

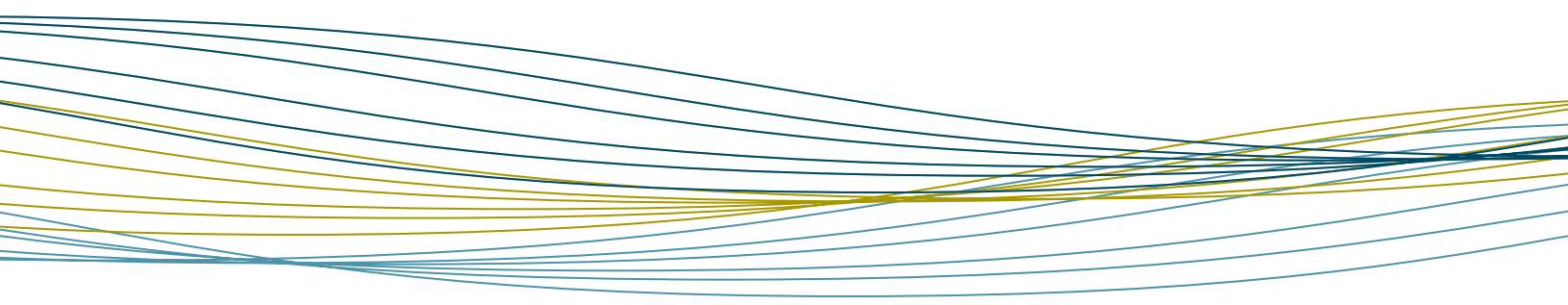


Canadian Institute for Health Information
Annual Report for 2003–2004



Canadian Institute
for Health Information

Institut canadien
d'information sur la santé



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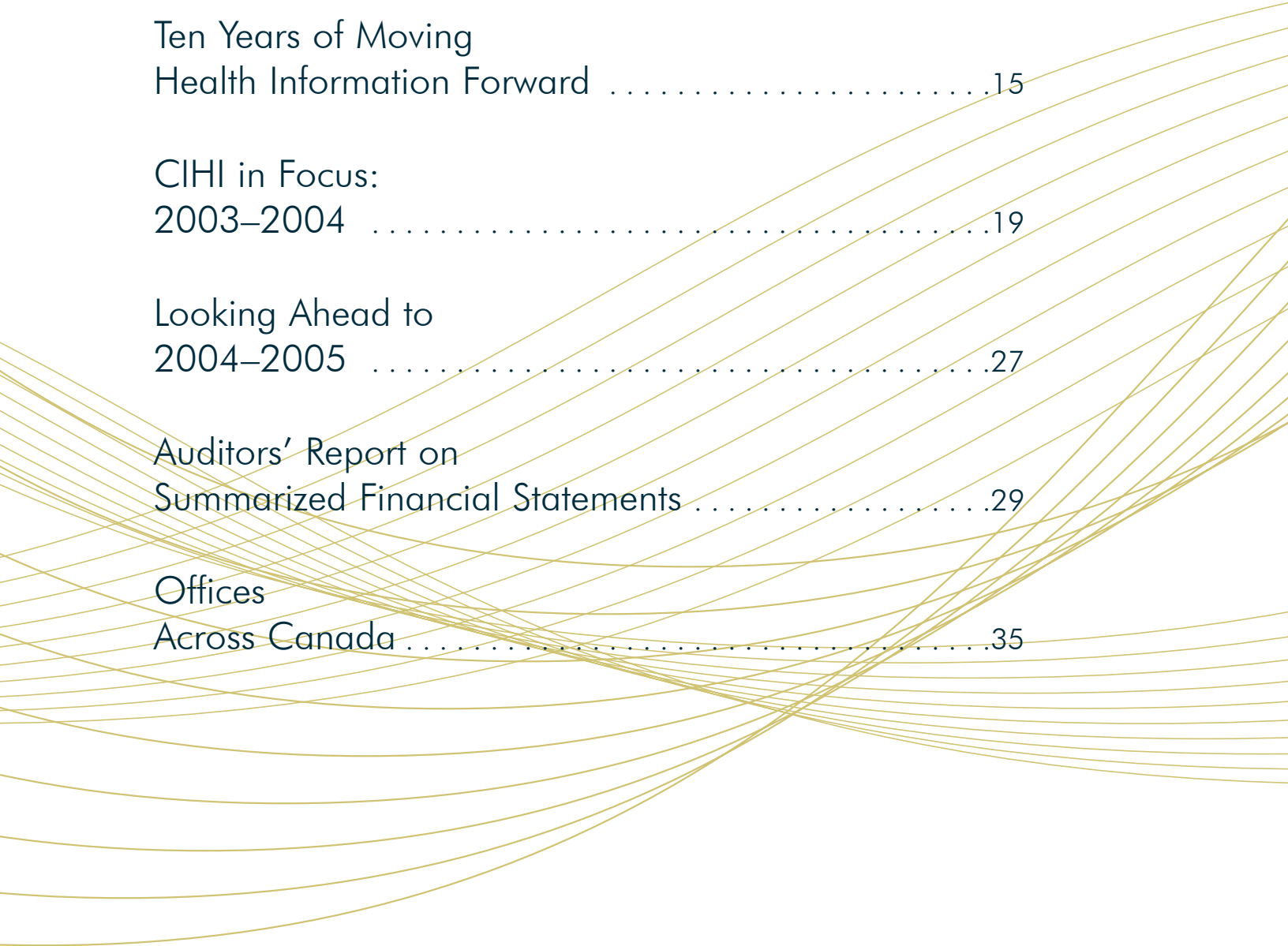
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Message from the Board Chair and the President and CEO

On the occasion of the Canadian Institute for Health Information's (CIHI) 10th anniversary, we are taking the opportunity to reflect on our accomplishments in the space of a decade and to look ahead to the future. This first annual report offers a snapshot of CIHI after 10 years—its evolution from an idea to a thriving organization focused on translating the vision of timely, pan-Canadian health information into reality every day.

The vision for reliable national health information goes back to the 1960s, when the Royal Commission on Health Care, led by Chief Justice Emmett Hall, noted that available data were “not sufficiently complete” to produce reliable supply projections for some health professionals. Following the strong growth of the 1970s and 1980s, the health system faced severe restraint in the early 1990s, and it again became clear that much of the information available was incomplete or outdated. To make tough decisions, the health system needed better information. That realization led the ministers of health to support the establishment of the Canadian Institute for Health Information.

To make tough decisions, the health system needed better information. That realization led the ministers of health to support the establishment of the Canadian Institute for Health Information.



While there remain many important gaps in our health information, the last 10 years have seen tremendous progress in developing the information needed to understand and address the complex health issues facing our country. CIHI, in collaboration with Statistics Canada and with the support of health system partners throughout the country, has played a significant role in that process. From its modest start as the steward of a few databases, CIHI now provides information, products and services from more than 20 national and provincial databases, on topics ranging from acute care to population health.

Along the way, CIHI has become a trusted source of information for health professionals, researchers, decision-makers and the media. How did this all come about? Many organizations talk about collaboration, but in the case of CIHI, this is its *modus operandi*. CIHI's ability to create effective partnerships among the many and diverse stakeholders in the health system has been critical to its success.

CIHI has become a leader in setting national standards for the collection of health data, and now publishes a wide range of analytical reports that inform policy debate, support the management of health care programs and improve public understanding of health and health care. For example, its yearly Health Care in Canada report provides both an update on recent trends and a focus on a topic of special interest. As another example, this past year CIHI published *Medical Imaging in Canada*, the first comprehensive report on the imaging field in Canada. CIHI also works in population health—linking population health researchers to decision-makers and building on our knowledge of issues underlying emerging population health challenges. This year, CIHI's Canadian Population Health Initiative (CPHI) published its first flagship report, *Improving the Health of Canadians*, which examines how income, early childhood development and obesity impact health. This report also included information on the health of Aboriginal peoples in Canada.

Yet, with all that has been accomplished in 10 short years, we know there is much more to be done. Canadians are more concerned than ever about the sustainability of the health care system. In 1999, CIHI, in partnership with Statistics Canada and Health Canada, forged a common health information agenda, known as the Roadmap Initiative. A very positive external evaluation of this initiative recently confirmed that CIHI and its partners are on the right track.



Graham W. S. Scott, Q.C.
Chair of the Board of Directors

From its modest start as the steward of a few databases, CIHI now provides information, products and services from more than 20 national and provincial databases on topics ranging from acute care to population health.

CIHI looks forward to the challenges on the horizon—for example, the development of reporting systems for home care and drugs, and the further expansion of our reach along the continuum of care. In the coming year, we will have to work even harder to ensure that health information reflects the rapid changes in health care and contributes to a more effective health system. As an organization, we are most fortunate to have a dedicated, motivated—and growing—staff of talented professionals representing a wide range of expertise who will be able to carry out this ambitious agenda.

Finally, the success of an organization is rarely the result of one individual or even a handful of individuals. However, as we look back over the past 10 years, we would be remiss if we did not take this occasion to recognize the particular contributions of CIHI's former Board Chairs, Dr. John Atkinson and Michael Decter, as well as its former CEOs, Rhéal Leblanc and Richard Alvarez. Each of these individuals made important contributions to our growth and credibility as a reliable source of health and health care information. We are certain that CIHI will continue to advance under the leadership of Ms. Glenda Yeates, who will be joining CIHI as President and CEO in August 2004.

We welcome the opportunity to work with our partners in taking health information further.



Graham W. S. Scott, Q.C.
Chair of the Board of Directors



Bruce Petrie
Interim President and CEO



Bruce Petrie
Interim President and CEO

CIHI has become a trusted source of information for health professionals, researchers, decision-makers and the media.

Board of Directors and Senior Management

CIHI's Board of Directors

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Prevention Division, Workers' Compensation Board of B.C.

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Faculty, University of Saskatchewan Medical School

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Health Canada

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Deputy Minister of Health

Statistics Canada

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Chief Statistician of Canada

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CEO, Vancouver Island Health Authority

REGION 2. The Prairies, the Northwest Territories and Nunavut

Dr. Brian Postl
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Ms. Sheila Weatherill
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Deputy Minister,
Ontario Ministry of Health and Long-Term Care

Mr. Kevin Empey
Vice President, Finance, and Chief Financial Officer,
University Health Network

REGION 4—Quebec

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President and Director-General,
Régie régionale de la santé et des
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New Brunswick

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Vice-President, Resident Care St. John's Nursing
Home Board, Newfoundland and Labrador

Mr. Bruce Petrie (*Ex-officio*)

Interim President and CEO, CIHI

Senior Management

Glenda Yeates,
President and CEO (effective August 2004)

Bruce Petrie
Interim President and CEO/
Vice-President and Chief
Operating Officer

Jennifer Zelmer
Vice-President, Research and Analysis

Anne McFarlane
Executive Director, Western Office

Jack Bingham
Director, Health Reports and Analysis

Brent Diverty
Director, Health Services Information (Ottawa)

Mark Fuller
Director, Architecture, Planning and Standards

Elizabeth Gyorf-Dyke
Director, Canadian Population Health Initiative

Caroline Heick
Director, Data Quality and Classifications

Nizar Ladak
Director, Health Services Information (Toronto)

André Lalonde
Director, Operations Planning and Support

Scott Murray
Chief Technology Officer

Louise Ogilvie
Director, Health Resources Information

Joan Roch
Chief Privacy Officer

Sylvain Rocque
Chief Financial Officer

Serge Taillon
Director, Client Relations and Communications

Greg Webster
Director, Research and Indicator Development

CIHI has a 16-member board of directors proportionally constituted to create a balance among health sectors and regions of Canada. It links federal, provincial and territorial governments with non-government health-related groups. The Board provides strategic guidance to CIHI and the Health Statistics Division of Statistics Canada, as well as advice to the Conference of Deputy Ministers of Health and the Chief Statistician of Canada on health information matters.

Who We Are

The health of Canadians and their health system is at the heart of a national debate. Concerns about the ability of the health system to respond to current and emerging needs, and to respond effectively to unexpected crises, are driving health reform across the country.

Canadians want to know if the system is working—and if not, how it should be changed. They also want to know that those who fund and manage the system are committing sufficient financial resources, providing good stewardship and responding quickly and efficiently to their evolving health needs.

One common thread woven through the debates about the future of the health system is the need for better information to support evidence-based decision-making. Making the tough decisions to meet the challenges facing the health of Canadians—and the health system—requires good information.

Taking Health Information Further

CIHI is one of Canada's premier sources of accurate and timely health information. More and more, Canadians are turning to CIHI for information they can trust—information that will guide their decisions.

The key to CIHI's achievements is collaboration. CIHI is a focal point for collaboration among major health players—from the provincial and territorial governments, regional health authorities and the hospitals to the federal government, researchers and associations representing health care professionals. The result is a stronger and more responsive health information system.

The key to CIHI's achievements is collaboration.



Our vision is:

To improve the health of Canadians and strengthen their health system:

- By developing, integrating and disseminating timely and relevant health and health services information; and
- By facilitating informed discussion and evidence-based decision-making.

Our mandate is:

- To coordinate the development and maintenance of a comprehensive and integrated approach to health information for Canada; and
- To provide and coordinate the provision of accurate and timely data and information required for:
 - Establishing sound health policy;
 - Effectively managing the Canadian health system; and
 - Generating public awareness about factors affecting good health.

What We Do

CIHI provides Canadians with essential statistics and analysis about their health and their health care system. Over the past 10 years, we have grown to become an indispensable source of information for health care managers, researchers, policy-makers and members of the public seeking answers to critical questions around the delivery of health care. Is the health system training enough health care professionals and is it making optimal use of their skills? Are Canadians getting reasonable access to the health services they need? Are we investing in the right resources and equipment?

- **Informing Public Policy:**
CIHI supports the development of policy and regulations that impact the health of Canadians.
- **Supporting Health Care Management:**
CIHI generates information that helps hospitals and regional, provincial, territorial and federal health authorities make decisions to ensure optimal use of resources and improve health outcomes.
- **Building Public Awareness:**
CIHI informs Canadians about their health system and the factors that affect their health.

Health Information Standards— Leading the Way to Quality Health Information

Standards create comparability and consistency in data collection. They also provide a common framework for the sharing of information, data analysis and reporting. CIHI is becoming an international leader in the development and adoption of health information standards.

Health Data—Delivering Premium Statistics and Health Information

CIHI's data holdings are a unique source of comparative national data. More than 20 national and provincial databases serve as an invaluable source of information on the clinical, financial and human resource dimensions of our health system. The newest data holdings respond to a growing demand for information along the full continuum of care—from acute care to continuing care, home care, mental health and rehabilitation. Information from these data holdings is readily accessible in comprehensive statistical and analytical reports and, increasingly, on the CIHI *Quick Stats* section of our Web site.

More than 20 national and provincial databases serve as an invaluable source of information on the clinical, financial and human resource dimensions of our health system.

Health Research and Analysis—Building Our Knowledge of the Health System and the Health of Canadians

CIHI takes its statistics one step further by providing indicators and reports on topics of relevance to the health of Canadians and the health care system. Analysis of the latest health information offers a broad perspective to the national dialogue on health on important matters such as health human resources and health expenditures. Examining issues such as home care, rehabilitation and maternity health care services helps Canadians understand the health system, beyond acute care. CIHI also looks at other factors that determine the health of Canadians and their communities, such as obesity. By supporting population health research, CIHI promotes dialogue between decision-makers and communities, and builds on knowledge of issues underlying the emerging public health challenges.

Promising Quality and Security

In producing its information products and services, CIHI places particular emphasis on accuracy, comparability, timeliness, usability and relevance. Ensuring quality requires a collaborative effort, involving CIHI, its data suppliers and the many expert groups and individuals who provide advice on our various programs.

In managing its data holdings, CIHI pays careful attention to issues of privacy and confidentiality to maintain public trust, and comply with legislation and current best-practice standards. Our privacy policies and procedures are widely reported and broadly disseminated. Likewise, when our clients provide information about themselves, they rest assured that the information will not be divulged. CIHI does not disclose, give or sell information about its clients.

In producing its information products and services, CIHI places particular emphasis on accuracy, comparability, timeliness, usability and relevance.

Ten Years of Moving Health Information Forward

CIHI was created in response to a shared vision among health professionals about the benefits of accurate, comparable, pan-Canadian health information. That vision first took concrete form in the late 1980s, when the Conference of Deputy Ministers of Health created the National Health Information Council (NHIC) to improve health information in Canada. The NHIC promptly set up a national task force to review options. Led by Dr. Martin Wilk, the former Chief Statistician of Canada, this task force came to the conclusion that Canada sorely needed a national health information coordinating body. The federal, provincial and territorial ministers agreed, and this resulted in the establishment of the Canadian Institute for Health Information.

1994–1995

1995–1996

1996–1997

1997–1998

1998–1999

1999–2000

2000–2001

2001–2002

2002–2003

We are proud to highlight just a few of our major achievements since opening our doors in 1994.

1994–1995

- CIHI becomes operational. Bilateral agreements are signed with Statistics Canada and Health Canada for program transfers.
- CIHI integrates into its operations two former non-governmental organizations: the Hospital Medical Records Institute (HMRI) and the Management Information Systems (MIS) Group, and assumes management of the Discharge Abstract Database (DAD), the Ontario Trauma Registry (OTR) and the Canadian Organ Replacement Register (CORR).
- First Comparative Analysis Report, *Hospital Utilization in Canada*, is released.

1995–1996

- CIHI assumes management of several databases from Health Canada, including National Health Expenditure (NHEX), National Physicians Database (NPDB), Southam Medical Database (SMDB) and HealthPersonnel.
- Ambulatory Care, Continuing Care and Rehabilitation pilot projects are launched.
- Enhancements are made to Case Mix Grouping and Resource Intensity Weight (or RIW™) methodologies.
- First units of the Canadian Classification of Health Interventions (CCI) are tested.
- CIHI launches its first Web site and *CIHI Directions ICIS*, a quarterly newsletter.

1996–1997

- CIHI signs bilateral agreements with 9 of 12 provinces and territories, providing full access to CIHI's products and services.
- The National Trauma Registry (NTR) is launched.
- CIHI becomes the sponsoring organization of Health Level 7 (HL7), housing the HL7 Canada Secretariat, which supports the day-to-day operations of the organization. (HL7 is an international set of standards for data format, exchange, and content.)

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1997–1998

- CIHI, Statistics Canada and Health Canada work towards developing a document that will serve as a “roadmap” to health information in Canada, outlining strategies that best respond to the needs and priorities articulated by key stakeholders in consultation sessions held earlier that year.
- National Ambulatory Care Reporting System (NACRS) becomes operational.
- ICD-10-CA/CCI implementation plan starts with provinces and territories.
- A refinement (Plx™ overlay) to CIHI’s Case Mix Grouping is introduced for use across Canada to more accurately measure patient complexity, taking into account variations in length of stay and resource utilization.
- The first *National Health Expenditures Trends* (NHEX) report released.

1998–1999

- CIHI, along with Statistics Canada, begins 39 new projects under the Health Information Roadmap Initiative, a four-year program funded by a \$95 million federal grant.
- CIHI launches a new report: *Supply, Distribution and Migration of Canadian Physicians, 1999*.
- The first *Maclean’s Health Report* is released, in collaboration with CIHI and Statistics Canada.
- CIHI’s name or data are found in over 450 print and broadcast media stories.

1999–2000

- The Canadian Population Health Initiative (CPHI) is established, with oversight provided by the CPHI Council, a sub-committee of the CIHI Board composed of researchers and decision-makers from across Canada.
- CIHI launches the Canadian Joint Replacement Registry (CJRR).
- The National e-Claims Standard Initiative (NeCST) is established in collaboration with private- and public-sector partners to standardize electronic health claims information.



2000–2001

- CIHI launches *Health Care in Canada 2000: A First Annual Report*, at a press conference in Toronto, with the participation of Board Chair Michael Decter, Federal Minister of Health Allan Rock and Manitoba's Health Minister, Dave Chomiak. The report complements an earlier Statistics Canada release, *Health Reports: How Healthy Are Canadians?* The release of these analytical reports fulfills a priority identified by the Roadmap Initiative.
- CPHI launches a research-funding program focusing on strategic themes designed to facilitate innovative research and engage decision-makers in addressing population health issues.
- Several "first" reports are launched, releasing data on registered nurses, drug expenditures and organ replacements.



2001–2002

- CIHI publishes its first thematic analytical report, *Canada's Health Care Providers*, in collaboration with the Institute for Work & Health.
- First *Canadian Joint Replacement Registry (CJRR)* annual report is released.
- CIHI launches the first national reporting system designed to support measuring the effectiveness of rehabilitation services for adult inpatients in Canada.
- CIHI introduces the *International Statistical Classification of Diseases and Related Health Problems, Tenth Revision (ICD-10-CA)* and the *Canadian Classification of Health Interventions (CCI)* in an electronic format, making Canada the first country in the world to do so.
- First e-learning course becomes available on the CIHI Web site. Clients are now able to access training products on a 24/7 basis at work or at home.
- The Roadmap Initiative is extended for four more years through an additional grant of \$95 million from the federal government.



2002–2003

- National Continuing Care Reporting System (CCRS) is launched.
- Work begins on the National Prescription Drug Utilization Information System (NPDUIS).
- CIHI launches the Home Care Pilot Project to address the urgent need for a national standard on home care.
- CIHI receives the Conference Board of Canada/Spencer Stuart 2003 National Award in Governance—Not-for-Profit Sector. This national award is granted to an organization in recognition of demonstrated innovation and excellence in governance.

CIHI in Focus: 2003–2004

Building on the progress of the first nine years, CIHI in 2003–04 continued to develop new initiatives and strengthen existing programs in response to emerging health information needs. Priorities in 2003–04 included evaluating and improving data quality, increasing the output of information on population health, strengthening analytical capacity, and respecting privacy, confidentiality and security. CIHI also initiated steps to ensure a stronger regional presence, beginning in Western Canada.

Finding more efficient and timely ways to deliver information to its clients is another priority. This past year, CIHI delivered over 200 face-to-face education workshops, in addition to numerous teleconferences, videoconferences and Web conferences. CIHI also acquired new tools to develop and implement a more robust program of e-learning applications.

Partnerships

CIHI has established key working relationships with Health Canada, Statistics Canada, provincial and territorial governments, service providers, researchers, the media and others involved in the health sector. Collaboration on the development and implementation of new and enhanced health information products and systems is essential to the success of CIHI's many programs. During the past year, CIHI:

- Worked very closely with Statistics Canada to co-host a second Consensus Conference on Health Indicators in March 2004. The purpose of this conference was to identify new indicators that should be considered for development and reported on in future years.
- Collaborated with the College of Family Physicians of Canada (CFPC), the Canadian Medical Association (CMA) and the Royal College of Physicians and Surgeons of Canada (RCPSC) on the development and implementation of a National Survey of Canadian physicians, residents and medical students. The results will provide important information on the physician landscape.
- With Statistics Canada and Health Canada, began work on a national Survey of Work and Health of Nurses. The survey is intended to provide baseline information to develop and evaluate best practices in the workplace and other policy initiatives.
- Co-hosted several very successful conferences and symposiums, including e-Health 2003 in April 2003, and the HL7 Canada and Partnership symposiums in May and October 2003.

Standardizing Health Information

One major area of work in 2003–04 was working with acute care facilities across the country to ensure a successful implementation of the ICD-10-CA (Enhanced Canadian version of the 10th revision of the *International Statistical Classification of Diseases and Related Health Problems*) and CCI (*Canadian Classification of Health Interventions*, developed to accompany ICD-10-CA.) In 2003–04, CIHI:

- Delivered over 200 education/training sessions to users, developed and disseminated various education/learning materials and answered thousands of queries received through its Web-based coding query service—all part of its proactive approach to provide optimal field support for the implementation of ICD-10-CA and CCI.
- Coordinated the Canadian response for the development of morbidity codes for SARS, and updated and re-released all products affected by the addition of the internationally agreed upon code for SARS and the Canadian enhancements for morbidity coding.
- Collaborated with Canada Health Infoway Inc. on identifying and carrying out priority standards development projects/initiatives in areas such as the development of the National e-Claims Standard (NeCST). This standard has now been recognized by HL7, an international organization that publishes health information messaging standards.

Data Quality

Work related to CIHI's data quality framework across all data holdings continued to be a key priority for the organization. In 2003–04, CIHI:

- Completed an extensive redevelopment of its Data Quality Framework.
- Completed a thorough analysis of the FY 2001–02 and FY 2002–03 ICD-10-CA/CCI data and produced year-specific documents titled *Coping With the Introduction of ICD-10-CA and CCI: Impact of New Classifications on the Assignment of Case Mix Groups/Day Procedure Group*.
- Carried out re-abstraction studies in collaboration with external stakeholders, aimed at assessing the quality of data found in the Discharge Abstract Database.

Delivering Premium Statistics and Health Information

CIHI's collection of databases and reports grows every year, improving the capacity of decision-makers, researchers and the interested public to formulate action based on accurate information. In 2003–04, CIHI:

- Continued to inform the debate on health human resource issues through its reports on workforce trends for registered nurses, registered psychiatric nurses and licensed practical nurses. CIHI also published projections on RN retirement, and a report on the supply of physicians in Canada.
- Released, for the first time, an annual report on mental health services in Canada. This first report, *Hospital Mental Health Services in Canada*, aimed to provide users with a comprehensive description of available national hospital mental health data.
- Released the report *Drug Expenditures in Canada, 1985–2002*, which received extensive media coverage.
- Released its Canadian Joint Replacement Registry (CJRR) annual report, which highlights trends and variations for hip and knee replacements performed in Canada.

CIHI's collection of databases and reports grows every year, improving the capacity of decision-makers, researchers and the interested public to formulate action based on accurate information.

Building Our Knowledge of the Health System and the Health of Canadians

Decision-makers, including hospital administrators and health planners, increasingly turn to CIHI for analytical information that provides a basis for understanding the latest health statistics and data. In the last five years, CIHI has expanded and strengthened its data holdings substantially, enabling the development of many new reports which help increase our overall understanding of weaknesses and strengths of the health system. During the past year:

- *Health Care in Canada 2003*—CIHI's fourth annual report on the performance of the health care system—was released in May 2003. A special focus on primary health care was the centrepiece of the report, reflecting priorities for reform identified by first ministers, the Romanow and Kirby reports and several recent provincial reviews.
- CIHI developed and released commissioned reports on hospital performance, including *Ontario's Hospital Report 2003: Acute Care* and the CIHI/Hay Group's *Benchmarking Comparison of Canadian Hospitals 2003*.
- CIHI carried out an expanded range of collaborative analytical and reporting activities, such as contributing to Statistics Canada's *How Healthy Are Canadians?*, cover articles with *Maclean's* magazine, collaborative reports with external stakeholders (for example, women's health and arthritis), and a program of special studies and reports focusing on such topics as diagnostic imaging technology in Canada and mothers and babies.
- In response to a growing interest in patient safety, CIHI and the Canadian Institutes of Health Research (CIHR) jointly sponsored a study (published in June 2004) to provide national estimates of hospital-based adverse events in Canada.

Decision-makers, including hospital administrators and health planners, increasingly turn to CIHI for analytical information that brings the latest health statistics and data into clearer focus.

Population Health

. . . many social policies and lifestyles outside the health system can have a profound impact on health. CIHI, through the CPHI, works on advancing our knowledge of the broad factors that determine health.

The Romanow Commission observed that the health care system is only one of the ingredients that can determine people's health. In fact, many social policies and lifestyles outside the health system can have a profound impact on health. CIHI, through the CPHI, works on advancing our knowledge of the broad factors that determine health. In 2003–04, CPHI:

- Advanced the synthesis and analysis work on priority policy themes identified by the CPHI Council, namely poverty, obesity and Aboriginal peoples' health. Knowledge exchange and linkages were also advanced by participation in a variety of events, meetings and partnership development activities.
- Published its first-ever flagship report, *Improving the Health of Canadians*. Release of this report received extensive national media coverage and praise from policy-makers for stimulating a broader debate on the themes covered in the report. The report examines what we know about factors that affect the health of Canadians, ways to improve our health and the implications of policy choices on health. In particular, the report explored four key issues: income, early childhood development, Aboriginal peoples' health and obesity.
- Released the *Women's Health Surveillance Report*, funded jointly by CPHI and Health Canada. This report offered the first comprehensive look at the health of Canadian women.

Responding to Emerging Needs

The health system is evolving to reflect shifting priorities and emerging health needs. CIHI is keeping pace with that evolution through collaborative efforts with partner organizations and by dedicating resources and expertise to the development of new information products that reflect the full continuum of care in Canada. In 2003–04, CIHI:

- Produced new and updated regional- and provincial-level health indicators, and developed new indicators on patient safety.
- Made significant progress on the new National Prescription Drug Utilization Reporting System (NPDUIS), which will be based on claims-level data for publicly funded drug plans.
- In collaboration with Health Canada and the Institute for Safe Medication Practices (ISMP), began the development of a Canadian Medication Incident Reporting and Prevention System (CMIRPS).
- Completed a national home care pilot project on indicators of access, outcomes and utilization, and accelerated work on the development of a pan-Canadian minimum data set to support provincial and territorial reporting.

Respecting Privacy, Confidentiality and Security

Increasingly, CIHI has taken a leadership role in the area of privacy, confidentiality and security. CIHI collaborated with the Canadian Institutes of Health Research (CIHR) in the development of a document entitled *Personal Information Protection and Electronic Documents Act: Questions and Answers for Health Researchers*. It provided some clarity around the impact of the new act (*PIPEDA*), which came into effect in the health sector on January 1, 2004.

Increasingly, CIHI has taken a leadership role in the area of privacy, confidentiality and security.

CIHI is also working closely with the federal government and a group of national stakeholders, including Statistics Canada and CIHR, to develop a pan-Canadian health information privacy and confidentiality framework that can be used to inform legislative or policy developments.

CIHI Coast to Coast

- CIHI has always prided itself on its pan-Canadian scope. In 2003–04, the organization made significant progress in enhancing its regional presence and responsiveness through the establishment of a new western regional office in Victoria, British Columbia. CIHI has also concluded its first bilateral agreement with Manitoba and entered into formal discussions towards an agreement with Quebec.

Our People

- The results of our latest employee survey were compared to those of 500 other North American companies—and our staff gave us top marks! CIHI is proud of its growing and talented workforce, which numbered 324 at the end of 2003–04, up by 55 from one year ago.

- **CIHI and Statistics Canada recently presented updates to the Conference of Deputy Ministers of Health on some key areas of their work, including data quality, the adverse events study co-funded by CIHI and the CIHR, the release of *Improving the Health of Canadians*, as well as Statistics Canada’s Mental Health and Nutrition surveys and person-oriented analyses. The consensus was that CIHI and Statistics Canada have good reason to be proud of their achievements.**


Looking Ahead to 2004–2005

The year ahead will again be challenging. CIHI's operations will be further expanded to offer better service at the regional level, and several new information products and services will be developed to respond to the growing demand for data on health and health care. CIHI will also continue to make significant investments in increasing its analytical capacity and will sustain its emphasis on improving the overall quality of its data holdings.

Demonstrating Value at the Regional Level

CIHI is committed to greater responsiveness at the regional level, and will consult key stakeholder groups to identify the most effective ways to respond to provincial, territorial, regional and local priorities. In particular, CIHI will implement strategies and plans to increase its presence in the province of Quebec and in Atlantic Canada, and will further expand its presence and activities in Western Canada, following the recent opening of the western office in Victoria.

CIHI will also continue to make significant investments in increasing its analytical capacity and will sustain its emphasis on improving the overall quality of its data holdings.



Addressing Health Information and Knowledge Gaps

As CIHI moves further towards closing health information gaps, priority projects will include building new reporting systems in the area of drugs (the National Prescription Drug Utilization Information System and the Canadian Medication Incident Reporting and Prevention System) and the development and testing of a national minimum data set and reporting system for home care services. Building working relationships with new stakeholders is another priority. Collaboration with the newly established Health Council of Canada and the Canadian Patient Safety Institute, the Canadian Public Health Agency, and Canada Health Infoway, among others, offers exciting new challenges and opportunities for CIHI in the coming year.

Data Quality and Quality Assurance

CIHI will continue to strengthen its data quality efforts through a number of targeted initiatives. Several data quality projects will be fast-tracked, including the development of a corporate data dictionary and respondent universe frame, and completion of an external review to assess compliance to the MIS Guidelines. Mechanisms for working with stakeholders (including data suppliers and researchers) to increase awareness of data quality issues and enhance the quality of CIHI data holdings also will be explored.

Capacity and Infrastructure Building

As CIHI continues to increase the number of products and services offered to its various stakeholders, there is a need to further strengthen the organization's capacity to support the growing workload. This year, CIHI will need to recruit significant numbers of new expert staff, and must implement strategies and plans to expand and enhance its physical and technical infrastructure. Particular attention will be devoted to expanding information dissemination capacities, and to further developing the organization's capacity to provide products and services in both official languages.

Auditors' Report on Summarized Financial Statements

To the Board of Directors of the Canadian Institute for Health Information

The accompanying summarized balance sheet, statements of revenue and expenses and cash flows are derived from the complete financial statements of the Canadian Institute for Health Information as at March 31, 2004 and for the year then ended on which we expressed an opinion without reservation in our report dated May 12, 2004. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

Ottawa, Canada,
May 12, 2004.



Ernst & Young
Chartered Accountants

Balance Sheet

As at March 31

| | 2004 | 2003 |
|--|--------------------|--------------------|
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash | 984,494 | 955,949 |
| Accrued interest | 1,149,389 | 1,119,736 |
| Accounts receivable | 4,062,096 | 3,303,744 |
| Prepaid expenses | 1,161,170 | 1,501,032 |
| Note receivable | 58,334 | 8,333 |
| | 7,415,483 | 6,888,794 |
| Note receivable | — | 58,334 |
| Investments—Roadmap | 126,848,324 | 90,299,015 |
| Capital assets | 4,799,408 | 5,019,260 |
| Accrued pension benefits | — | 282,602 |
| | 139,063,215 | 102,548,005 |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | 3,055,993 | 2,591,988 |
| Unearned revenue | 1,010,595 | 607,239 |
| Current portion of lease inducements | 53,895 | 53,895 |
| | 4,120,483 | 3,253,122 |
| Accrued pension benefits | 14,700 | — |
| Deferred contributions—Roadmap | 127,896,889 | 92,117,307 |
| Deferred contributions—capital assets | 2,668,076 | 2,908,365 |
| Lease inducements | 187,720 | 241,615 |
| | 134,887,868 | 98,520,409 |
| NET ASSETS | | |
| Invested in capital assets | 1,889,717 | 1,815,385 |
| Unrestricted | 2,285,630 | 2,212,211 |
| | 4,175,347 | 4,027,596 |
| | 139,063,215 | 102,548,005 |

Statement of Revenue and Expenses

Year ended March 31

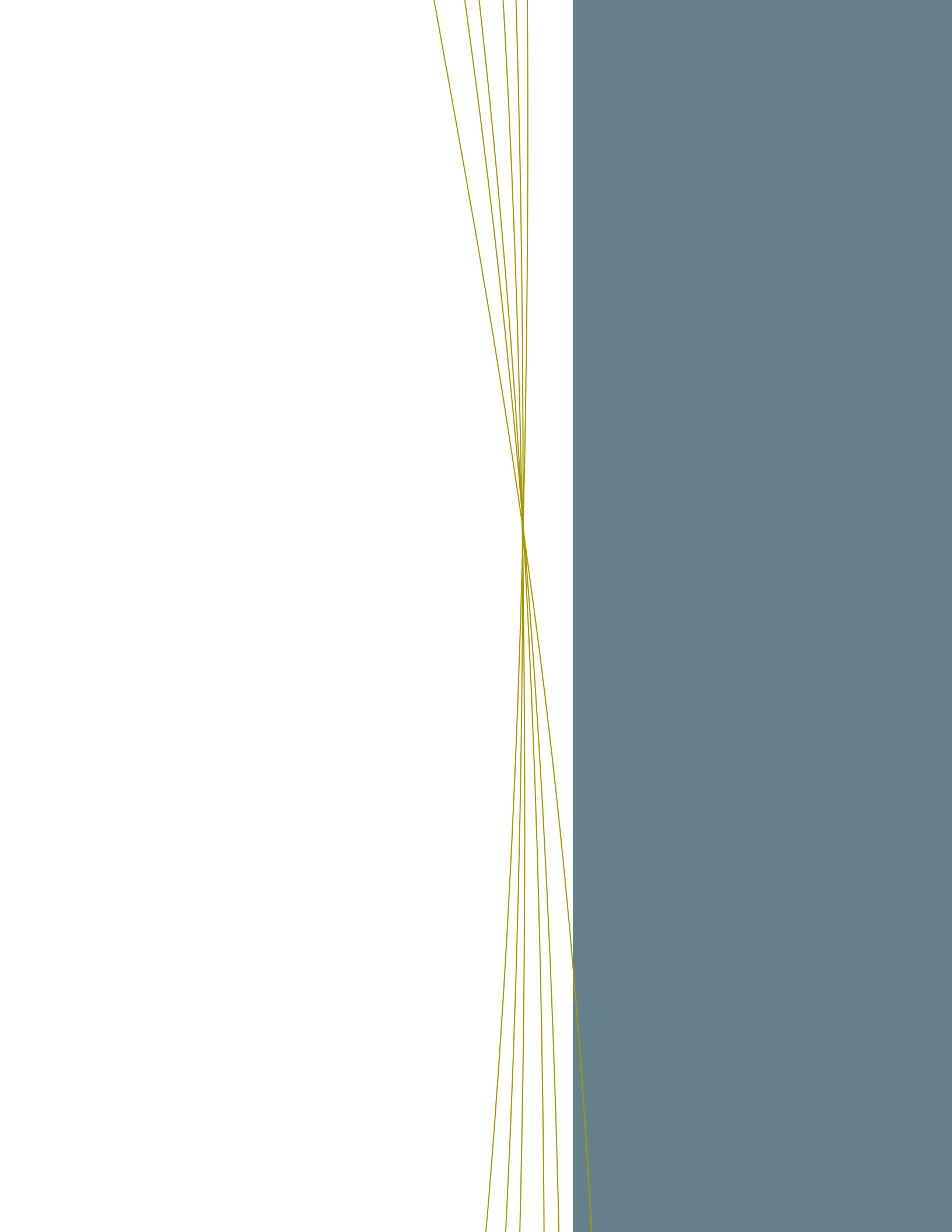
| | 2004 | 2003 |
|--|-------------------|-------------------|
| | \$ | \$ |
| REVENUE | | |
| Core plan | 9,190,849 | 7,963,161 |
| Sales | 2,659,029 | 2,319,961 |
| Funding—core | 6,148,010 | 5,900,077 |
| Funding—Roadmap | 40,047,057 | 37,104,409 |
| Interest | 37,750 | 31,072 |
| Miscellaneous | 122,545 | 115,555 |
| | 58,205,240 | 53,434,235 |
| EXPENSES | | |
| Compensation | 23,929,148 | 19,664,513 |
| External and professional services | 4,558,386 | 3,637,032 |
| Travel and advisory committee expenses | 2,905,555 | 2,240,873 |
| Office—supply and services | 4,540,059 | 3,653,067 |
| Computers/telecommunications | 3,245,269 | 3,123,926 |
| Research grants and contributions | 18,819,620 | 20,651,825 |
| Miscellaneous | 59,452 | 92,821 |
| | 58,057,489 | 53,064,057 |
| Excess of revenue over expenses | 147,751 | 370,178 |

Statement of Cash Flows

Year ended March 31

| | 2004 | 2003 |
|---|---------------------|---------------------|
| | \$ | \$ |
| OPERATING ACTIVITIES | | |
| Excess of revenue over expenses | 147,751 | 370,178 |
| Items not affecting cash: | | |
| Amortization of capital assets | 1,810,663 | 1,670,308 |
| Amortization of lease inducements | (53,895) | (53,895) |
| Pension benefits | 297,302 | (91,900) |
| Amortization of deferred contributions—capital assets | (1,135,587) | (1,024,814) |
| Loss on disposal of capital assets | 1,269 | 28,891 |
| | 1,067,503 | 898,768 |
| Changes in non-cash operating working capital items | 419,218 | (1,486,887) |
| Net decrease in deferred contributions | (33,325,120) | (32,844,072) |
| Roadmap initiative | 70,000,000 | 95,000,000 |
| Cash provided by operating activities | 38,161,601 | 61,567,809 |
| INVESTING ACTIVITIES | | |
| Acquisition of capital assets | (1,592,097) | (1,263,465) |
| Proceeds on disposal of capital assets | 17 | 2,012 |
| Note receivable | 8,333 | (58,334) |
| Investments—Roadmap | (36,549,309) | (60,380,788) |
| Cash used in investing activities | (38,133,056) | (61,700,575) |
| Net cash outflow | 28,545 | (132,766) |
| Cash, beginning of year | 955,949 | 1,088,715 |
| Cash, end of year | 984,494 | 955,949 |

Complete financial statements of the Canadian Institute for Health Information for the year ended March 31, 2004 are available upon request.





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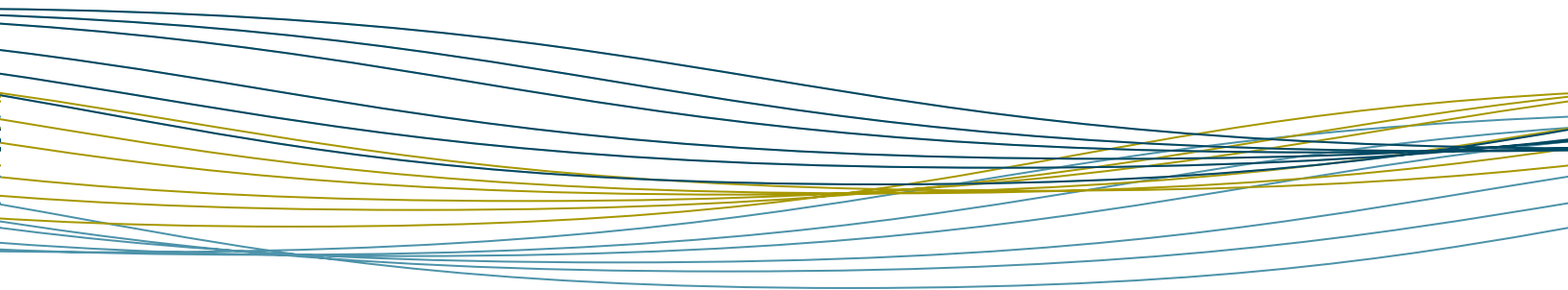
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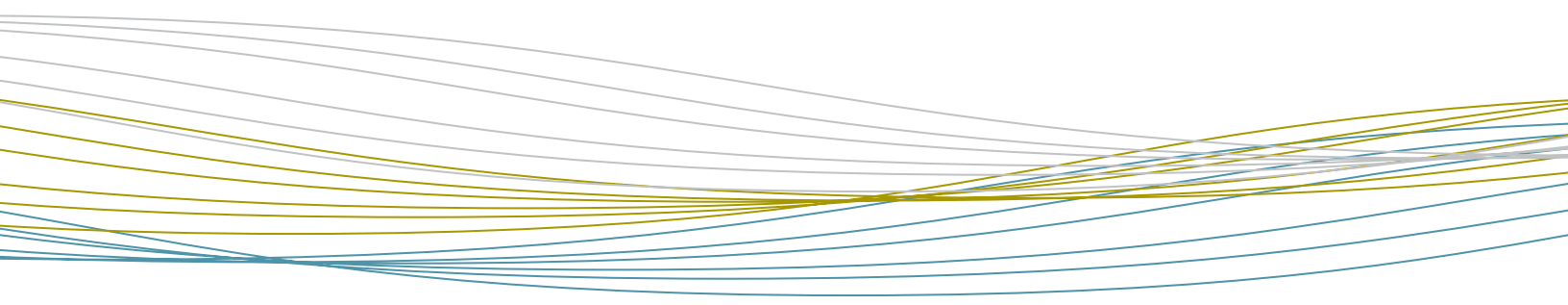
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