- (k) Health Canada is providing funding to assist provinces in reporting of adverse reactions to blood products. The Ministry used this funding to initiate a consultation process to determine the relevancy of the information, the format the information will be stored and the feasibility of obtaining information to adequately address adverse event reporting requirements. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF
EXPENSE - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	<u>2003</u>		<u>2002</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Program Expenses:			
Grants	\$ 6,555,786	\$ 6,589,922	\$ 6,096,854
Supplies and Services	166,782	122,709	129,776
Salaries, Wages and Employee Benefits	70,226	75,573	64,698
Amortization of Capital Assets	2,994	2,007	1,414
Other	125	149	141
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 6,795,913</u>	<u>\$ 6,790,360</u>	<u>\$ 6,292,883</u>



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2002-2003 Budget	Treasury Board Approval ^(a)	2002-2003 Authorized Budget
Revenues:			
Internal Government Transfers	\$ 107,487	\$ -	\$ 107,487
Transfer from Government of Canada	1,171,577	110	1,171,687
Premiums and Fees	891,063	29,170	920,233
Other Revenue	58,975	685	59,660
	<u>2,229,102</u>	<u>29,965</u>	<u>2,259,067</u>
Expenses - Directly Incurred:			
Program			
Regional Health Authorities and Health Boards	3,834,716	-	3,834,716
Province-Wide Services	415,492	-	415,492
Physician Services	1,436,667	-	1,436,667
Blue Cross Benefit Program	362,611	29,320	391,931
Extended Health Benefits	-	-	-
Allied Health Services	63,553	-	63,553
Protection, Promotion, and Prevention	167,612	535	168,147
Human Tissue and Blood Services	120,016	-	120,016
Other Programs	186,897	-	186,897
Alberta Alcohol and Drug Abuse Commission	58,147	-	58,147
Response to Premier's Advisory Council on Health	25,000	-	25,000
Ministry Support Services	94,516	110	94,626
Systems Development	30,686	-	30,686
	<u>6,795,913</u>	<u>29,965</u>	<u>6,825,878</u>
Valuation Adjustments			
Health Care Insurance Premiums Revenue Write-Offs	41,363	4,438	45,801
Provision for Vacation Pay	-	-	-
	<u>41,363</u>	<u>4,438</u>	<u>45,801</u>
Total Expense	<u>6,837,276</u>	<u>34,403</u>	<u>6,871,679</u>
Net Operating Results	<u>\$ (4,608,174)</u>	<u>\$ (4,438)</u>	<u>\$ (4,612,612)</u>
Capital Investment	<u>\$ 1,855</u>	<u>\$ -</u>	<u>\$ 1,855</u>

(a) Treasury Board, pursuant to section 24 (2) of the *Financial Administration Act*, approved on January 20, 2003 increases in the operating expenses and capital investment votes under the Blue Cross Benefit Program, Protection, Promotion and Prevention and Ministry Support Services and Blue Cross Benefit Program and dedicated revenue for Health Care Insurance Premiums, Blue Cross Non-Group Premiums and other revenue from the Government of Canada and others.



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

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 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 Statements of Operations and Financial Position at the amount of consideration agreed upon between the related parties:

	2003	2002
Revenue - Internal Government Transfers	\$ 107,487	\$ 84,065
Expenses - Directly Incurred:		
Other Services	\$ 25,412	\$ 24,359
Capital Assets Transferred	\$ -	\$ 221
Payable to	(62)	(19)

The Ministry receives services under contracts managed by the Department of Government Services (ACSC). Any commitments under these contracts are reported by the Department of Government Services (ACSC).

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.

	2003	2002
Expenses - Incurred by Others:		
Accommodation	\$ 10,435	\$ 10,146
Other Services	1,262	1,352
	\$ 11,697	\$ 11,498



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

Schedule 6

Program	2003						2002	
	Expenses - Incurred by Others	Accommodation Costs	Legal Services	Vacation Pay	Valuation Adjustments - Health Care	Insurance Premiums Write-Offs	Other Write-Offs	Total
Regional Health Authorities and Health Boards	\$3,850,112	\$ 91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,850,203
Province-Wide Services	418,042	-	-	-	-	-	-	418,042
Physician Services	1,441,543	-	-	-	-	-	-	1,441,543
Blue Cross Benefit Program	413,066	-	-	-	-	-	-	413,066
Extended Health Benefits	-	-	-	-	-	-	-	-
Allied Health Services	62,456	-	-	-	-	-	-	62,456
Protection, Promotion, and Prevention	141,727	565	-	-	-	-	-	142,292
Human Tissue and Blood Services	115,605	-	-	-	-	-	-	115,605
Other Programs	147,382	97	-	-	-	-	-	147,479
Alberta Alcohol and Drug Abuse Commission	57,798	6,192	33	349	-	-	45	64,417
Response Premier's Advisory Council on Health	13,586	-	-	-	-	-	-	13,586
Ministry Support Services	105,536	3,243	1,183	286	-	-	-	110,248
Systems Development	23,507	247	46	-	-	-	-	23,800
One-time Financial Assistance to Health Authorities	-	-	-	-	-	-	-	-
Supplemental Capital Equipment	-	-	-	-	-	-	-	-
Health Care Insurance Premiums Revenue Write-Offs ^(b)	-	-	-	-	50,218	-	-	50,218
	<u>\$6,790,360</u>	<u>\$ 10,435</u>	<u>\$ 1,262</u>	<u>\$ 635</u>	<u>\$ 50,218</u>	<u>\$ 45</u>	<u>\$ 6,852,955</u>	<u>\$ 6,334,792</u>

^(a) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

^(b) Health Care Insurance Premiums Revenue Write-Offs relate to Premiums and Fees revenue. They cannot be reasonably allocated to other expenses of the Ministry.







Department of Health and Wellness

Financial Statements

March 31, 2003



DEPARTMENT OF HEALTH AND WELLNESS

FINANCIAL STATEMENTS

MARCH 31, 2003

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Statement of Changes in Financial Position

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Schedule 6 - Salaries and Benefits

Schedule 7 - Related Party Transactions

Schedule 8 - Allocated Costs



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, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. 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.

The Department of Health and Wellness is required to follow the corporate government accounting policies and reporting practices established by Alberta Finance, including the following policies that are exceptions from Canadian generally accepted accounting principles:

Related Party Transactions

As the corporate government accounting policies stipulate that related parties include only those organizations that are part of the government reporting entity, transactions with the regional health authorities and Provincial health boards are not disclosed in these financial statements as transactions with related parties. Under Canadian generally accepted accounting principles, the regional health authorities and Provincial health boards are related parties of the Department of Health and Wellness. Since their net assets, revenues and expenses have not been included in these financial statements, a description of the nature and extent of the Department's transactions with them should have been included in Schedule 7, Related Party Transactions. Also, Schedule 7 should disclose the expense for funding provided to regional health authorities and Provincial health boards amounting to approximately \$4,478 million and accrued liabilities of approximately \$49 million.

Capital Assets

The Department employs a policy of expensing capital asset purchases under \$15,000 in the year of acquisition. Consequently, a significant amount of resources available to the Department for future use has been recorded as if it had been consumed. It is estimated that at March 31, 2003, assets are understated and net liabilities are overstated by approximately \$38 million, representing the unconsumed cost of capital assets at that date.



If capital asset purchases expensed on acquisition in the current year and previous years had instead been capitalized, amortization on these assets would have been included as expenses of the current year. As the value of capital asset purchases that were expensed in the current year is greater than the amount that would have been recorded as amortization expense, expenses are overstated for the year ended March 31, 2003 by approximately \$2 million.

In my opinion, except for the effects of the matters discussed in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2003 and the results of its operations and the changes in its financial position 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 23, 2003



DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2003		2002
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Internal Government Transfers	\$ 107,487	\$ 107,487	\$ 84,065
Transfer from the Government of Canada	1,171,577	950,155	1,143,448
Premiums and Fees	889,163	935,238	728,850
Other Revenue	58,550	76,755	76,908
	<u>2,226,777</u>	<u>2,069,635</u>	<u>2,033,271</u>
Expenses - Directly Incurred (Note 2b (iv) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	110,020	118,683	108,624
Health Services	6,627,746	6,614,379	6,140,514
Assistance to Alberta Alcohol and Drug Abuse Commission	55,822	55,822	43,949
	<u>6,793,588</u>	<u>6,788,884</u>	<u>6,293,087</u>
Statutory (Schedule 5)			
Valuation Adjustments			
Health Care Insurance Premium Revenue Write-Offs	41,363	50,218	32,328
Provision for Vacation Pay	-	286	(2,462)
	<u>41,363</u>	<u>50,504</u>	<u>29,866</u>
	<u>6,834,951</u>	<u>6,839,388</u>	<u>6,322,953</u>
Loss on Disposal of Capital Assets	-	-	2,129
Net Operating Results	<u>\$ (4,608,174)</u>	<u>\$ (4,769,753)</u>	<u>\$ (4,291,811)</u>

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2003
(thousands of dollars)

	2003	2002
ASSETS		
Cash	\$ 13,483	\$ 2,587
Accounts Receivable (Note 4)	146,551	135,025
Loans and Advances	144	-
Capital Assets (Note 5)	50,448	35,849
Consumable Inventory (Note 3)	5,120	-
	\$ 215,746	\$ 173,461
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 403,993	\$ 365,326
Unearned Revenue (Note 7)	90,999	133,253
	494,992	498,579
NET LIABILITIES		
Net Liabilities at Beginning of Year	(325,118)	(330,770)
Net Operating Results	(4,769,753)	(4,291,811)
Net Transfer from General Revenues	4,815,625	4,297,463
Net Liabilities at End of Year	(279,246)	(325,118)
	\$ 215,746	\$ 173,461

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2003	2002
Operating Transactions		
Net Operating Results	\$ (4,769,753)	\$ (4,291,811)
Non-cash items:		
Amortization	1,924	1,369
Loss on Disposal of Capital Assets	-	2,129
Health Care Insurance Premium Revenue Write-Offs	50,218	32,328
Provision for Vacation Pay	286	(2,462)
	(4,717,325)	(4,258,447)
Decrease (Increase) in Accounts Receivable	(61,744)	10,446
Decrease (Increase) in Loans and Advances	(144)	6
(Increase) in consumable inventory	(5,120)	-
Increase in Accounts Payable and Accrued Liabilities	38,381	106,126
(Decrease) in Unearned Revenue	(42,254)	(134,665)
Cash (Used) by Operating Transactions	(4,788,206)	(4,276,534)
Investing Transactions		
Purchases of Capital Assets (Schedule 5)	(16,523)	(21,924)
Net Transfer of Capital Assets	-	221
Cash (Used) by Investing Transactions	(16,523)	(21,703)
Financing Transactions		
Net Transfer from General Revenues	4,815,625	4,297,463
Net Cash (Used) Provided	10,896	(774)
Cash, Beginning of Year	2,587	3,361
Cash, End of Year	\$ 13,483	\$ 2,587

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2003

Note 1 Authority and Purpose

The Department of Health and Wellness (the “Department”) operates under the authority of the *Government Organization Act*, Statutes of Alberta.

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, determine the scope of financial, capital and human resources required, and measure and report 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

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. 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. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(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, Alberta Mental Health Board, and the Alberta Alcohol and Drug Abuse Commission. The activities of these organizations are not included in these financial statements.

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.



Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**(b) Basis of Financial Reporting****(i) Revenues**

All revenues are reported on the accrual method 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) 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 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.

(iv) ExpensesDirectly Incurred

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

Directly incurred expenses include:

- amortization of capital assets.
- 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.

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)

(v) 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. 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 \$15,000. 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.

(vi) Liabilities

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

(vii) Net Liabilities

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

(viii) 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, loans and advances, accounts payable and accrued liabilities are estimated to approximate their book values.

(ix) 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.



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

(b) Basis of Financial Reporting (continued)

(x) Measurement Uncertainty
(amounts 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 allowance for doubtful accounts, in the amount of \$110,993 as reported in Note 4 to these financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2003 and past collection patterns. The actual amount collected could vary from that estimated.

Note 3 Change in Accounting Policy

Effective March 31, 2003, the Department changed its accounting policy for expensing consumable inventory (vaccines) from acquisition to consumption basis. This change in accounting policy has been applied on a prospective basis and is in anticipation of change in accounting policy for budgeting purposes for fiscal year 2003-04. This change in accounting policy resulted in the recording of inventory of \$5.1 million and reduction of the expenses by \$5.1 million for the year ended March 31, 2003.

Had this change in accounting policy been applied retroactively, with restatement of the comparative amounts, the impact on inventory and operating expenses would be as follows:

	<u>2003</u>	<u>2002</u>
	(thousands of dollars)	
Inventory increase	(a) \$ -	\$ 7,864
Operating expenses increase / (decrease)	\$ 2,744	\$ (5,120)

(a) No change from prospective treatment of the change in accounting policy. (\$5.1 million recorded on Statement of Financial Position).



Note 4 Accounts Receivable
(amounts in thousands)

	2003			2002
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 255,459	\$ 110,993	\$ 144,466	\$ 132,267
Refunds Receivable	2,085	-	\$ 2,085	2,758
	<u>\$ 257,544</u>	<u>\$ 110,993</u>	<u>\$ 146,551</u>	<u>\$ 135,025</u>

Accounts receivable are unsecured.

Note 5 Capital Assets
(amounts in thousands)

	Estimated Useful Life	2003		2002	
		Cost	Accumulated Amortization	Net Book Value	Net Book Value
Systems Development					
Work-in-progress					
Wellnet Projects		\$ 39,165	-	\$ 39,165	\$ 26,608
Others		4,927	-	4,927	2,270
		<u>44,092</u>	<u>-</u>	<u>44,092</u>	<u>28,878</u>
Computer Hardware and Software	3-10 years	16,841	10,532	6,309	6,955
Equipment	10 years	78	31	47	16
		<u>16,919</u>	<u>10,563</u>	<u>6,356</u>	<u>6,971</u>
		<u>\$ 61,011</u>	<u>\$ 10,563</u>	<u>\$ 50,448</u>	<u>\$ 35,849</u>

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

	2003	2002
Accounts payable	\$ 201,259	\$ 134,618
Accrued liabilities	198,279	226,539
Accrued vacation pay	4,455	4,169
	<u>\$ 403,993</u>	<u>\$ 365,326</u>



Note 7 Unearned Revenue
(amounts in thousands)

	2003	2002
Changes in unearned revenues are as follows:		
Restricted Cash received during the year:		
Health Care Insurance Premiums	\$ 29,742	\$ 23,144
Health Services for Persons with Hepatitis C	921	10,700
Third party recoveries	3	75
Federal/Provincial/Territorial Meetings	-	134
	30,666	34,053
Less amounts recognized as revenue in the year	(72,920)	(168,718)
(Decrease) during the year	(42,254)	(134,665)
Balance at beginning of year	133,253	267,918
Balance at end of year	\$ 90,999	\$ 133,253
Balances at end of year are comprised of:		
Health Canada - Canada Health and Social Transfer	\$ 49,774	\$ 99,410
Health Care Insurance Premiums	29,742	23,144
Health Services for Persons with Hepatitis C	11,480	10,559
Third party recoveries	3	75
Federal/Provincial/Territorial Meetings	-	65
	\$ 90,999	\$ 133,253

Note 8 Commitments
(amounts in thousands)

As at March 31, 2003, the Department has the following commitments:

	2003	2002
Specific programs commitments ^(a)	\$ 526,917	\$ 1,609,060
Service contracts	37,679	48,312
Equipment leases	-	2,342
	\$ 564,596	\$ 1,659,714

- (a) The 2003 specific program commitments does not include the provision of medical services by physicians as the agreement with the Alberta Medical Association was not in place at March 31, 2003. The Ministry is currently in the process of negotiating an agreement with the Alberta Medical Association for the provision of the medical services by physicians.



Note 8 Commitments (continued)
(amounts in thousands)

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 \$115,536 (2002 - \$104,000). Budgeted expenditure for the 2004 fiscal year is estimated at \$130,000.

Note 9 Contingencies and Equity Agreements with Voluntary Hospital Owners

Hepatitis C

The Department was named as defendant in 49 specific legal actions (2002 - 51 specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in 35 specific legal actions approximates \$563 million (2002 - \$583 million). For the other 14 claims, no specified amount has yet been claimed; the amount of these claims will be determined at trial. Forty-eight of these claims are covered by the Alberta Risk Management Fund. 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, 2003, the unpaid balance of the Department's commitment to the financial assistance package was \$17,942,000 (2002 - \$17,942,000).

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 termination of the equity agreements and transfer of the hospital assets to the Province. At March 31, 2003, the contingent payout liability upon termination is estimated at \$21 million (2002 - \$28.3 million).



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

Notifications to terminate certain equity agreements have been received by the Department. In 2002-2003, the Department expensed \$8.2 million (2002 - nil) 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, then transferred the hospital assets to Regional Health Authorities under lease agreements. The Regional Health Authorities will record the hospital assets at their net book value.

Other

At March 31, 2003, the Department was named as defendant in 22 other legal actions (2002 - 10 legal actions). Twenty-one of these claims have specified amounts totalling \$35.8 million and one has no specified amount (2002 - nine claims with a specified amount of \$19.2 million). The Department has been named jointly with other government entities in the claim with no specified amount. Fifteen claims (2002 - two claims) amounting to \$21.3 million (2002 - \$3.6 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

(amounts 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).

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.



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

	2003					2002
	Western Health Information Collaborative	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total
Opening receivable (payable) balance	\$ -	\$ 22,815	\$ (20)	\$ 1,944	\$ 24,739	\$ 17,725
Add: Payments made during the year	321	128,711	1	2,905	131,938	122,050
	321	151,526	(19)	4,849	156,677	139,775
Less: Collections received during the year	264	123,351	-	2,763	126,378	115,036
Closing receivable (payable) balance	\$ 57	\$ 28,175	\$ (19)	\$ 2,086	\$ 30,299	\$ 24,739

Note 11 Defined Benefits Plan
(amounts 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 \$2,543 for the year ended March 31, 2003 (2002 - \$2,279).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968 (2001 - surplus \$5,338) and the Public Service Pension Plan reported an actuarial deficiency of \$175,528 (2001 - actuarial surplus \$320,487). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472 (2001 - actuarial deficiency \$399).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of \$14,434 (2002 - \$8,646) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$3,053 (2002 - \$2,656). The expense for these two plans is limited to employer's annual contributions for the year.

Note 12 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 13 Approval of Financial Statements

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



Schedule 1

DEPARTMENT OF HEALTH & WELLNESS
SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2003		2002
	Budget	Actual	Actual
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 107,487	\$ 107,487	\$ 84,065
	<u>107,487</u>	<u>107,487</u>	<u>84,065</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	1,147,716	931,106	1,091,777
Primary Health Care/Medical Equipment	13,845	10,880	49,042
Other	10,016	8,169	2,629
	<u>1,171,577</u>	<u>950,155</u>	<u>1,143,448</u>
Fees:			
Health care insurance:			
Premiums before premium assistance	850,327	1,032,117	793,604
Less:			
Premium assistance under legislation	-	(133,078)	(98,842)
	<u>850,327</u>	<u>899,039</u>	<u>694,762</u>
Add:			
Penalties	18,107	14,440	13,171
Interest and miscellaneous	566	396	378
	<u>869,000</u>	<u>913,875</u>	<u>708,311</u>
Health care insurance premiums, penalties and interest			
Blue Cross:			
Premiums before premium assistance	20,000	23,528	22,556
Less premium assistance	-	(2,210)	(2,092)
	<u>20,000</u>	<u>21,318</u>	<u>20,464</u>
Blue Cross premiums			
Total premiums	889,000	935,193	728,775
Other	163	45	75
	<u>889,163</u>	<u>935,238</u>	<u>728,850</u>
Other revenue:			
Third party recoveries	56,005	58,874	56,840
Miscellaneous:			
Previous years' refunds of expenditure	1,400	15,846	17,895
Other	1,145	2,035	2,173
	<u>58,550</u>	<u>76,755</u>	<u>76,908</u>
Total revenue	<u>\$ 2,226,777</u>	<u>\$ 2,069,635</u>	<u>\$ 2,033,271</u>



DEPARTMENT OF HEALTH & WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall) / Excess
Health Care Insurance Premiums ^(b)	\$ 897,000	\$ 913,875	\$ 16,875
Non-Group Drug Benefits ^(c)	21,170	21,318	148
Primary Health Care Initiative ^(d)	13,845	10,880	(2,965)
Health Services for Persons with Hepatitis C ^(e)	8,500	1,779	(6,721)
Vaccine Administration and Education ^(f)	535	300	(235)
Statistical Information ^(g)	200	95	(105)
Drug Product Rebates ^(h)	150	144	(6)
Third Party Liability Annual Direct Payment Study ⁽ⁱ⁾	100	79	(21)
Diabetes Surveillance ^(j)	60	60	-
Reporting Adverse Reactions to Blood Products ^(k)	50	50	-
	<u>\$ 941,610</u>	<u>\$ 948,580</u>	<u>\$ 6,970</u>

(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. 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.



DEPARTMENT OF HEALTH & WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2003

(thousands of dollars)

- (d) Health Canada is providing funding to support primary care initiatives that will be undertaken by the province. Total funding of \$54.7 million will be provided over the next four fiscal years and will be used in the areas of proposal development, Health Link implementation, capacity-building fund, and administration. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (e) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C (HCV) virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (f) This is a two-year project where the pharmaceutical companies will provide the department with monetary "value added" benefits based on the amount of vaccine purchased. The value added benefit will be dependant on the number of doses purchased by the department. This funding will be used to support the administration, promotional and educational campaign of the department's immunization plan. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (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. To ensure the new drug is used within the guidelines and expenditure forecasts made by a pharmaceutical company, a Product Listing Agreement may be negotiated. If the use of the drug exceeds the bounds of the Agreement, the drug manufacturer agrees to rebate a percentage of the cost overrun. This rebate is used to offset the cost of department drug programs. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (i) The department is undertaking a study to determine the appropriate amount of the Annual Direct Payment charged to insurance companies for Third Party Liability motor vehicle accident claims in the province. The Insurance Bureau of Canada is providing the funding for this study and the revenue received will be used to offset the department's costs. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (j) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The department used 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 Services expense classification.
- (k) Health Canada is providing funding to assist provinces in reporting of adverse reactions to blood products. The department used this funding to initiate a consultation process to determine the relevancy of the information, the format the information will be stored and the feasibility of obtaining information to adequately address adverse event reporting requirements. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

	2003		2002
	Budget (Schedule 4)	Actual	Actual
Voted:			
Grants	\$ 6,601,121	\$ 6,635,442	\$ 6,130,627
Supplies and Services	149,745	105,794	120,807
Salaries, Wages and Employee Benefits	39,720	45,593	40,163
Amortization of Capital Assets	2,892	1,924	1,369
Other	110	131	121
Total Voted Expenses	\$ 6,793,588	\$ 6,788,884	\$ 6,293,087



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2002 - 2003 Budget	Treasury Board Approval ^(a)	2002 - 2003 Authorized Budget
Revenues:			
Internal Government Transfers	\$ 107,487	\$ -	\$ 107,487
Transfer from Government of Canada	1,171,577	110	1,171,687
Premiums and Fees	889,163	29,170	918,333
Other Revenue	58,550	685	59,235
	<u>2,226,777</u>	<u>29,965</u>	<u>2,256,742</u>
Expenses - Directly Incurred:			
Voted Expenses			
Ministry Support Services	110,020	110	110,130
Health Services	6,627,746	29,855	6,657,601
Alberta Alcohol and Drug Abuse Commission	55,822	-	55,822
	<u>6,793,588</u>	<u>29,965</u>	<u>6,823,553</u>
Statutory Expenses			
Valuation Adjustments			
Health Care Insurance Premiums Revenue Write-Offs	41,363	4,438	45,801
Provision for Vacation Pay	-	-	-
	<u>41,363</u>	<u>4,438</u>	<u>45,801</u>
Total Expense	<u>6,834,951</u>	<u>34,403</u>	<u>6,869,354</u>
Net Operating Results	<u>\$ (4,608,174)</u>	<u>\$ (4,438)</u>	<u>\$ (4,612,612)</u>
Capital Investment	<u>\$ 1,725</u>	<u>\$ -</u>	<u>\$ 1,725</u>

(a) Treasury Board, pursuant to section 24 (2) of the Financial Administration Act, approved on January 20, 2003 increases in the operating expenses and capital investment votes under the Ministry Support Services and Health Services programs and dedicated revenue for Health Care Insurance Premiums, Blue Cross Non-Group Premiums and Transfers from the Government of Canada and other revenue.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses - Directly Incurred and Capital Investment by Element to Authorized Budget

For the Year ended March 31, 2003

(thousands of dollars)

Voted Expenses and Capital Investments:	Estimates	Treasury	Authorized	Actuals	Under / (over)
	2003	Board Approval(a)	Budget 2003	2003 (b)	Expended
Ministry Support Services					
1.0 Ministry Support Services					
1.0.1 Minister's Office	\$ 487	\$ -	\$ 487	\$ 374	\$ 113
1.0.2 Deputy Minister's Office	395	-	395	380	15
1.0.3 Public Communications	1,330	-	1,330	1,515	(185)
1.0.4 Strategic Planning Services	5,197	-	5,197	4,798	399
1.0.5 Health Information and Accountability Services					
- Operating Expense	43,667	-	43,667	51,802	(8,135)
- Capital Investment	1,150	-	1,150	4,112	(2,962)
1.0.6 Alberta Wellnet Administration					
- Operating Expense	-	-	-	166	(166)
- Operating Expense funded by Lotteries	1,200	-	1,200	1,255	(55)
1.0.7 Population Health	8,235	110	8,345	9,943	(1,598)
1.0.8 Health Workforce	4,022	-	4,022	3,975	47
1.0.9 Finance and Corporate Support Services	22,467	-	22,467	24,199	(1,732)
1.0.10 Program Services					
- Operating Expense	16,749	-	16,749	16,763	(14)
- Capital Investment	-	-	-	35	(35)
1.0.11 Health Facilities Review Committee	560	-	560	534	26
1.0.12 Mental Health Patient Advocate's Office	319	-	319	165	154
1.0.13 Health Services Utilization and Outcomes Commission	1,000	-	1,000	749	251
1.0.14 Premier's Advisory Council on Health	250	-	250	34	216
1.0.15 Health Advisory and Appeal Services	4,047	-	4,047	1,943	2,104
1.0.16 Standing Policy Committee on Health and Community Living	95	-	95	88	7
Total Ministry Support Services	111,170	110	111,280	122,830	(11,550)
Health Services					
2.1 Practitioner Services					
2.1.1 Medical Services	1,336,300	-	1,336,300	1,328,807	7,493
2.1.2 Alternate Compensation Strategies	26,850	-	26,850	36,509	(9,659)
2.1.3 Allied Health Services	63,553	-	63,553	62,456	1,097
2.1.4 Extended Health Benefits	-	-	-	-	-
2.1.5 Rural Initiatives					
- Operating Expense funded by Lotteries	17,300	-	17,300	17,424	(124)
2.1.6 Medical Education Allowances	56,217	-	56,217	58,803	(2,586)
Total Practitioner Services	1,500,220	-	1,500,220	1,503,999	(3,779)
2.2 Provincial Programs					
2.2.1 Human Tissue and Blood Services	120,016	-	120,016	115,605	4,411
2.2.2 Equity Agreements	-	-	-	8,801	(8,801)
2.2.3 Blue Cross Benefit Program	362,611	29,320	391,931	413,066	(21,135)
2.2.4 Ambulance Services	40,183	-	40,183	38,077	2,106
2.2.5 Out-of-Province Health Care Costs	46,799	-	46,799	46,388	411
2.2.6 Federal Nursing Stations	1,212	-	1,212	766	446
2.2.7 Alberta Wellnet					
- Operating Expense	-	-	-	8,493	(8,493)
- Operating Expense funded by Lotteries	20,823	-	20,823	9,141	11,682
- Capital Investment funded by Lotteries	575	-	575	11,117	(10,542)
2.2.8 Health Services Research					
- Operating Expense	-	-	-	250	(250)
- Operating Expense funded by Lotteries	10,375	-	10,375	10,375	
2.2.9 Primary Health Care Initiative	13,845	-	13,845	10,880	2,965
2.2.10 Health Innovation Fund					
- Operating Expense funded by Lotteries	5,892	-	5,892	6,300	(408)
2.2.11 Community Funding	72,591	-	72,591	27,397	45,194
2.2.12 Response to Premier's Advisory Council on Health					
- Operating Expense	25,000	-	25,000	13,587	11,413
- Capital Investment	-	-	-	1,259	(1,259)
Total Provincial Programs	719,922	29,320	749,242	721,502	27,740



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses - Directly Incurred and Capital Investment by Element to Authorized Budget
For the Year ended March 31, 2003

(thousands of dollars)

Voted Expenses and Capital Investments:	Estimates 2003	Treasury Board Approval(a)	Authorized Budget 2003	Actuals 2003 (b)	Under / (over) Expended
2.3 Protection, Promotion, and Prevention					
2.3.1 Purchase of Vaccines and Sera	40,540	535	41,075	17,882	23,193
2.3.2 Public Health Laboratories	16,891	-	16,891	20,697	(3,806)
2.3.3 Alberta Aids to Daily Living Benefits	68,484	-	68,484	70,750	(2,266)
2.3.4 Alberta Wellness Initiative					
- Operating Expense	8,300	-	8,300	7,728	572
- Operating Expense funded by Lotteries	2,000	-	2,000	1,850	150
2.3.5 Aboriginal Health Strategies					
- Operating Expense funded by Lotteries	2,200	-	2,200	2,073	127
2.3.6 Community Support	19,556	-	19,556	12,120	7,436
Total Protection, Promotion and Prevention	157,971	535	158,506	133,100	25,406
2.4 Regional and Provincial Health Authorities					
Global Funding to Regional and Provincial Health Authorities					
2.4.1 Chinook Regional Health Authority	194,845	-	194,845	195,527	(682)
2.4.2 Palliser Health Authority	108,558	-	108,558	108,927	(369)
2.4.3 Headwaters Health Authority	59,356	-	59,356	59,586	(230)
2.4.4 Calgary Regional Health Authority	1,084,770	-	1,084,770	1,086,041	(1,271)
2.4.5 Regional Health Authority #5	52,225	-	52,225	52,406	(181)
2.4.6 David Thompson Regional Health Authority	208,257	-	208,257	208,895	(638)
2.4.7 East Central Regional Health Authority 7	128,902	-	128,902	129,074	(172)
2.4.8 Westview Regional Health Authority	56,104	-	56,104	56,140	(36)
2.4.9 Crossroads Regional Health Authority	43,997	-	43,997	44,079	(82)
2.4.10 Capital Health Authority	1,149,691	-	1,149,691	1,151,996	(2,305)
2.4.11 Aspen Regional Health Authority #11	68,401	-	68,401	68,443	(42)
2.4.12 Lakeland Regional Health Authority	105,801	-	105,801	107,813	(2,012)
2.4.13 Mistahia Regional Health Authority	99,773	-	99,773	100,323	(550)
2.4.14 Peace Regional Health Authority	28,627	-	28,627	28,718	(91)
2.4.15 Keeweenok Lakes Regional Health Authority #15	21,857	-	21,857	21,922	(65)
2.4.16 Northern Lights Regional Health Authority	33,776	-	33,776	33,895	(119)
2.4.17 Northwestern Regional Health Authority	16,709	-	16,709	16,760	(51)
2.4.18 Alberta Cancer Board	140,128	-	140,128	146,628	(6,500)
2.4.19 Alberta Mental Health Board	232,939	-	232,939	232,939	()
Total Global Funding to Regional and Provincial Health Authorities	3,834,716	-	3,834,716	3,850,112	(15,396)
2.5 Province-Wide Services					
2.5.1 Calgary Regional Health Authority	199,972	-	199,972	202,449	(2,477)
2.5.2 Capital Health Authority	213,816	-	213,816	215,593	(1,777)
2.5.3 Unallocated	1,704	-	1,704	-	1,704
Total Province-Wide Services	415,492	-	415,492	418,042	(2,550)
Total Health Services	6,628,321	29,855	6,658,176	6,626,755	31,421
3.0 Assistance to Alberta Alcohol and Drug Abuse Commission					
3.0.1 Assistance to Alberta Alcohol and Drug Abuse Commission					
- Operating Expense funded by Lotteries	47,122	-	47,122	47,122	-
3.0.2 Alberta Tobacco Reduction Strategy	8,700	-	8,700	8,700	-
Total Assistance to Alberta Alcohol and Drug Abuse Commission	55,822	-	55,822	55,822	-
Total Voted Expenses	\$ 6,795,313	\$ 29,965	\$ 6,825,278	\$ 6,805,407	\$ 19,871



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses - Directly Incurred and Capital Investment by Element to Authorized Budget
For the Year ended March 31, 2003

(thousands of dollars)

Voted Expenses and Capital Investments:	Estimates 2003	Treasury Board Approval(a)	Authorized Budget 2003	Actuals 2003 (b)	Under / (over) Expended
Voted Expenses:					
Program Operating Expense	6,686,676	29,965	6,716,641	6,693,344	23,297
Program Operating Expense funded by Lotteries	106,912	-	106,912	95,540	11,372
	<u>6,793,588</u>	<u>29,965</u>	<u>6,823,553</u>	<u>6,788,884</u>	<u>34,669</u>
Program Capital Investment	1,150	-	1,150	5,406	(4,256)
Program Capital Investment funded by Lotteries	575	-	575	11,117	(10,542)
	<u>1,725</u>	<u>-</u>	<u>1,725</u>	<u>16,523</u>	<u>(14,798)</u>
Total Voted Expenses	<u>\$ 6,795,313</u>	<u>\$ 29,965</u>	<u>\$ 6,825,278</u>	<u>\$ 6,805,407</u>	<u>\$ 19,871</u>
Statutory Expenses					
Valuation Adjustments					
Health Care Insurance Premiums Revenue Write-Offs	\$ 41,363	\$ 4,438	\$ 45,801	\$ 50,218	\$ (4,417)
Provision for Vacation Pay	-	-	-	286	(286)
	<u>\$ 41,363</u>	<u>\$ 4,438</u>	<u>\$ 45,801</u>	<u>\$ 50,504</u>	<u>\$ (4,703)</u>

^(a) Treasury Board, pursuant to section 24(2) of the Financial Administration Act, approved on January 20, 2003 increases in operating expense and capital investment votes under the Ministry Support Services and Health Services programs and dedicated revenue.

^(b) Includes achievement bonus of \$993.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF SALARIES AND BENEFITS
FOR THE YEAR ENDED MARCH 31, 2003

	2003			2002
	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	Total	Total
Deputy Minister ⁽³⁾⁽⁴⁾⁽¹²⁾	\$ 188,938	\$ 53,933	\$ 242,871	\$ 224,617
Assistant Deputy Ministers				
Health Accountability ⁽¹⁰⁾⁽¹²⁾⁽¹³⁾	142,207	23,824	166,031	159,612
Population Health ⁽⁵⁾	131,842	37,159	169,001	142,716
Health Workforce ⁽⁶⁾⁽¹¹⁾⁽¹²⁾	122,293	42,446	164,739	155,809
Program Services ⁽⁷⁾	115,613	30,951	146,564	123,609
Strategic Planning ⁽⁸⁾	128,566	40,461	169,027	154,903
Finance and Corporate Services ⁽⁹⁾	141,131	38,460	179,591	159,171

Total salary and benefits relating to a position are disclosed.

⁽¹⁾ Salary includes regular base pay, bonuses, overtime and lump sum payments

⁽²⁾ Benefits and allowances include governments'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.

⁽³⁾ Automobile provided, no dollar amount is included in benefits and allowances.

⁽⁴⁾ Benefits and allowances include vacation payments of \$Nil (2002 - \$2,782).

⁽⁵⁾ Benefits and allowances include vacation payments of \$4,524 (2002 - \$1,218).

⁽⁶⁾ Benefits and allowances include vacation payments of \$14,059 (2002 - \$ Nil).

⁽⁷⁾ Benefits and allowances include vacation payments of \$5,747 (2002 - \$Nil).

⁽⁸⁾ Benefits and allowances include vacation payments of \$7,762 (2002 - \$Nil).

⁽⁹⁾ Benefits and allowances include vacation payments of \$2,614 (2002 - \$Nil).

⁽¹⁰⁾ This position is occupied in an acting capacity from November 2002.

⁽¹¹⁾ This position is occupied in an acting capacity from October 2002.

⁽¹²⁾ This position was occupied by two individuals through the year.

⁽¹³⁾ The current incumbent does not participate in the government pension plan, his salary includes a compensating amount for pension.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2003
(thousands of dollars)

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 Entity in the Ministry is the Alberta Alcohol and Drug Abuse Commission.

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.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues				
Grants	\$ -	\$ -	\$ 107,487	\$ 84,065
Expenses - Directly Incurred				
Grants	\$ 56,322	\$ 44,069	\$ -	\$ -
Other Services	-	-	25,057	24,166
	<u>\$ 56,322</u>	<u>\$ 44,069</u>	<u>\$ 25,057</u>	<u>\$ 24,166</u>
Capital Assets Transferred	\$ -	\$ -	\$ -	\$ 221
Receivable from	-	850	-	1

The Department receives services under contracts managed by the Department of Government Services (ACSC). Any commitments under these contracts are reported by the Department of Government Services (ACSC).

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 and are disclosed in Schedule 8.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Expenses - Directly Incurred				
Accommodation	\$ -	\$ -	\$ 3,579	\$ 3,612
Legal	-	-	1,229	1,325
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,808</u>	<u>\$ 4,937</u>



DEPARTMENT OF HEALTH AND WELLNESS
 CONSOLIDATED SCHEDULE OF ALLOCATED COSTS
 FOR THE YEAR ENDED MARCH 31, 2003
 (thousands of dollars)

	2003					2002	
	Expenses - Incurred by Others		Valuation Adjustments			Total	Total
Expenses ^(a)	Accommodation Costs	Legal Services	Vacation Pay	Health Care Insurance Premium Revenue Write-Offs	Total		
Ministry Support Services	\$ 118,683	\$ 3,488	\$ 1,183	\$ 286	\$ -	\$ 123,640	\$ 110,906
Health Services	6,614,379	91	46	-	-	6,614,516	6,140,707
Alberta Alcohol and Drug Abuse Commission	55,822	-	-	-	-	55,822	43,949
Health Care Insurance Premium Revenue Write-Offs ^(b)	-	-	-	-	50,218	50,218	32,328
	<u>\$ 6,788,884</u>	<u>\$ 3,579</u>	<u>\$ 1,229</u>	<u>\$ 286</u>	<u>\$ 50,218</u>	<u>\$ 6,844,196</u>	<u>\$ 6,327,890</u>

- (a) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.
- (b) 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, 2003



**ALBERTA ALCOHOL AND DRUG
ABUSE COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003**

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Cash Flows

Notes to the Financial Statements

Schedule of Revenues

Schedule of Expenses by Object and Core Business

Schedule of Allocated Costs



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, 2003 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.

Since the Commission expenses capital assets costing less than \$5,000 each, a significant amount of furniture and equipment available to the Commission is not reported in the statement of financial position as required by Canadian generally accepted accounting principles. As at March 31, 2003, assets are understated and accumulated surplus understated by an estimated \$1,840,000 and expenses for the fiscal year then ended are overstated by approximately \$483,000.

In my opinion, except for the effects of the matter discussed in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2003 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 23, 2003



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2003

ASSETS	<u>2003</u>	<u>2002</u>
Current Assets:		
Cash (Note 3)	\$ 9,725,713	\$ 6,060,452
Accounts Receivable	263,060	288,357
Inventory	515,423	169,543
	<hr/>	<hr/>
	10,504,196	6,518,352
Capital Assets (Note 4)	279,315	200,198
	<hr/>	<hr/>
	<u>\$ 10,783,511</u>	<u>\$ 6,718,550</u>
 LIABILITIES AND ACCUMULATED SURPLUS		
Current Liabilities:		
Accounts Payable	\$ 5,425,534	\$ 3,065,827
Accrued Vacation Pay	3,104,000	2,755,000
Deferred Contributions (Note 6)	282,952	243,836
Unearned Revenue	30,664	33,086
	<hr/>	<hr/>
	8,843,150	6,097,749
Accumulated surplus (deficit):		
At beginning of year	620,801	(1,369,709)
Net operating results	1,319,560	1,990,510
	<hr/>	<hr/>
At end of year	1,940,361	620,801
	<hr/>	<hr/>
	<u>\$ 10,783,511</u>	<u>\$ 6,718,550</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2003

	2003		2002
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 8)		
Revenues (Schedule 1):			
Internal government transfers:			
Department of Health and Wellness	\$ 55,822,000	\$ 56,322,000	\$ 44,069,000
Other revenues:			
Fees	1,900,000	1,511,019	1,493,957
Other	425,000	1,678,742	837,273
	<u>58,147,000</u>	<u>59,511,761</u>	<u>46,400,230</u>
Expenses – Directly Incurred: (Schedule 2 and 3, Note 2 (b))			
Programs:			
Community services	29,269,000	27,979,643	19,085,661
Residential treatment services	12,060,000	11,884,250	10,687,549
Detoxification services	7,331,000	7,724,907	6,926,833
Research, information and monitoring	7,314,000	8,071,133	5,281,219
Administration	2,173,000	2,183,268	1,899,458
Accrued vacation pay adjustment	-	349,000	529,000
	<u>58,147,000</u>	<u>58,192,201</u>	<u>44,409,720</u>
Net operating results	<u>\$ -</u>	<u>\$ 1,319,560</u>	<u>\$ 1,990,510</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2003

	<u>2003</u>	<u>2002</u>
Operating Activities:		
Net operating results	\$ 1,319,560	\$ 1,990,510
Add non-cash charges:		
Amortization of capital assets	<u>83,467</u>	<u>45,288</u>
	1,403,027	2,035,798
Decrease in non-cash working capital	<u>2,424,818</u>	<u>876,661</u>
Cash provided by operating activities	3,827,845	2,912,459
Investing activities:		
Acquisition of capital assets	<u>(162,584)</u>	<u>(160,723)</u>
Net cash provided	<u>3,665,261</u>	<u>2,751,736</u>
Cash at beginning of year	<u>6,060,452</u>	<u>3,308,716</u>
Cash at end of year	<u>\$ 9,725,713</u>	<u>\$ 6,060,452</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2003

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 Significant Accounting Policies and Reporting Practices

(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.

(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.



Note 2 Significant Accounting Policies and Reporting Practices (continued)

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) Capital Assets

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) Pensions

The Commission participates in multiemployer pension plans with related government entities. Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for service relating to prior years.

(f) 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, accrued liabilities, and unearned revenues 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)**(g) 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.

(h) Grants

For the years ended March 31, 2003 and 2002, direct financial assistance was given to 25 not-for-profit organizations operating at arms-length from the Commission.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (Fund) of the Province of Alberta. The Fund is being managed with the objective of providing competitive interest income to depositors while maintaining maximum 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 five years.

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. In the current fiscal year, the Commission received Treasury Board permission to retain interest earned on its General Operating Account in addition to its other bank accounts. Interest income of \$413,291 was earned during the year on this account and is reflected in the financial statements. In previous years, the interest had been credited directly to the Ministry of Finance and was not included in these financial statements (2002 \$381,962) (Note 9).

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



Note 4 Capital Assets

Capital assets consist of the following:

	2003			2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	\$ 420,843	\$ 244,725	\$176,118	\$ 116,119
Furniture and equipment	188,128	84,931	103,197	84,079
	<u>\$ 608,971</u>	<u>\$ 329,656</u>	<u>\$ 279,315</u>	<u>\$ 200,198</u>

Note 5 Commitments

(a) The Commission leases certain vehicles and equipment under operating leases that expire on various dates through to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2003	\$ 143,292
2004	\$ 109,741
2005	\$ 57,046
2006	\$ 20,977

(b) The Commission has certain contractual obligations for contracts, which extend into 2004, 2005 and 2006. The value of the contractual obligation is \$2,605,907 in 2004, \$417,945 in 2005, and \$20,600 in 2006.

Note 6 Deferred Contributions

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:

	<u>2003</u>	<u>2002</u>
Donation	\$ 36,148	\$ 18,116
Interest Earned	7,718	9,075
Transferred to Revenue	<u>(4,750)</u>	<u>(10,800)</u>
Increase during the year	39,116	16,391
Balance at beginning of year	<u>243,836</u>	<u>227,445</u>
Balance at end of year	<u>\$282,952</u>	<u>\$243,836</u>



Note 7 Pension Costs

The Commission participates in the multiemployer pensions plans, Management Employee Pension Plan, and Public Service Pension Plan. The Commission also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,303,856 for the year ended March 31, 2003 (2002 \$1,098,026) and is reflected in Employer Contributions on Schedule 2.

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968,000 (2001 – surplus \$5,338,000) and the Public Service Pension Plan reported an actuarial deficiency of \$175,528,000 (2001 – actuarial surplus \$320,487,000). At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472,000 (2001 - deficiency \$399,000).

Note 8 Approvals**(a) Budget**

The budget amounts shown on the statement of operations agree with the 2002/03 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 June 7, 2002.

(b) Financial Statements

These financial statements and accompanying notes were approved on June 12, 2003 by the Members of the Commission.

Note 9 Related Party Transactions

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.



Note 9 Related Party Transactions (continued)

	Entities in the Ministry		Other Entities	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues:				
Grants	<u>\$56,322,000</u>	<u>\$44,069,000</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Other Services	<u>-</u>	<u>\$ -</u>	<u>\$ 355,256</u>	<u>\$ 192,719</u>
Receivable from (Payable to)	<u>-</u> <u>\$ -</u>	<u>\$ -</u> <u>\$ (850,000)</u>	<u>-</u> <u>\$ (62,443)</u>	<u>-</u> <u>\$ (20,991)</u>

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	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues:				
Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 381,962</u>
Expenses:				
Legal Fees	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,277</u>	<u>\$ 27,665</u>
Accommodation	<u>-</u>	<u>-</u>	<u>6,192,361</u>	<u>5,903,302</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$6,225,638</u>	<u>\$5,930,967</u>

Note 10 Federal/Provincial Cost Sharing Agreements

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, 2003 amounts to approximately \$1,340,000 (2002 \$1,340,000).



Note 11 Salaries, Wages, Benefits and Allowances

	2003			2002
	Salaries^a	Benefits and Allowances^b	Total	Total
Current Executives				
Chairman of the Board	\$ 15,256	\$ -	\$ 15,256	\$ 15,768
Board Members ^c	34,558	-	34,558	35,539
Chief Executive Officer ^{d,e}	145,497	58,655	204,152	178,912
Executive Director, Program Services	130,450	39,227	169,677	148,196
Director, Community and Youth Services ^f	101,664	23,965	125,629	108,939
Director, Residential Services ^f	97,344	23,116	120,460	81,390
Director, Corporate Services ^{e,g}	91,068	26,990	118,058	103,539
Director, Human Resources & Learning ^g	94,473	19,641	114,114	100,655
Director, Provincial Initiatives ^g	91,068	20,405	111,473	104,277
Director, Research Services ^g	91,044	19,453	110,497	102,192
Director, Information Services ^g	85,785	17,094	102,879	84,429
Director, Northern Alberta Addiction Services ^f			n/a	47,236
Director, Southern Alberta Addiction Services ^f			n/a	24,284

- (a) Salaries include regular pay, overtime, lump sum payments, honoraria and any other direct cash remuneration excluding any severance payments.
- (b) Benefits and allowances 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, professional memberships and vacation payouts.
- (c) There were nine Board members in both years.
- (d) An amount has not been included in benefits and allowances for the automobile provided to the Chief Executive Officer.
- (e) The benefits and allowances amounts include vacation payouts of \$19,825 (2002 \$7,472).
- (f) The Commission reorganized its service delivery structure from a geographic to type of service basis. The Northern and Southern Director positions were consolidated as Directors of Community and Youth Services, and Residential Services during 2002. All personnel changes were complete by September 2001.
- (g) In April 2002, certain central support functions were reorganized, and Director titles changed.



Schedule 1

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

SCHEDULE OF REVENUES

FOR THE YEAR ENDED MARCH 31, 2003

	<u>2003</u>		<u>2002</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Internal government transfers:			
Department of Health and Wellness	\$ 55,822,000	\$ 56,322,000	\$ 44,069,000
	<u>55,822,000</u>	<u>56,322,000</u>	<u>44,069,000</u>
Other revenues:			
Fees:			
Clients	1,740,000	1,427,064	1,361,391
Seminars	160,000	83,955	132,566
	<u>1,900,000</u>	<u>1,511,019</u>	<u>1,493,957</u>
Other:			
Donations	-	12,816	18,530
Publications	40,000	36,003	32,683
Miscellaneous - Contracted Services	-	994,774	497,855
- Interest Income (Note 3)	325,000	488,394	109,083
- Sundry & Misc. at Residential sites	60,000	123,497	140,248
- General	-	23,258	38,874
	<u>425,000</u>	<u>1,678,742</u>	<u>837,273</u>
Total revenues	<u>\$ 58,147,000</u>	<u>\$ 59,511,761</u>	<u>\$ 46,400,230</u>



Schedule 2

**ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
SCHEDULE OF EXPENSES BY OBJECT AND CORE BUSINESS
FOR THE YEAR ENDED MARCH 31, 2003**

EXPENSES BY OBJECT	<u>2003</u>		<u>2002</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Manpower:			
Salaries	\$ 24,915,000	\$ 22,950,927	\$ 19,093,706
Employer Contributions	3,781,000	4,098,725	3,389,547
Wages	1,604,000	3,093,324	2,463,063
Allowances and benefits	206,000	185,876	117,857
	<u>30,506,000</u>	<u>30,328,852</u>	<u>25,064,173</u>
Grants:			
Direct financial assistance to agencies	10,585,000	10,801,867	10,296,286
Other:			
Profession, technical, and labor service	11,556,000	10,931,420	4,439,165
Materials and Supplies	3,250,000	2,768,178	2,109,669
Travel and relocation	899,000	1,122,391	925,260
Advertising	351,000	760,175	461,738
Telephones	303,000	325,919	308,861
Voluntary separation payments	-	32,959	133,111
Board members' fees	39,000	49,814	51,307
Amortization	102,000	83,467	45,288
Hosting	44,000	49,734	45,231
Bad debts	-	45,348	15,787
Other operating expenses	512,000	892,077	513,844
	<u>17,056,000</u>	<u>17,061,482</u>	<u>9,049,261</u>
	<u>\$58,147,000</u>	<u>\$ 58,192,201</u>	<u>\$ 44,409,720</u>
EXPENSES BY CORE BUSINESS			
Core Business:			
Treatment	\$36,228,000	\$37,570,520	\$30,633,448
Information	11,938,000	11,807,380	9,396,972
Prevention	9,981,000	8,814,301	4,379,300
	<u>\$58,147,000</u>	<u>\$58,192,201</u>	<u>\$44,409,720</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
SCHEDULE OF ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2003

Schedule 3

Programs:	2003				2002	
	Expenses ^a	Accrued Vacation Pay Adjustment	Legal Services	Accommodation costs	Total Expenses	Total Expenses
Community services	\$ 27,979,643	\$ 205,006	\$ -	\$ 2,432,930	\$ 30,617,579	\$ 21,522,104
Residential treatment services	11,884,250	53,176		2,305,095	14,242,521	13,155,689
Detoxification services	7,724,907	28,315		1,196,989	8,950,211	8,068,120
Research information and monitoring	8,071,133	50,724		183,820	8,305,677	5,498,187
Administration	2,183,268	11,779	33,277	73,527	2,301,851	2,096,587
	<u>\$ 57,843,201</u>	<u>\$ 349,000</u>	<u>\$ 33,277</u>	<u>\$ 6,192,361</u>	<u>\$ 64,417,839</u>	<u>\$ 50,340,687</u>

^a Expenses – Directly Incurred as per Statement of Operations excluding Accrued Vacation pay.



**The following
information is
Unaudited**



MINISTRY OF HEALTH AND WELLNESS

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

FOR THE YEAR ENDED MARCH 31, 2003

(UNAUDITED)

(thousands of dollars)

	<u>2003</u>	<u>2002</u>
Write-offs:		
Health Care Insurance Premiums	\$ 24,181	\$ 29,474
Medical Claim Recoveries	1,926	842
Penalties, Interest and Miscellaneous Charges	853	745
Third Party Recoveries	5	6
	<hr/>	
Total Write-offs	<u>\$ 26,965</u>	<u>\$ 31,067</u>

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.



MINISTRY OF HEALTH AND WELLNESS

STATEMENT OF EXPENSES BY CORE BUSINESS

FOR THE YEAR ENDED MARCH 31, 2003

(UNAUDITED)

(thousands of dollars)

<u>Core Business</u>	<u>2003</u>		<u>2002</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
1 Delivery of Quality Health Services	\$ 6,626,112	\$ 6,620,378	\$ 6,146,407
2 Encourage and Support Healthy Living	<u>211,164</u>	<u>220,880</u>	<u>179,016</u>
	<u>\$ 6,837,276</u>	<u>\$ 6,841,258</u>	<u>\$ 6,325,423</u>



Other Information

Health Authority Highlights

This section highlights the financial results of the 17 regional health authorities, the Alberta Mental Health Board and the Alberta Cancer Board (the "health authorities.")

This section was compiled from the health authorities' audited financial statements for the fiscal year ended March 31, 2003. The statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and Alberta Health and Wellness' Financial Directive 20. This section is unaudited.

Operating Results

- For fiscal year 2002/2003, the health authorities in aggregate reported a \$72 million operating deficit. This compares to a prior year deficit of \$21 million. Of the 19 health authorities, eighteen reported a deficit.
- In 2002/2003, Alberta Health and Wellness provided 85 per cent of total health authority revenue, same as the prior year.
- Total 2002/2003 expense was \$5.3 billion, compared to \$4.9 billion in the prior year – a 9 per cent increase. The majority of the increase was in salary expense. A total of 46,922 Full Time Equivalents were employed by the health authorities in the year.
- In 2002/2003 three of the nineteen health regions had entered into contracts with surgical facilities under the *Health Care Protection Act*. Total expense under these contracts at March 31, 2003 was \$9 million, compared to \$8 million in the prior year.
- Total administration costs in 2002/2003 was \$198 million (2002 \$189 million) or 3.7 per cent of total health authority expenditures (3.9 per cent 2002.)

Financial Position

- The health authorities reported total net assets of \$381 million at March 31, 2003, a decrease of \$72 million from the prior year. Of the total, \$93 million or 24 per cent was available to be spent on health service delivery or capital acquisitions.
- Total health authority long-term debt at March 31, 2003 was \$28 million, up from \$13 million at March 31, 2002.



Capital Assets

- In 2002/2003 the health authorities spent \$379 million on capital assets. Of this amount, \$136 million was spent on new equipment and \$243 million on infrastructure.
- The average remaining useful life of health authorities' capital equipment at March 31, 2003 was 3.7 years, compared to 3.9 years in the prior year.

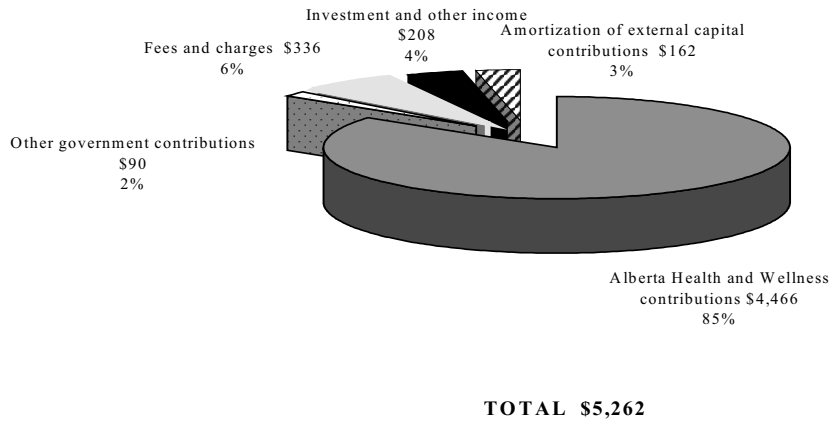
Additional Information

- Effective March 31, 2003, the boards of the seventeen regional health authorities were disestablished. The boundaries of the seventeen regions were restructured into nine. On April 1, 2003 new boards were appointed to the nine new regions.
- In response to a recommendation of the Premier's Advisory Council on Health, on April 1, 2003, mental health programs, services and facilities were transferred and integrated into Alberta's expanded health regions.
- Copies of the health authorities' audited financial statements are included in Section II of the Ministry Annual Report.



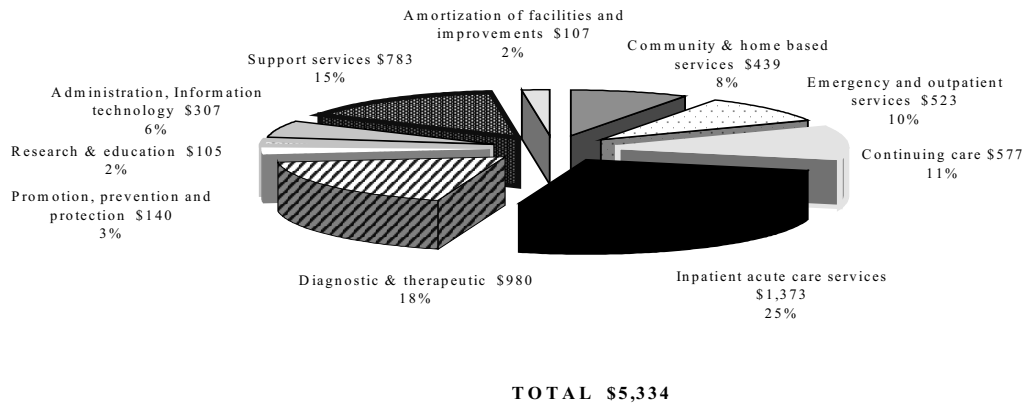
**HEALTH AUTHORITIES
2002/2003 ACTUAL REVENUE
(\$ millions)**

Chart I



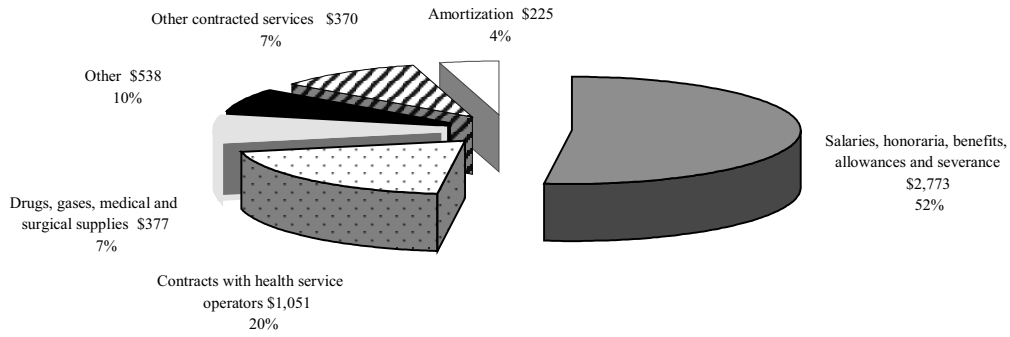
**HEALTH AUTHORITIES
2002/2003 ACTUAL EXPENSES
(\$ millions)**

Chart II



**HEALTH AUTHORITIES
2002/2003 ACTUAL EXPENSES BY OBJECT
(\$ millions)**

Chart III



TOTAL \$5,334



TABLE I

**HEALTH AUTHORITY SUMMARY
ANALYSIS OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	2002/03 BUDGET	2002/03 ACTUAL	% OF TOTAL	2002/03 ACTUAL	% OF TOTAL	2001/02 ACTUAL	% OF TOTAL
REVENUE							
Alberta Health and Wellness contributions	4,440,946	4,466,056	84.9%	4,466,056	84.9%	4,169,939	85.4%
Other government contributions	78,052	89,810	1.7%	89,810	1.7%	75,864	1.6%
Fees and charges	327,214	336,563	6.4%	336,563	6.4%	300,606	6.2%
Ancillary operations, net	19,010	13,378	0.3%	13,378	0.3%	14,581	0.3%
Donations	19,996	22,643	0.4%	22,643	0.4%	12,246	0.3%
Investment and other income	168,808	171,708	3.3%	171,708	3.3%	161,943	3.3%
Amortization of external capital contributions	147,343	162,105	3.0%	162,105	3.0%	145,502	3.0%
TOTAL REVENUE	5,201,369	5,262,263	100.0%	5,262,263	100.0%	4,880,681	100.0%
EXPENSE							
Facility-based inpatient acute care services	1,356,465	1,372,922	25.8%	1,372,922	25.8%	1,244,792	25.4%
Facility-based emergency and outpatient services	512,878	522,477	9.8%	522,477	9.8%	471,994	9.6%
Facility-based continuing care services	572,921	577,043	10.8%	577,043	10.8%	537,782	11.0%
Community & home based services	439,955	439,205	8.2%	439,205	8.2%	404,490	8.3%
Diagnostic & therapeutic services	973,856	980,283	18.4%	980,283	18.4%	897,660	18.3%
Promotion, prevention and protection services	140,413	140,000	2.6%	140,000	2.6%	127,126	2.6%
Research & education	106,536	105,283	2.0%	105,283	2.0%	104,582	2.1%
Administration	202,583	197,860	3.7%	197,860	3.7%	189,024	3.9%
Information technology	116,128	108,923	2.0%	108,923	2.0%	111,179	2.3%
Support services	780,123	783,354	14.7%	783,354	14.7%	729,553	14.9%
Amortization of facilities and improvements	89,335	94,233	1.8%	94,233	1.8%	82,548	1.7%
Capital assets write down	-	5,366	0.2%	5,366	0.2%	688	0.0%
TOTAL EXPENSE before extraordinary item	5,291,193	5,326,949	100.0%	5,326,949	100.0%	4,901,418	100.0%
Extraordinary item - Restructuring costs AMHB		6,882		6,882			
TOTAL EXPENSE	5,291,193	5,333,831		5,333,831	8.8%	4,901,418	
Excess (deficiency) of revenue over expense	(89,824)	(71,568)		(71,568)		(20,737)	



TABLE II

HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	CHINOOK			FALLISER			HEADWATERS			CALGARY		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	201,581	201,632	194,970	112,479	112,479	106,617	61,330	61,997	59,151	1,332,566	1,347,674	1,249,597
Other government contributions	2,782	2,616	2,564	3,504	3,504	3,954	1,943	1,950	2,169	18,345	23,064	17,156
Fees and charges	13,700	14,201	13,540	11,832	12,262	10,602	7,750	7,661	7,315	101,969	105,231	94,714
Ancillary operations, net	291	325	349	171	337	251	140	146	127	10,717	6,750	9,264
Donations	156	346	266	300	520	185	210	197	375	12,949	14,048	5,688
Investment and other income	4,956	4,013	4,417	2,143	2,468	2,359	6,464	2,226	1,969	44,973	55,447	46,183
Amortization of external capital contributions	9,701	9,555	9,774	3,965	6,080	4,809	2,549	2,698	2,271	42,650	40,765	36,911
TOTAL REVENUE	233,167	232,688	225,880	134,394	137,650	128,777	80,386	76,875	73,377	1,564,169	1,592,979	1,459,513
EXPENSE												
Facility-based inpatient acute care services	60,615	61,321	57,268	34,817	35,383	32,259	14,864	12,965	12,364	454,747	467,147	414,937
Facility-based emergency and outpatient services	14,751	14,948	13,560	6,534	6,529	6,115	5,298	6,232	5,067	193,021	197,514	173,776
Facility-based continuing care services	32,310	32,561	31,512	17,593	16,837	17,935	11,462	11,857	11,719	179,884	180,242	168,880
Community & home-based services	18,742	17,703	14,829	14,043	12,601	10,183	5,799	5,277	5,531	102,393	104,311	93,772
Diagnostic & therapeutic services	43,038	42,260	39,470	24,016	24,312	22,266	12,888	12,828	12,169	312,556	316,012	289,224
Promotion, prevention and protection services	10,766	9,377	8,828	3,694	3,848	3,842	3,098	3,231	2,784	36,503	37,306	36,321
Research & education	-	-	-	-	-	-	-	-	-	18,050	18,833	18,427
Administration	10,872	10,390	10,302	6,295	5,718	5,273	5,328	5,550	4,877	59,881	54,285	50,733
Information technology	4,987	4,689	4,252	1,757	1,655	2,214	2,314	2,452	1,553	36,685	35,644	39,088
Support services	40,561	40,702	38,654	26,442	27,641	26,925	17,416	17,083	16,341	172,801	168,654	156,867
Amortization of facilities and improvements	6,980	6,899	7,345	3,203	4,206	3,171	1,919	1,941	1,924	22,084	20,650	17,715
Capital assets write down	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE before extraordinary item	243,622	240,850	226,020	138,394	138,730	130,183	80,386	79,416	74,329	1,588,605	1,600,598	1,459,740
Extraordinary item - Restructuring costs AMHB	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	243,622	240,850	226,020	138,394	138,730	130,183	80,386	79,416	74,329	1,588,605	1,600,598	1,459,740
Excess (deficiency) of revenue over expense	(10,455)	(8,162)	(140)	(4,000)	(1,080)	(1,406)	-	(2,541)	(952)	(24,436)	(7,619)	(227)



TABLE II

HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	REGIONAL HEALTH AUTHORITY 5			DAVID THOMPSON			EAST CENTRAL			WESTVIEW		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	53,411	53,419	51,695	214,185	215,550	199,575	132,774	132,049	127,918	57,669	57,762	54,980
Other government contributions	300	1,136	338	3,182	3,939	3,387	4,787	3,662	3,177	1,578	1,441	2,321
Fees and charges	4,600	4,800	4,356	13,468	13,094	12,393	11,882	12,952	11,602	5,386	5,812	5,129
Ancillary operations, net	50	99	94	431	296	596	24	11	42	39	93	58
Donations	60	84	93	900	722	1,053	-	348	307	90	168	107
Investment and other income	900	1,005	1,123	4,627	4,012	5,915	1,744	1,252	2,015	450	605	576
Amortization of external capital contributions	2,813	2,685	2,051	7,259	6,932	6,702	3,988	4,367	3,857	2,200	2,300	2,877
TOTAL REVENUE	62,134	63,228	59,750	244,052	244,545	229,621	155,199	154,641	148,918	67,412	68,181	66,048
EXPENSE												
Facility-based inpatient acute care services	9,435	10,552	9,218	65,272	63,890	60,222	28,399	28,630	28,783	9,442	9,673	9,021
Facility-based emergency and outpatient services	2,387	2,273	2,022	15,937	15,848	14,041	5,066	5,759	5,406	5,125	5,226	4,869
Facility-based continuing care services	11,580	11,853	10,983	29,037	28,889	27,627	30,175	29,907	28,111	7,587	8,382	6,940
Community & home-based services	4,242	4,303	4,051	12,415	12,577	11,580	15,627	15,139	15,045	6,934	6,734	6,725
Diagnostic & therapeutic services	9,437	9,428	9,008	50,241	52,035	47,401	22,511	22,216	20,531	11,737	12,293	11,407
Promotion, prevention and protection services	2,972	3,142	2,819	9,228	8,663	7,913	4,920	4,969	4,585	5,519	5,433	5,037
Research & education	-	-	-	-	-	-	56	55	56	-	-	-
Administration	3,587	4,394	3,205	10,926	10,655	10,422	10,230	10,153	9,704	4,752	6,149	4,587
Information technology	1,157	1,063	1,112	4,417	3,468	3,136	2,112	2,309	2,002	1,039	793	1,139
Support services	15,101	16,073	14,692	48,402	49,263	45,596	36,731	36,340	33,225	18,060	17,453	17,474
Amortization of facilities and improvements	2,236	2,196	1,458	4,731	4,737	4,660	3,243	3,276	3,069	1,388	1,428	1,399
Capital assets write down	-	583	-	-	-	-	-	-	-	-	264	688
TOTAL EXPENSE before extraordinary item	62,134	65,860	58,568	250,606	250,025	232,598	159,070	158,753	150,517	71,583	73,828	69,286
Extraordinary Item - Restructuring costs AMHB	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	62,134	65,860	58,568	250,606	250,025	232,598	159,070	158,753	150,517	71,583	73,828	69,286
Excess (deficiency) of revenue over expense	-	(2,632)	1,182	(6,554)	(5,480)	(2,977)	(3,871)	(4,112)	(1,599)	(4,171)	(5,647)	(3,238)



TABLE II

HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	CROSSROADS			CAPITAL HEALTH			ASPEN			LAKELAND		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	44,843	45,042	43,767	1,450,604	1,454,096	1,355,754	71,410	71,410	65,801	111,749	111,323	107,193
Other government contributions	1,000	2,754	670	20,471	21,703	20,187	1,651	2,946	1,639	2,960	3,395	3,071
Fees and charges	3,001	2,797	2,605	114,725	115,762	101,210	6,449	6,512	6,170	11,510	11,653	10,782
Ancillary operations, net	-	19	(13)	4,671	4,853	3,441	102	20	58	-	4	8
Donations	50	144	63	-	-	-	200	325	321	550	268	252
Investment and other income	1,096	1,820	1,259	65,049	65,982	61,212	2,176	2,188	2,624	2,947	3,037	2,912
Amortization of external capital contributions	2,419	2,557	2,621	38,390	46,107	42,767	2,587	3,053	2,750	4,150	5,320	3,763
TOTAL REVENUE	52,409	55,133	50,972	1,693,910	1,708,503	1,584,571	84,575	86,454	79,363	133,866	135,000	127,981
EXPENSE												
Facility-based inpatient acute care services	10,302	10,484	9,966	501,636	505,851	453,794	12,308	12,423	11,141	21,804	22,062	20,844
Facility-based emergency and outpatient services	4,058	3,943	3,721	167,033	171,062	157,874	5,755	5,444	5,240	8,786	9,044	8,405
Facility-based continuing care services	6,260	8,304	5,601	172,431	171,805	157,173	13,748	13,793	13,067	23,258	23,327	21,593
Community & home-based services	2,500	2,331	2,333	107,385	108,210	99,064	8,886	8,790	8,503	11,888	12,106	10,934
Diagnostic & therapeutic services	9,391	9,607	8,789	328,311	327,600	296,984	13,592	13,713	12,568	24,205	24,653	23,077
Promotion, prevention and protection services	2,924	3,198	2,589	24,016	24,554	18,432	4,586	4,475	3,790	6,955	6,856	6,841
Research & education	-	-	-	65,518	64,355	65,781	-	-	-	-	-	-
Administration	3,115	3,296	3,044	41,754	41,797	40,195	4,108	3,943	4,217	5,988	6,188	6,017
Information technology	1,599	1,454	1,666	39,592	35,183	38,293	837	829	937	2,138	1,414	1,424
Support services	11,772	12,026	10,731	240,119	237,386	223,675	19,608	21,076	18,819	31,049	31,768	29,773
Amortization of facilities and improvements	1,948	1,943	1,930	22,115	26,218	21,425	1,835	2,026	1,945	3,252	3,688	2,855
Capital assets write down	-	-	-	-	-	-	-	-	-	-	2,031	-
TOTAL EXPENSE before extraordinary item	53,869	56,586	50,370	1,709,910	1,714,021	1,572,690	85,263	86,512	80,227	139,323	143,137	131,763
Extraordinary item - Restructuring costs AMHB	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	53,869	56,586	50,370	1,709,910	1,714,021	1,572,690	85,263	86,512	80,227	139,323	143,137	131,763
Excess (deficiency) of revenue over expense	(1,460)	(1,453)	602	(16,000)	(5,518)	11,881	(688)	(58)	(864)	(5,457)	(8,137)	(3,782)



TABLE II

HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	MISTAHIA			PEACE			KEEWEETINOK LAKES			NORTHERN LIGHTS		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	104,068	104,020	96,326	29,449	29,715	29,020	22,570	22,869	22,097	35,859	36,376	34,354
Other government contributions	466	466	466	165	104	100	600	570	572	795	924	774
Fees and charges	9,636	9,512	8,923	1,618	1,828	1,549	1,300	1,075	1,059	3,242	3,249	3,065
Ancillary operations, net	728	362	378	55	62	78	-	(98)	(94)	95	(50)	(49)
Donations	4	218	161	200	205	105	200	50	189	122	197	195
Investment and other income	2,129	3,215	3,110	782	827	1,096	1,050	499	886	495	805	1,000
Amortization of external capital contributions	5,029	5,388	5,328	1,502	4,793	1,725	1,300	1,287	1,141	2,165	2,204	2,037
TOTAL REVENUE	122,060	123,181	114,692	33,771	37,534	33,673	27,020	26,252	25,850	42,773	43,705	41,376
EXPENSE												
Facility-based inpatient acute care services	32,154	31,514	28,609	6,767	8,316	7,239	5,489	4,691	4,451	11,413	11,275	11,105
Facility-based emergency and outpatient services	9,372	9,945	9,586	1,854	1,854	2,240	2,205	2,607	2,616	4,500	3,574	3,244
Facility-based continuing care services	10,906	11,427	10,205	4,276	4,566	4,015	1,822	2,237	1,891	1,759	1,787	1,741
Community & home-based services	6,446	6,420	6,630	2,666	2,800	2,327	1,496	1,348	1,327	2,148	1,985	1,622
Diagnostic & therapeutic services	23,023	22,898	21,056	5,793	6,373	5,892	4,121	4,644	4,029	8,810	9,186	8,546
Promotion, prevention and protection services	5,312	5,274	4,793	2,104	2,118	2,126	2,311	2,560	2,051	2,740	2,527	2,585
Research & education	-	41	31	42	41	44	-	-	-	-	-	-
Administration	6,946	7,006	7,635	1,860	2,640	2,062	1,619	1,942	1,839	3,154	2,748	3,453
Information technology	2,505	2,706	1,956	310	738	892	633	607	579	1,129	902	925
Support services	22,501	23,698	21,922	7,086	10,104	7,788	7,425	7,777	7,394	8,252	8,404	8,033
Amortization of facilities and improvements	3,746	3,914	3,763	1,013	1,473	888	884	845	863	1,914	1,395	1,422
Capital assets write down	-	-	-	-	2,402	-	-	-	-	-	-	-
TOTAL EXPENSE before extraordinary item	122,911	124,843	116,186	33,771	43,425	35,513	28,005	29,258	27,040	45,819	43,783	42,676
Extraordinary Item - Restructuring costs AMHB												
TOTAL EXPENSE	122,911	124,843	116,186	33,771	43,425	35,513	28,005	29,258	27,040	45,819	43,783	42,676
Excess (deficiency) of revenue over expense	(851)	(1,662)	(1,494)	-	(5,891)	(1,840)	(985)	(3,006)	(1,190)	(3,046)	(78)	(1,300)



TABLE II

**HEALTH AUTHORITY FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	NORTHWESTERN			ALBERTA MENTAL HEALTH BOARD			ALBERTA CANCER BOARD			HEALTH AUTHORITY TOTAL		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	17,248	17,353	16,825	235,400	234,465	220,818	151,751	156,825	133,481	4,440,946	4,466,056	4,169,939
Other government contributions	858	929	777	11,854	13,702	11,565	811	1,005	977	78,052	89,810	75,864
Fees and charges	515	604	383	2,373	3,523	2,739	2,258	4,035	2,470	327,214	336,563	300,606
Ancillary operations, net	-	(2)	(45)	1,346	(336)	(163)	150	487	201	19,010	13,378	14,581
Donations	8	2	3	21	50	52	3,976	4,751	2,831	19,996	22,643	12,246
Investment and other income	110	26	134	4,391	4,238	5,167	22,326	18,043	17,986	168,808	171,708	161,943
Amortization of external capital contributions	1,360	1,509	1,235	3,067	3,380	3,086	10,249	11,125	9,797	147,343	162,105	145,502
TOTAL REVENUE	20,099	20,421	19,312	258,452	259,022	243,264	191,521	196,271	167,743	5,201,369	5,262,263	4,880,681
EXPENSE												
Facility-based inpatient acute care services	4,571	4,841	4,289	60,995	60,533	57,964	11,435	11,371	11,318	1,356,465	1,372,922	1,244,792
Facility-based emergency and outpatient services	375	399	355	9,723	10,578	9,215	51,098	49,698	44,642	512,878	522,477	471,994
Facility-based continuing care services	1,559	1,589	1,523	17,274	17,680	17,266	-	-	-	572,921	577,043	537,782
Community & home-based services	3,112	2,939	2,581	95,910	94,749	91,264	17,323	18,882	16,189	439,955	439,205	404,490
Diagnostic & therapeutic services	2,456	2,460	2,346	22,164	19,909	18,781	45,566	47,856	44,116	973,856	980,283	897,660
Promotion, prevention and protection services	1,608	1,803	1,534	2,410	2,323	2,990	8,747	8,343	7,266	140,413	140,000	127,126
Research & education	142	128	127	948	1,039	1,046	21,780	20,791	19,070	106,536	105,283	104,582
Administration	1,561	1,794	1,412	15,025	13,994	14,604	5,582	5,218	5,443	202,583	197,860	189,024
Information technology	350	393	351	5,526	5,506	5,456	7,041	7,118	4,204	116,128	108,923	111,179
Support services	3,770	4,206	3,604	34,214	34,180	30,210	18,813	19,520	17,830	780,123	783,354	729,553
Amortization of facilities and improvements	850	949	876	1,858	2,247	1,905	4,136	4,202	3,935	89,335	94,233	82,548
Capital assets write down	-	86	-	-	-	-	-	-	-	-	5,366	688
TOTAL EXPENSE before extraordinary item	20,354	21,587	18,998	266,047	262,738	250,701	191,521	192,999	174,013	5,291,193	5,326,949	4,901,418
Extraordinary item - Restructuring costs AMHB	-	-	-	6,882	-	-	-	-	-	-	6,882	-
TOTAL EXPENSE	20,354	21,587	18,998	266,047	269,620	250,701	191,521	192,999	174,013	5,291,193	5,333,831	4,901,418
Excess (deficiency) of revenue over expense	(255)	(1,166)	314	(7,595)	(10,598)	(7,437)	-	3,272	(6,270)	(89,824)	(71,568)	(20,737)



TABLE III

**HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2003**
(Thousands of dollars)

	CHINOOK	PALLISER	HEADWATERS	CALGARY	HEALTH AUTHORITY 5	DAVID THOMPSON	EAST CENTRAL
ASSETS							
Cash and temporary investments	11,670	7,200	7,154	134,633	11,416	37,740	16,772
Accounts receivable	4,580	2,536	326	41,759	421	2,459	1,657
Contributions receivable	1,566	629	426	19,285	110	1,466	738
Inventories	1,787	745	684	18,930	451	2,977	545
Prepaid expenses	822	470	354	3,734	250	1,016	-
Current Assets	20,425	11,580	8,944	218,341	12,648	45,658	19,712
Non-current cash and investments	18,188	24,502	9,314	141,365	1,151	27,472	15,857
Capital assets	178,970	71,157	34,684	679,401	68,529	142,199	85,882
Other assets	5,382	6,674	-	3,842	-	5,385	-
TOTAL ASSETS	222,965	113,913	52,942	1,042,949	82,328	220,714	121,451
LIABILITIES, NET ASSETS AND ENDOWMENTS							
Accounts payable	14,262	11,445	5,318	121,188	6,701	22,389	9,492
Accrued vacation pay	8,538	5,295	2,974	58,885	3,179	9,892	4,610
Current deferred contributions	3,927	2,610	1,628	22,400	2,046	2,955	3,069
Current portion of long term debt	128	-	-	293	-	47	-
Current Liabilities	26,855	19,350	9,920	202,766	11,926	35,283	17,171
Non-current deferred contributions	7,092	6,674	-	33,466	-	24,451	853
Deferred capital contributions	5,529	-	9,314	86,905	1,151	8,379	15,004
Long-term debt	481	-	-	16,956	-	614	-
Unamortized external capital contributions	166,199	66,757	29,809	572,731	61,917	124,853	82,098
Other liabilities	68	-	-	15,868	-	-	-
TOTAL LIABILITIES	206,224	92,781	49,043	928,692	74,994	193,580	115,126
NET ASSETS AND ENDOWMENTS							
Unrestricted	4,429	1,249	(976)	-	-	1,574	2,541
Internally restricted	-	15,483	-	24,836	722	9,300	-
Investment in capital assets	12,162	4,400	4,875	89,421	6,612	16,260	3,784
Endowments	150	-	-	-	-	-	-
TOTAL NET ASSETS AND ENDOWMENTS	16,741	21,132	3,899	114,257	7,334	27,134	6,325
TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS	222,965	113,913	52,942	1,042,949	82,328	220,714	121,451

(5,735)	814	605	23,713	(1,225)	2,321	(2,817)
(1,878)	(6,192)	(76)	(72,313)	(1,273)	(45,351)	(12,238)
3,582	2,519	290	51,463	874	40,844	11,764
(4,031)	(2,859)	819	2,863	(1,624)	(2,186)	(3,291)
15,701	10,059	6,335	131,770	13,040	39,926	20,063
11,670	7,200	7,154	134,633	11,416	37,740	16,772
18,188	24,502	9,314	141,365	1,151	27,472	15,857
29,858	31,702	16,468	275,998	12,567	65,212	32,629

ASSETS
Cash and temporary investments
Accounts receivable
Contributions receivable
Inventories
Prepaid expenses
Current Assets

Non-current cash and investments
Capital assets
Other assets
TOTAL ASSETS

LIABILITIES, NET ASSETS AND ENDOWMENTS

Accounts payable
Accrued vacation pay
Current deferred contributions
Current portion of long term debt
Current Liabilities

Non-current deferred contributions
Deferred capital contributions
Long-term debt
Unamortized external capital contributions
Other liabilities
TOTAL LIABILITIES

NET ASSETS AND ENDOWMENTS

Unrestricted
Internally restricted
Investment in capital assets
Endowments
TOTAL NET ASSETS AND ENDOWMENTS

TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS

CASH FLOWS

Cash generated from (used by) operating activities
Cash generated from (used by) investing activities
Cash generated from (used by) financing activities
Increase (decrease) in cash and cash equivalent

Cash and cash equivalent, beginning of year

Cash and cash equivalent, end of year

Non-current cash and investments, end of year

Total cash, cash equivalent and non-current investments, end of year



TABLE III

**HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2003**
(Thousands of dollars)

	WESTVIEW	CROSSROADS	CAPITAL HEALTH	ASPEN	LAKELAND	MISTAHIA	PEACE
ASSETS							
Cash and temporary investments	1,285	10,480	151,864	10,598	3,635	10,983	137
Accounts receivable	1,114	559	45,518	891	1,509	2,241	561
Contributions receivable	226	50	25,774	1,390	1,686	1,415	103
Inventories	481	1,137	8,613	516	710	684	168
Prepaid expenses	196	507	42,635	470	183	645	24
Current Assets	3,302	12,733	274,404	13,865	7,723	15,968	993
Non-current cash and investments	330	15	194,117	10,452	359	1,709	4,274
Capital assets	46,264	34,191	772,870	54,172	56,377	116,319	66,195
Other assets	7,459	380	15,573	-	-	812	228
TOTAL ASSETS	57,355	47,319	1,256,964	78,489	64,459	134,808	71,690
LIABILITIES, NET ASSETS AND ENDOWMENTS							
Accounts payable	5,391	6,189	149,602	5,839	7,321	10,470	3,527
Accrued vacation pay	1,977	2,361	53,483	3,758	3,994	5,174	1,637
Current deferred contributions	1,791	3,264	69,968	3,035	2,218	1,274	443
Current portion of long term debt	-	-	782	-	-	-	-
Current Liabilities	9,159	11,814	273,835	12,632	13,533	16,918	5,607
Non-current deferred contributions	7,437	15	48,843	-	-	-	-
Deferred capital contributions	120	-	151,057	336	359	2,178	4,274
Long-term debt	-	-	8,424	-	-	-	-
Unamortized external capital contributions	42,542	31,268	654,550	48,915	51,490	109,908	63,509
Other liabilities	-	-	14,478	-	-	-	-
TOTAL LIABILITIES	59,258	43,097	1,115,187	61,883	65,382	129,004	73,390
NET ASSETS AND ENDOWMENTS							
Unrestricted	(5,625)	359	-	2,863	(5,810)	(607)	(4,386)
Internally restricted	-	940	10,572	8,486	-	-	-
Investment in capital assets	3,722	2,923	95,205	5,257	4,887	6,411	2,686
Endowments	-	-	-	-	-	-	-
TOTAL NET ASSETS AND ENDOWMENTS	(1,903)	4,222	105,777	16,606	(923)	5,804	(1,700)
TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS	57,355	47,319	1,256,964	78,489	64,459	134,808	71,690
CASH FLOWS							
Cash generated from (used by) operating activities	(4,522)	(1,584)	49,680	1,273	(6,351)	1,064	(4,143)
Cash generated from (used by) investing activities	(460)	(356)	(135,507)	(3,076)	181	(4,089)	683
Cash generated from (used by) financing activities	405	652	114,928	105	160	2,434	382
Increase (decrease) in cash and cash equivalent	(4,577)	(1,308)	29,101	(1,698)	(6,010)	(591)	(3,078)
Cash and cash equivalent, beginning of year	5,862	11,788	122,763	12,296	6,681	11,574	3,215
Cash and cash equivalent, end of year	1,285	10,480	151,864	10,598	671	10,983	137
Non-current cash and investments, end of year	330	15	194,117	10,452	359	1,709	4,274
Total cash, cash equivalent and non-current investments, end of year	1,615	10,495	345,981	21,050	1,030	12,692	4,411

TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS

CASH FLOWS

Cash generated from (used by) operating activities
 Cash generated from (used by) investing activities
 Cash generated from (used by) financing activities
 Increase (decrease) in cash and cash equivalent
 Cash and cash equivalent, beginning of year
 Cash and cash equivalent, end of year
 Non-current cash and investments, end of year
 Total cash, cash equivalent and non-current investments, end of year



TABLE III

HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	KEEWEEETINOK	NORTHERN LIGHTS	NORTHWESTERN	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	HEALTH AUTHORITY TOTAL 2003	HEALTH AUTHORITY TOTAL 2002
ASSETS							
Cash and temporary investments	2,807	3,486	2,513	46,205	6,105	476,683	473,446
Accounts receivable	946	1,974	293	2,677	6,825	118,846	100,357
Contributions receivable	252	466	277	566	8,399	64,824	65,862
Inventories	306	359	160	861	4,527	44,641	41,672
Prepaid expenses	143	292	169	540	770	53,220	47,451
Current Assets	4,454	6,577	3,412	30,849	26,626	758,214	728,788
Non-current cash and investments	1,080	3,642	8,141	15,825	29,165	506,958	562,920
Capital assets	30,608	30,701	33,702	123,625	134,040	2,759,886	2,608,458
Other assets	-	1,471	-	-	-	47,206	231,613
TOTAL ASSETS	36,142	42,391	45,255	190,299	189,831	4,072,264	4,131,779
LIABILITIES, NET ASSETS AND ENDOWMENTS							
Accounts payable	2,814	3,490	1,136	25,368	19,114	431,056	354,229
Accrued vacation pay	1,057	1,605	584	8,855	4,237	182,095	173,407
Current deferred contributions	518	849	526	4,748	15,448	142,717	131,251
Current portion of long term debt	-	600	-	-	-	1,850	2,596
Current Liabilities	4,389	6,544	2,246	38,971	38,799	757,718	661,483
Non-current deferred contributions	-	8	-	-	-	128,839	134,647
Deferred capital contributions	93	4,955	8,141	14,709	5,394	317,898	536,468
Long-term debt	-	-	-	-	-	26,475	10,477
Unamortized external capital contributions	27,116	29,104	31,224	116,616	119,256	2,429,862	2,307,308
Other liabilities	-	-	-	-	-	30,414	28,519
TOTAL LIABILITIES	31,598	40,611	41,611	170,296	163,449	3,691,206	3,678,902
NET ASSETS AND ENDOWMENTS							
Unrestricted	65	183	-	6,278	5,242	7,379	47,473
Internally restricted	987	-	1,166	6,716	6,356	85,564	130,454
Investment in capital assets	3,492	1,597	2,478	7,009	14,784	287,965	274,800
Endowments	-	-	-	-	-	150	150
TOTAL NET ASSETS AND ENDOWMENTS	4,544	1,780	3,644	20,003	26,382	381,058	452,877
TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS	36,142	42,391	45,255	190,299	189,831	4,072,264	4,131,779

	2003	2002
CASH FLOWS		
Cash generated from (used by) operating activities	73,210	(516,067)
Cash generated from (used by) investing activities	(314,626)	441,159
Cash generated from (used by) financing activities	259,241	(1,698)
Increase (decrease) in cash and cash equivalent	273	475,144
Cash and cash equivalent, beginning of year	473,446	473,446
Cash and cash equivalent, end of year	473,719	562,920
Non-current cash and investments, end of year	506,958	562,920
Total cash, cash equivalent and non-current investments, end of year	980,677	1,036,366



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	CHINOOK			PALLISER			HEADWATERS			CALGARY		
	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL
Salaries, honoraria, benefits, allowances and severance	140,350	139,879	130,195	82,286	81,015	76,690	45,349	44,799	41,675	818,823	821,799	751,051
Contracts with health service operators	36,442	37,266	34,848	23,048	22,420	19,720	11,790	11,364	11,447	307,427	310,660	286,546
Contracts under the Health Care Protection Act	-	-	-	-	-	-	72	65	77	5,986	6,036	5,200
Drugs, gases, medical and surgical supplies	10,009	10,116	9,680	5,831	6,270	5,872	2,690	2,531	2,316	128,388	135,835	125,983
Other contracted services	18,105	16,473	13,530	6,950	6,941	5,912	3,954	4,291	3,782	138,985	137,855	119,638
Interest on long-term debt	75	59	43	-	-	-	-	-	-	-	-	-
Other	27,191	26,466	26,582	15,852	15,868	17,006	13,416	12,925	12,499	143,022	146,562	135,362
Amortization:												
Capital equipment - internally funded	2,748	2,197	2,360	1,433	1,066	1,217	841	749	535	13,846	13,310	13,353
Capital equipment - externally funded	2,826	2,761	2,593	762	1,590	1,496	761	666	440	22,925	22,146	18,854
Facilities and Improvements	7,025	6,944	7,390	3,232	4,519	3,342	1,920	1,945	1,982	22,084	21,401	18,005
Capital assets write down - equipment	-	-	-	-	-	-	-	478	-	-	-	-
Capital assets write down - facilities and improvements	-	-	-	-	-	-	-	-	-	-	-	-
	244,771	242,161	227,221	139,394	139,689	131,255	80,793	79,813	74,753	1,601,486	1,615,604	1,473,992
Less amounts reported in ancillary operations	(1,149)	(1,311)	(1,201)	(1,000)	(959)	(1,072)	(407)	(397)	(424)	(12,881)	(15,006)	(14,252)
Extraordinary item - Restructuring costs AMHB												
TOTAL EXPENSES	243,622	240,850	226,020	138,394	138,730	130,183	80,386	79,416	74,329	1,588,605	1,600,598	1,459,740



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	REGIONAL HEALTH AUTHORITY 5			DAVID THOMPSON			EAST CENTRAL			WESTVIEW		
	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL	2002/03 BUDGET	2002/03 ACTUAL	2001/02 ACTUAL
Salaries, honoraria, benefits, allowances and severance	40,698	42,382	38,832	170,481	171,968	160,258	65,914	65,795	62,036	42,323	43,467	39,263
Contracts with health service operators	1,462	1,489	1,462	9,283	10,867	10,394	62,444	61,892	59,399	10,728	11,367	9,928
Contracts under the Health Care Protection Act	-	-	-	-	-	-	-	-	-	-	-	-
Drugs, gases, medical and surgical supplies	1,980	2,418	1,984	12,161	13,195	11,978	2,327	2,543	2,507	2,355	2,494	2,483
Other contracted services	4,659	2,856	1,732	15,824	15,985	13,724	7,162	6,743	6,585	2,424	2,894	2,243
Interest on long-term debt	-	-	-	37	37	44	-	-	-	-	-	-
Other	10,090	13,157	12,235	35,966	31,043	29,732	17,744	17,718	16,415	11,364	10,967	12,289
Amortization:												
Capital equipment - internally funded	469	443	462	2,197	1,875	1,628	402	596	608	720	626	743
Capital equipment - externally funded	592	578	593	2,099	2,642	2,392	744	1,094	770	812	798	790
Facilities and Improvements	2,192	2,196	1,458	4,858	4,737	4,660	3,244	3,276	3,069	1,408	1,443	1,419
Capital assets write down - equipment	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets write down - facilities and improvements	-	583	-	-	-	-	-	-	-	-	264	688
	62,142	66,102	58,758	252,906	252,349	234,810	159,981	159,657	151,389	72,134	74,325	69,846
Less amounts reported in ancillary operations	(8)	(242)	(190)	(2,300)	(2,324)	(2,212)	(911)	(904)	(872)	(551)	(497)	(560)
Extraordinary item - Restructuring costs AMHB												
TOTAL EXPENSES	62,134	65,860	58,568	250,606	250,025	232,598	159,070	158,753	150,517	71,583	73,828	69,286

Salaries, honoraria, benefits, allowances and severance
 Contracts with health service operators
 Contracts under the Health Care Protection Act
 Drugs, gases, medical and surgical supplies
 Other contracted services
 Interest on long-term debt
 Other
 Amortization:
 Capital equipment - internally funded
 Capital equipment - externally funded
 Facilities and Improvements
 Capital assets write down - equipment
 Capital assets write down - facilities and improvements
 Less amounts reported in ancillary operations
 Extraordinary item - Restructuring costs AMHB

TOTAL EXPENSES



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	CROSSROADS			CAPITAL HEALTH				ASPEN			LAKELAND		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	
Salaries, honoraria, benefits, allowances and severance	35,746	35,925	33,444	796,643	797,463	724,966	54,848	53,501	50,195	67,133	68,811	64,658	
Contracts with health service operators	997	1,055	1,041	478,626	475,229	435,525	6,521	6,600	6,365	38,067	38,072	36,038	
Contracts under the Health Care Protection Act	-	-	-	3,420	3,220	3,075	-	-	-	-	-	-	
Drugs, gases, medical and surgical supplies	2,058	2,142	2,035	135,281	135,428	122,372	2,738	2,669	2,604	3,224	3,632	3,289	
Other contracted services	2,040	2,641	2,264	104,653	104,702	101,301	3,871	4,310	3,535	6,111	6,017	6,078	
Interest on long-term debt	-	-	-	1,216	583	699	-	-	-	3	3	8	
Other	10,673	12,924	9,900	167,586	159,585	151,276	14,404	15,841	14,348	20,275	19,992	17,515	
Amortization:													
Capital equipment - internally funded	407	453	321	11,500	17,973	17,269	666	986	881	860	811	884	
Capital equipment - externally funded	471	614	624	18,390	22,228	22,834	842	1,055	814	898	952	885	
Facilities and Improvements	1,948	1,943	1,930	22,115	27,701	22,476	1,844	2,034	1,954	3,252	3,331	2,858	
Capital assets write down - equipment	-	-	-	-	-	-	-	-	-	-	2,031	-	
Capital assets write down - facilities and improvements	-	-	-	-	-	-	-	-	-	-	-	-	
	54,340	57,697	51,559	1,739,430	1,744,112	1,601,793	85,734	86,996	80,696	139,823	143,652	132,213	
Less amounts reported in ancillary operations	(471)	(1,111)	(1,189)	(29,520)	(30,091)	(29,103)	(471)	(484)	(469)	(500)	(515)	(450)	
Extraordinary item - Restructuring costs AMHB													
TOTAL EXPENSES	53,869	56,586	50,370	1,709,910	1,714,021	1,572,690	85,263	86,512	80,227	139,323	143,137	131,763	



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	MISTAHIA			PEACE			KEEWEETINOK LAKES			NORTHERN LIGHTS		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
Salaries, honoraria, benefits, allowances and severance	79,227	79,929	72,954	24,642	26,570	24,102	18,348	19,906	17,195	28,386	28,122	28,294
Contracts with health service operators	3,428	3,461	3,308	-	-	-	-	-	-	3,276	3,329	2,812
Contracts under the Health Care Protection Act	-	-	-	-	-	-	-	-	-	-	-	-
Drugs, gases, medical and surgical supplies	5,751	5,721	5,655	810	1,398	1,271	1,225	1,032	1,128	1,623	1,518	1,563
Other contracted services	10,879	11,058	10,498	850	1,672	1,871	1,250	1,392	1,154	2,457	3,430	2,636
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Other	17,599	18,433	17,704	5,500	8,883	6,393	6,702	6,609	7,244	7,558	5,557	5,733
Amortization:												
Capital equipment - internally funded	975	942	800	440	444	485	692	829	831	360	122	126
Capital equipment - externally funded	1,308	1,529	1,601	842	929	842	477	471	325	251	835	623
Facilities and Improvements	3,746	3,914	3,764	1,013	1,473	888	864	892	863	1,914	1,460	1,422
Capital assets write down - equipment	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets write down - facilities and improvements	-	-	-	-	2,402	-	-	-	-	-	-	-
	122,913	124,987	116,284	34,097	43,771	35,852	29,558	31,131	28,740	45,825	44,373	43,209
Less amounts reported in ancillary operations	(2)	(144)	(98)	(326)	(346)	(339)	(1,553)	(1,873)	(1,700)	(6)	(590)	(533)
Extraordinary item - Restructuring costs AMHB												
TOTAL EXPENSES	122,911	124,843	116,186	33,771	43,425	35,513	28,005	29,258	27,040	45,819	43,783	42,676



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)**

	NORTHWESTERN			ALBERTA MENTAL HEALTH BOARD			ALBERTA CANCER BOARD			HEALTH AUTHORITY TOTAL		
	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02	2002/03	2002/03	2001/02
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
Salaries, honoraria, benefits, allowances and severance	13,563	13,514	12,199	166,125	162,927	151,463	74,315	74,800	71,325	2,765,200	2,772,572	2,550,795
Contracts with health service operators	279	315	279	44,586	46,177	45,737	-	-	-	1,038,404	1,041,563	964,849
Contracts under the Health Care Protection Act	-	-	-	-	-	-	-	-	-	9,478	9,321	8,352
Drugs, gases, medical and surgical supplies	553	723	610	3,725	4,010	3,883	40,616	42,900	36,618	363,345	376,575	343,831
Other contracted services	152	332	343	12,739	15,246	15,179	24,298	25,048	18,170	367,363	369,886	330,175
Interest on long-term debt	-	-	-	-	-	-	-	-	-	1,331	682	794
Other	4,404	5,066	4,296	35,750	26,112	31,137	43,558	40,303	39,477	608,654	594,011	567,143
Amortization:												
Capital equipment - internally funded	310	364	281	1,929	1,763	2,132	2,293	2,894	2,443	43,088	48,443	47,359
Capital equipment - externally funded	586	643	559	1,209	1,133	1,181	6,113	6,939	5,827	62,908	69,603	64,043
Facilities and Improvements	850	883	781	1,858	2,247	1,905	4,136	4,379	4,159	89,503	96,718	84,325
Capital assets write down - equipment	-	-	-	-	5,082	-	-	-	-	-	7,596	-
Capital assets write down - facilities and improvements	-	86	-	-	-	-	-	-	-	-	3,335	688
	20,697	21,926	19,348	267,921	264,697	252,617	195,329	197,263	178,019	5,349,274	5,390,305	4,962,354
Less amounts reported in ancillary operations	(343)	(339)	(350)	(1,874)	(1,959)	(1,916)	(3,808)	(4,264)	(4,006)	(58,081)	(63,556)	(60,936)
Extraordinary item - Restructuring costs AMHB				6,882							6,882	
TOTAL EXPENSES	20,354	21,587	18,998	266,047	269,620	250,701	191,521	192,999	174,013	5,291,193	5,333,831	4,901,418

Salaries, honoraria, benefits, allowances and severance
 Contracts with health service operators
 Contracts under the Health Care Protection Act
 Drugs, gases, medical and surgical supplies
 Other contracted services
 Interest on long-term debt
 Other
 Amortization:
 Capital equipment - internally funded
 Capital equipment - externally funded
 Facilities and Improvements
 Capital assets write down - equipment
 Capital assets write down - facilities and improvements

Less amounts reported in ancillary operations
 Extraordinary item - Restructuring costs AMHB

TOTAL EXPENSES



TABLE V

HEALTH AUTHORITY SUMMARY OF OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	CHINOOK	PALLISER	HEADWATERS	CALGARY	HEALTH AUTHORITY 5	DAVID THOMPSON	EAST CENTRAL	
I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE	(3.51%)	(0.78%)	(3.31%)	(0.48%)	(4.16%)	(2.24%)	(2.66%)	
II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES <i>excludes information technology</i>	4.3%	4.1%	7.0%	3.4%	6.7%	4.3%	6.4%	
III. WORKING CAPITAL Current Assets Current Liabilities WORKING CAPITAL RATIO	20,425 26,855 0.76	11,580 19,350 0.60	8,944 9,920 0.90	218,341 202,766 1.08	12,648 11,926 1.06	45,658 35,283 1.29	19,712 17,171 1.15	
IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO <i>excludes extraordinary items</i>	83.7%	81.1%	78.1%	84.2%	81.1%	86.2%	83.2%	
V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS	3.8	3.7	4.3	3.6	6.9	6.2	4.7	
VI. CAPITAL INVESTMENTS DURING THE YEAR Funded from internal resources Equipment Facilities and Improvements Funded by external parties Equipment Facilities and Improvements Land Total capital investments during the year	2,819 - 2,819 3,832 1,099 - 4,931 7,750	1,020 - 1,020 601 1,918 - 2,519 3,539	917 - 917 1,275 2,817 - 4,092 5,009	7,651 26,085 33,736 26,370 69,210 - 95,580 129,316	590 3,980 4,570 112 213 - 325 4,895	4,914 - 4,914 4,627 30,925 - 35,552 40,466	475 - 475 2,736 12,500 276 15,512 15,987	1,251
VII. TOTAL FTEs (<i>excludes Board</i>)	2,347	1,417	802	13,632	819	3,048	1,251	



TABLE V

HEALTH AUTHORITY SUMMARY OF OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	WESTVIEW	CROSSROADS	CAPITAL HEALTH	ASPEN	LAKELAND	MISTAHIA	PEACE
	(8.28%)	(2.64%)	(0.32%)	(0.07%)	(6.03%)	(1.35%)	(15.70%)
	8.3%	5.8%	2.4%	4.6%	4.3%	5.6%	6.1%
III. WORKING CAPITAL							
Current Assets	3,302	12,733	274,404	13,865	7,723	15,968	993
Current Liabilities	9,159	11,814	273,835	12,632	13,533	16,918	5,607
WORKING CAPITAL RATIO	0.36	1.08	1.00	1.10	0.57	0.94	0.18
	78.2%	79.6%	84.8%	82.5%	77.8%	83.3%	68.4%
IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO							
	3.5	3.2	3.0	3.0	3.4	4.9	4.6
VI. CAPITAL INVESTMENTS DURING THE YEAR							
Funded from internal resources	55	382	29,715	559	594	1,654	167
Equipment	-	-	-	145	-	185	-
Facilities and Improvements	55	382	29,715	704	594	1,839	167
Funded by external parties	577	632	13,386	435	577	2,014	850
Equipment	61	-	34,506	1,452	224	1,050	12,612
Facilities and Improvements	-	-	-	-	-	-	-
Land	638	632	47,892	1,887	801	3,064	13,462
Total capital investments during the year	693	1,014	77,607	2,591	1,395	4,903	13,629
VII. TOTAL FTEs (excludes Board)	755	681	13,064	1,023	1,251	1,385	477

I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE

II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES
excludes information technology

III. WORKING CAPITAL
Current Assets
Current Liabilities
WORKING CAPITAL RATIO

IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO
excludes extraordinary items

V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS

VI. CAPITAL INVESTMENTS DURING THE YEAR

Funded from internal resources
Equipment
Facilities and Improvements

Funded by external parties
Equipment
Facilities and Improvements
Land

Total capital investments during the year

VII. TOTAL FTEs (excludes Board)



TABLE V

HEALTH AUTHORITY SUMMARY OF OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2003
(Thousands of dollars)

	KEEWEETINOK LAKES	NORTHERN LIGHTS	NORTHWESTERN	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	HEALTH AUTHORITY TOTAL 2003	HEALTH AUTHORITY TOTAL 2002
	(11.45%)	(0.18%)	(5.71%)	(4.09%)	1.67%	(1.36%)	(0.42%)
I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE							
	6.6%	6.3%	8.3%	5.3%	2.7%	3.7%	3.9%
II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES <i>excludes information technology</i>							
	4.454	6.577	3.412	50.849	26,626	758,214	728,788
	4,389	6,544	2,246	38,971	38,799	757,718	661,483
	1.01	1.01	1.52	1.30	0.69	1.00	1.10
III. WORKING CAPITAL Current Assets Current Liabilities WORKING CAPITAL RATIO							
	78.2%	83.1%	80.4%	89.2%	81.3%	83.8%	85.1%
IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO <i>excludes extraordinary items</i>							
	4.3	4.1	3.9	2.0	5.8	3.7	3.9
V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS							
	972	72	828	1,891	2,876	58,151	69,711
	-	-	-	189	-	30,584	8,708
	972	72	828	2,080	2,876	88,735	78,419
	1,716	1,702	1,595	3,110	11,886	78,033	84,692
	-	1,850	8,587	30,811	1,698	211,533	158,182
	-	-	-	-	-	276	-
	1,716	3,552	10,182	33,921	13,584	289,842	242,874
	2,688	3,624	11,010	36,001	16,460	378,577	321,293
	343	479	262	2,709	1,177	46,922	46,465
VI. CAPITAL INVESTMENTS DURING THE YEAR Funded from internal resources Equipment Facilities and Improvements Funded by external parties Equipment Facilities and Improvements Land Total capital investments during the year							
VII. TOTAL FTEs (<i>excludes Board</i>)							



Alphabetical List of Government Entities' Financial Statements in Ministry 2002/2003 Annual Reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency

Agriculture Financial Services Corporation
 Alberta Alcohol and Drug Abuse Commission
 Alberta Energy and Utilities Board
 Alberta Foundation for the Arts
 Alberta Gaming and Liquor Commission
 Alberta Government Telephones Commission, The
 Alberta Heritage Foundation for Medical Research Endowment Fund
 Alberta Heritage Savings Trust Fund
 Alberta Heritage Scholarship Fund
 Alberta Heritage Science and Engineering Research Endowment Fund
 Alberta Historical Resources Foundation, The
 Alberta Insurance Council
 Alberta Municipal Financing Corporation
 Alberta Pensions Administration Corporation
 Alberta Petroleum Marketing Commission
 Alberta Research Council Inc.
 Alberta Risk Management Fund
 Alberta School Foundation Fund
 Alberta Science and Research Authority
 Alberta Securities Commission
 Alberta Social Housing Corporation
 Alberta Sport, Recreation, Parks and Wildlife Foundation
 Alberta Treasury Branches
 ATB Investment Services Inc.
 Child and Family Services Authorities:
 Awasak Child and Family Services Authority
 Calgary Rocky View Child and Family Services Authority
 Child and Family Services Authority Region 13
 Child and Family Services Authority Region 14
 Diamond Willow Child and Family Services Authority
 Hearthstone Child and Family Services Authority
 Keystone Child and Family Services Authority
 Ma' Mowe Capital Region Child and Family Services Authority
 Metis Settlements Child and Family Services Authority
 Neegan Awas'sak Child and Family Services Authority
 Ribstone Child and Family Services Authority

Ministry Annual Report

Agriculture, Food and Rural Development
 Health and Wellness
 Energy
 Community Development
 Gaming
 Finance
 Revenue
 Revenue
 Revenue
 Revenue
 Community Development
 Finance
 Finance
 Finance
 Energy
 Innovation and Science
 Revenue
 Learning
 Innovation and Science
 Revenue
 Seniors
 Community Development
 Finance
 Finance
 Children's Services



Ministry, Department, Fund or Agency

Sakaigun Asky Child and Family Services Authority
 Sakaw-Askiy Child and Family Services Authority
 Silver Birch Child and Family Services Authority
 Southeast Alberta Child and Family Services Authority
 Sun Country Child and Family Services Authority
 West Yellowhead Child and Family Services Authority
 Windsong Child and Family Services Authority
 Credit Union Deposit Guarantee Corporation
 Crop Reinsurance Fund of Alberta
 Department of Agriculture, Food and Rural Development
 Department of Children's Services
 Department of Community Development
 Department of Energy
 Department of Finance
 Department of Gaming
 Department of Health and Wellness
 Department of Innovation and Science
 Department of Learning
 Department of Revenue
 Department of Seniors
 Department of Solicitor General
 Department of Sustainable Resource Development
 Environmental Protection and Enhancement Fund
 Gainers Inc.
 Government House Foundation, The
 Historic Resources Fund
 Human Rights, Citizenship and Multiculturalism Education Fund
 iCORE Inc.
 Lottery Fund
 Ministry of Aboriginal Affairs and Northern Development¹
 Ministry of Agriculture, Food and Rural Development
 Ministry of Children's Services
 Ministry of Community Development
 Ministry of Economic Development¹
 Ministry of Energy
 Ministry of Environment¹
 Ministry of Finance
 Ministry of Executive Council¹
 Ministry of Gaming

Ministry Annual Report

Finance
 Agriculture, Food and Rural Development
 Agriculture, Food and Rural Development
 Children's Services
 Community Development
 Energy
 Finance
 Gaming
 Health and Wellness
 Innovation and Science
 Learning
 Revenue
 Seniors
 Solicitor General
 Sustainable Resource Development
 Sustainable Resource Development
 Finance
 Community Development
 Community Development
 Community Development
 Innovation and Science
 Gaming
 Aboriginal Affairs and Northern Development
 Agriculture, Food and Rural Development
 Children's Services
 Community Development
 Economic Development
 Energy
 Environment
 Finance
 Executive Council
 Gaming

¹ Ministry includes only the department so separate department financial statements are not necessary.



Ministry, Department, Fund or Agency

Ministry of Government Services¹
 Ministry of Health and Wellness
 Ministry of Human Resources and Employment¹
 Ministry of Infrastructure¹
 Ministry of Innovation and Science
 Ministry of International and Intergovernmental Relations¹
 Ministry of Justice¹
 Ministry of Learning
 Ministry of Municipal Affairs¹
 Ministry of Revenue
 Ministry of Seniors
 Ministry of Solicitor General
 Ministry of Sustainable Resource Development
 Ministry of Transportation¹
 N.A. Properties (1994) Ltd.
 Natural Resources Conservation Board
 Persons with Developmental Disabilities Boards:
 Calgary Region Community Board
 Central Region Community Board
 Edmonton Region Community Board
 Michener Centre Facility Board²
 Northeast Region Community Board
 Northwest Region Community Board
 Provincial Board
 South Region Community Board
 Provincial Judges and Masters in Chambers Reserve Fund
 Supplementary Retirement Plan Reserve Fund
 Victims of Crime Fund
 Wild Rose Foundation, The

Ministry Annual Report

Government Services
 Health and Wellness
 Human Resources and Employment
 Infrastructure
 Innovation and Science
 International and Intergovernmental Relations
 Justice
 Learning
 Municipal Affairs
 Revenue
 Seniors
 Solicitor General
 Sustainable Resource Development
 Transportation
 Finance
 Sustainable Resource Development
 Community Development

 Finance
 Finance
 Solicitor General
 Community Development

¹ Ministry includes only the department so separate department financial statements are not necessary.

² Dissolved July 23, 2002.



ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT
REPORTING ENTITY

Fund or Agency

Alberta Cancer Board
 Alberta Foundation for Health Research
 Alberta Heritage Foundation for Medical Research
 Alberta Heritage Foundation for Science and Engineering Research
 Alberta Mental Health Board
 Alberta Teachers' Retirement Fund Board
 Improvement Districts' Trust Account
 Local Authorities Pension Plan
 Long-Term Disability Income Continuance Plan — Bargaining Unit
 Long-Term Disability Income Continuance Plan — Management,
 Opted Out and Excluded
 Management Employees Pension Plan
 Provincial Judges and Masters in Chambers Pension Plan
 Public Post Secondary Institutions
 Public Service Management (Closed Membership) Pension Plan
 Public Service Pension Plan
 Regional Health Authorities
 School Boards
 Special Areas Trust Account, The
 Special Forces Pension Plan
 Supplementary Retirement Plan for Provincial Judges and
 Masters in Chambers
 Supplementary Retirement Plan for Public Service Managers
 Workers' Compensation Board

Ministry Annual Report

Health and Wellness
 Innovation and Science
 Innovation and Science
 Innovation and Science
 Health and Wellness
 Learning
 Municipal Affairs
 Finance
 Human Resources and Employment

 Human Resources and Employment
 Finance
 Finance
 Learning
 Finance
 Finance
 Finance
 Health and Wellness
 Learning
 Municipal Affairs
 Finance
 Finance

 Finance
 Human Resources and Employment

