Health Council of Canada
Conseil canadien de la santé

Health Council of Canada
Annual Report 2012/13

Shining a light on health innovation

Message from the Chair and the CEO

Since launching our first report in 2005, the Health Council of Canada has published more than 50 reports on key health policy issues important to Canadians and their governments. The Health Council has been a trusted and independent voice consulted for information, advice, and informed perspectives on how to transform our health care system to meet the country's needs, based on what the evidence is telling us and where the innovations are pointing.

Two years ago, we took time to reflect on our past, look at advances in data collection and reporting, and imagine our role in a future where public reporting on progress leads to a health care system that better serves the Canadian public. The result was a five-year plan centered on four strategic priorities: to inform, to communicate, to collaborate, and to have impact. We continue to focus on these priorities in our work and in our engagements with health leaders and the public.

In our reports, we shine a light on the ever-changing challenges of health care transformation and their possible solutions. The Health Council also shares information and insight through media stories, social media channels, webinars, and videos. We complement this with national symposia, regional roundtables, and town halls to broaden and deepen our engagement with Canadians. Through the Health Innovation Portal, a user-friendly database of more than 400 successful innovative practices, we help governments, health care leaders, and researchers learn from one another and adapt these practices so more Canadians can benefit from them.

We provide insight into initiatives and innovations that are contributing to an accessible, higher quality, and sustainable health care system.

In this annual report, we share some notable achievements from the past year, including a symposium on integrated care and reports on home care; performance measurement; quality improvement; culturally competent care for First Nations, Inuit, and Métis people; and our annual progress report.

This April, the federal government informed us that funding for the Health Council of Canada will wind up in March 2014. Until then, we will continue with the work we committed to undertake, including a video series on innovations in reducing wait times; a report on health care for First Nations, Inuit, and Métis seniors; a research paper on appropriateness of care; a national symposium on quality improvement; and a commentary on optimal approaches to screening in Canada. We will also issue a summative report on the outcomes and collective learnings from the 2003 and 2004 health accords to help guide the ongoing transformation of our health care system.

We encourage you to visit healthcouncilcanada.ca for analysis and insight into initiatives and innovations that are contributing to an accessible, higher quality, and sustainable health care system for all Canadians.

Dr. Jack Kitts, Chair
John G. Abbott, Chief Executive Officer

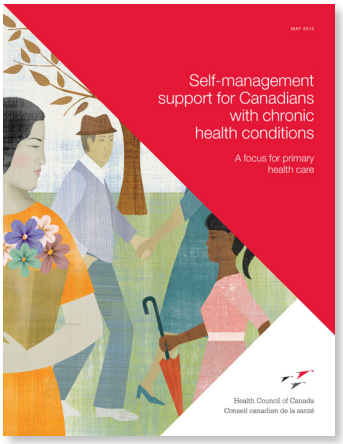
The breadth and scope of our work.

Seniors in need, caregivers in distress: What are the home care priorities for seniors in Canada?

Our report takes a deeper look at the seniors who are receiving home care, the family caregivers that are lending support, as well as the priorities for home care services in Canada.

Measuring and reporting on health system performance in Canada: Opportunities for improvement

This paper highlights the need for governments to set clear policy goals with both measurable health outcomes and supporting health indicators to hold health system leaders accountable for performance.



Self-management support for Canadians with chronic health conditions: A focus for primary health care

Our report explores how self-management support within the primary health care setting can improve patient outcomes and outlines why a systematic approach is needed in this area of care.

6,454
Twitter followers

5,172,115
Social media reach

Progress Report 2012:
Health care renewal
in Canada

This annual report provides a pan-Canadian look at progress to date in home and community care, health human resources, telehealth, access to care in the North, and the use of comparable health indicators to support public reporting on health care.

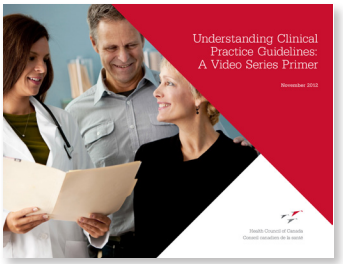
National Symposium on Integrated Care
In October 2012, The Health Council welcomed 377 national and international leaders in integrated care to our national symposium, *Advancing Integrated Health Care in Canada: Practices That Work*. The symposium featured 37 concurrent presentations, a panel presentation on solutions for achieving integrated care, and keynote presentations by Dr. Dennis Kodner, International Visiting Fellow and Co-Director, Aetna Foundation Care Co-ordination Study, The King's Fund, and the Honourable Fred Horne, Minister of Health, Alberta.

186,570,946

Media impressions

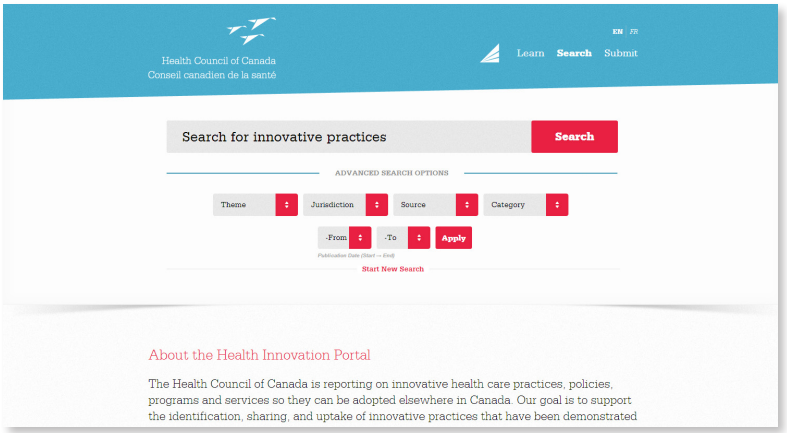
759

Media stories



Understanding Clinical Practice Guidelines:
A video series primer

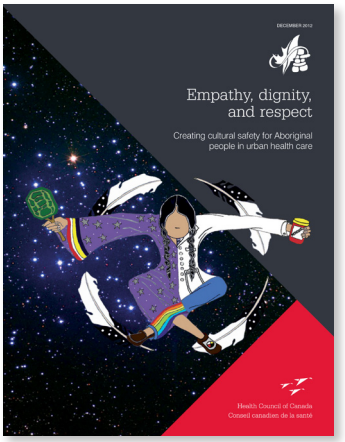
The Health Council developed a four-part video series to provide an overview of clinical practice guidelines in Canada through the eyes of those who design, disseminate, and use them.



Health Innovation Portal
In November 2012, we launched our portal to make it easier for health care providers, managers, policy-makers, and the public to find innovative practices, programs, services, and policies in health care from across the country, with the aim of having them adapted and put into practice in other settings. The most notable features of the portal are a searchable database with more than 400 innovative practices covering a range of health care themes, a user-friendly search function, and customizable outputs. Since launching, more than 12,000 searches have been conducted on our Health Innovation Portal.

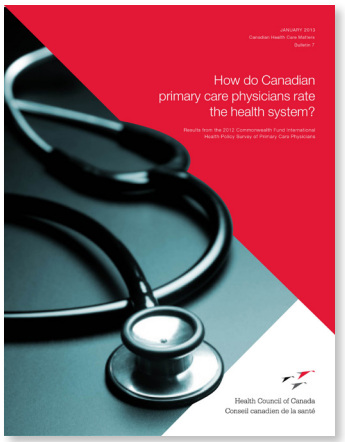
54,462
Report downloads

67,478
Unique web visitors



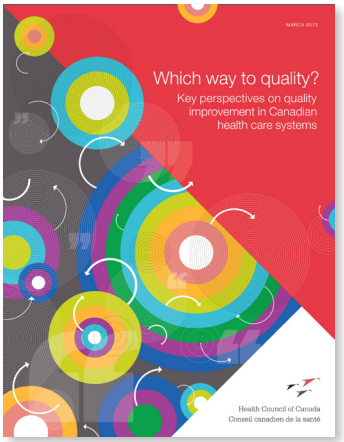
Empathy, dignity, and respect:
Creating cultural safety for Aboriginal people in urban health care

Our report highlights some of the barriers to Aboriginal people seeking health care services within mainstream health care settings and describes key practices that are contributing to positive change.



How do Canadian primary care physicians rate the health system?
Results from the 2012 Commonwealth Fund International Health Policy Survey of Primary Care Physicians

This bulletin compares the experiences of primary care physicians across Canada and internationally in the areas of access to and coordination of care, the use of information technology, and practice improvement and incentives.



Which way to quality?
Key perspectives on quality improvement in Canadian health care systems

The Health Council developed this report to shed light on the issue of quality improvement within Canada's health care system, describing current activities in this area that aim to improve patient care.

43,898

Blog reads

3,140

E-newsletter subscribers

4th Health Innovation Challenge

More than 100 college and university students from across Canada submitted essays on innovative practices in Canadian health care, telling us why they work and how they can be applied elsewhere. Winning entries came from the University of Alberta, Dalhousie University, McMaster University, the University of Northern British Columbia, and the University of Toronto.

Progress Report 2013:
Health care renewal in Canada

In this spring 2013 report, the Health Council reports on the progress made by jurisdictions in five priority areas of the health accords: access and wait times; primary health care reform and electronic health records; pharmaceuticals management; disease prevention, health promotion and public health; and Aboriginal health.

Innovations in reducing wait times:
A video series

Waiting for services in our health care system is a reality that most Canadians face at one time or another. The Health Council's pan-Canadian video series will feature innovative practices that are tackling waits for patients in various health care settings.

The Council

The work of the secretariat is guided by 13 councillors and one ex-officio councillor who are appointed by the participating provincial and territorial governments and the Government of Canada. As members of the executive, finance and audit, and health system reporting committees, councillors provide leadership to a secretariat based in Toronto. They also act as council champions, guiding the development of the council's reports, video series, and other major activities. In addition, councillors meet four times a year in locations across Canada to collaborate with others, learn about local initiatives, and discover what helps or hinders health care renewal in a particular region — information that can be used to inform the council's public reporting.

Left to right, top to bottom: Dr. Jack Kitts (Chair); Dr. Bruce Beaton (resigned September 2012); Dr. Catherine Cook; Ms. Cheryl Doiron (resigned January 2013); Dr. Cy Frank; Dr. Dennis Kendel; Ms. Lyn McLeod (term ended August 2012); Dr. Michael Moffatt; Mr. Murray Ramsden; Dr. Ingrid Sketris; Dr. Les Vertesi; Mr. Gerald White; Dr. Charles Wright; Mr. Bruce Cooper (ex-officio)

Independent Auditor's Report

July 31, 2013

To the Members of The Health Council of Canada/ Conseil canadien de la santé

We have audited the accompanying financial statements of The Health Council of Canada/Conseil canadien de la santé, which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011 and the statements of operations and cash flows for the years ended March 31, 2013 and March 31, 2012, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Health Council of Canada/Conseil canadien de la santé as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

PricewaterhouseCoopers LLP

Chartered Professional Accountants,
Licensed Public Accountants

Statements of Financial Position

	March 31, 2013 $	March 31, 2012 $	April 1, 2011 $
Assets			
Current assets			
Cash	**689,779**	519,043	1,138,007
HST/GST and other amounts receivable	**98,610**	81,218	160,121
Prepaid expenses	**142,370**	165,665	78,668
	930,759	765,926	1,376,796
Restricted investment	**10,095**	10,000	10,000
Property and equipment (note 4)	**177,673**	234,167	257,151
	1,118,527	1,010,093	1,643,947
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	**307,490**	272,188	263,673
Deferred revenue (note 5)	**548,775**	464,654	1,081,840
	856,265	736,842	1,345,513
Deferred capital contributions	**177,673**	234,167	257,151
Deferred lease inducements	**84,589**	39,084	41,283
	1,118,527	1,010,093	1,643,947

The accompanying notes are an integral part of these financial statements.

Commitments (note 6)

Statements of Operations

For the years ended March 31, 2013 and March 31, 2012

	2013 $	2012 $
Revenue		
Health Canada	**6,128,519**	5,648,453
Amortization of deferred capital contributions	**70,200**	63,877
Interest income	**4,005**	5,119
	6,202,724	5,717,449
Expenses		
Compensation	**3,494,254**	3,300,404
External professional services	**383,908**	313,933
Councillor expenses and meeting facilities		
Councillors' travel	**74,218**	88,865
Councillors' honoraria	**71,131**	88,119
Meeting facilities	**190,620**	119,341
Guest travel	**64,700**	51,883
Speakers' honoraria	**14,223**	16,114
Administration		
Occupancy	**422,642**	372,996
Financial management	**34,640**	32,367
Secretariat – travel	**145,277**	143,860
Computers and telecommunications	**93,567**	100,769
Amortization	**70,200**	63,877
Office services and supplies	**68,510**	83,683
Legal fees	**622**	4,877
Human resources	**42,133**	61,463
Insurance	**12,109**	12,172
Miscellaneous	**30**	673
Reports and communication		
Supplies and services	**722,983**	599,844
Promotion and media	**296,957**	262,209
	6,202,724	5,717,449
Excess of revenue over expenses for the year	**—**	—

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

For the years ended March 31, 2013 and March 31, 2012

	2013 $	2012 $
Cash provided by (used in)		
Operating activities		
Items not affecting cash		
Amortization of deferred capital contributions	**(70,200)**	(63,877)
Amortization of property and equipment	**70,200**	63,877
Deferred lease inducements	**45,505**	(2,199)
	45,505	(2,199)
Changes in working capital items		
HST/GST and other amounts receivable	**(17,392)**	78,903
Prepaid expenses	**23,295**	(86,997)
Accounts payable and accrued liabilities	**35,302**	8,515
Deferred revenue	**84,121**	(617,186)
	170,831	(618,964)
Investing and financing activities		
Purchase of property and equipment	**(13,706)**	(41,380)
Capital contributions – net	**13,706**	41,380
Change in restricted investment	**(95)**	—
	(95)	—
Increase (decrease) in cash during the year	**170,736**	(618,964)
Cash – Beginning of year	**519,043**	1,138,007
Cash – End of year	**689,779**	519,043

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

March 31, 2013, March 31, 2012 and April 1, 2011

1 / Description of the business

The Health Council of Canada/Conseil canadien de la santé (the council) was incorporated on December 2, 2003 under the Canada Corporations Act. The council's mandate is to monitor and make annual public reports regarding the implementation of the 2003 *First Ministers' Accord on Health Care Renewal* and the 2004 ten year plan, particularly its accountability and transparency provisions.

The council is registered as a not-for-profit organization under the Income Tax Act (Canada) and accordingly is exempt from income taxes.

2 / Transition to Canadian accounting standards for not-for-profit organizations

Effective April 1, 2012, the council elected to adopt Canadian accounting standards for not-for-profit organizations (ASNPO), as issued by the Canadian Accounting Standards Board. The accounting policies selected under this framework have been applied consistently and retrospectively as if these policies had always been in effect. The council has not utilized any transitional exemptions on the adoption of ASNPO. There were no adjustments to the statements of financial position or the statements of operations and cash flows as a result of the transition to ASNPO.

3 / Summary of significant accounting policies

Financial statement presentation

These financial statements have been prepared in accordance with ASNPO using the deferral method of reporting restricted contributions.

Revenue recognition

The council is funded solely by Health Canada through a funding agreement expiring on March 31, 2015.

The council follows the deferral method of accounting for Health Canada funding for operations and capital expenditures. Where a portion of this funding relates to a future period, it is deferred and recognized as revenue in a subsequent period. Contributions that are received for the purchase of property and equipment are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related asset.

Property and equipment

Property and equipment are recorded at cost and are amortized on a straight-line basis using the following rates:

Information technology and telecommunications	20%
Office equipment and furniture	10%
Computer software	33%
Leasehold improvements	term of lease

In the year of acquisition, 50% of the annual amortization rate is used.

Lease inducements

Lease inducements, consisting of leasehold improvement allowances and rent-free periods, are amortized on a straight-line basis over the term of the lease.

Financial instruments

Financial assets and financial liabilities are initially measured at fair value. The council subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, HST/GST and other amounts receivable and the restricted investment.

Financial liabilities measured at amortized cost include accounts payable, and accrued liabilities.

Notes (Continued)

The fair value of the council's cash, HST/GST and other amounts receivable, restricted investment, and accounts payable and accrued liabilities approximates their carrying values due to the short-term nature of these financial instruments.

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

4 / Property and equipment

	2013		
	Cost $	Accumulated amortization $	Net $
Information technology and telecommunications	325,692	270,535	55,157
Computer software	99,318	80,470	18,848
Office equipment and furniture	293,313	189,645	103,668
Leasehold improvements	323,084	323,084	—
	1,041,407	863,734	177,673

	2012		
	Cost $	Accumulated amortization $	Net $
Information technology and telecommunications	316,385	246,020	70,365
Computer software	97,524	63,987	33,537
Office equipment and furniture	290,708	160,443	130,265
Leasehold improvements	323,084	323,084	—
	1,027,701	793,534	234,167

5 / Deferred revenue

	2013 $	2012 $
Balance – Beginning of year	464,654	1,081,840
Funding received	6,226,346	5,072,160
Less		
Amounts transferred to deferred capital contributions – net	(13,706)	(40,893)
Amounts recognized as revenue	(6,128,519)	(5,648,453)
Balance – End of year	548,775	464,654

6 / Commitments

Leased premises

The council entered into two leases for premises located at 90 Eglinton Avenue East, Toronto, Ontario. The leases were renewed on July 1, 2010 for a further five years to June 30, 2015.

Future minimum commitments for basic rent under the leases are approximately as follows:

	$
2014	182,684
2015	36,855
	219,539

Other commitments

The council has entered into other commitments, including contracts for professional services with various expiry dates to October 2015. The annual required payments are approximately as follows:

	$
2014	423,832
2015	14,814
	438,646

Notes (Continued)

7 / Guarantees

In the normal course of operations, the council enters into agreements that meet the definition of a guarantee. The council's primary guarantees subject to disclosure are as follows:

- The council has provided indemnities under a lease agreement for the use of operating facilities. Under the terms of this agreement, the council agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, lawsuits, and damages arising during, on or after the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- The council has indemnified its present and future directors, officers and employees against expenses, judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors are sued as a result of their service, if they acted honestly and in good faith with a view to serving the best interests of the council. The nature of the indemnity prevents the council from reasonably estimating the maximum exposure. The council has purchased errors and omissions liability insurance with respect to this indemnification.

8 / Financial instruments risk management

The main risks that the council's financial instruments are exposed to are credit risk and liquidity risk.

Credit risk

Credit risk is the risk that amounts due to the council will not be recoverable. The council is exposed to credit risk on amounts receivable from third parties. The council's accounts receivable credit risk is considered to be low.

Liquidity risk

Liquidity risk is the risk the council will encounter difficulty in meeting obligations associated with financial liabilities. The council has low liquidity risk given the makeup of its accounts payable and accrued liabilities.

9 / Comparative figures

Certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation.

10 / Subsequent events

In April 2013, the council received written notice from Health Canada indicating that fiscal 2014 will represent the last year of funding of the activities performed by the council in respect of the *First Ministers' Accord on Health Care Renewal*. It is expected that the council will be wound down and dissolved by approximately June 2014. It is anticipated that these activities will result in material termination costs, including severance and lease termination costs, which are not yet quantified, during the next fiscal year.

About the Health Council of Canada
Created by the *2003 First Ministers' Accord on Health Care Renewal*, the Health Council of Canada is an independent national agency that reports on the progress of health care renewal. The Council provides a system-wide perspective on health care reform in Canada, and disseminates information on innovative practices across the country. The Councillors are appointed by the participating provincial and territorial governments and the Government of Canada.

To download reports and other Health Council of Canada materials, visit healthcouncilcanada.ca.

The Health Council of Canada would like to acknowledge funding support from Health Canada. The views expressed here do not necessarily represent the views of Health Canada.

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