Waterloo Wellington **LHIN**

INVESTING IN OUR HEALTH

2008-2009 Annual Report

Ontario
Local Health Integration Network

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Annual Report 2008-2009

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Local Health Integration Network

Kathy Durst, Chair

Sandra Hanmer, CEO

INVESTING IN OUR HEALTH

During 2008-09, our focus continued to be on leading the positive transformation of our health system, and on making investments that made the most of limited health care dollars. Investments for today, and for our future.

The WWLHIN was responsible for managing a health care budget of approximately $830 million – a large amount of money that was to be prudently invested to achieve the best results for our community – and we did just that.

Health service providers sign Service Accountability Agreements with the WWLHIN. These agreements outline the programs and services they will provide, their performance accountability, and how much funding they will receive. In 2008-09, agreements with our area's hospitals were either signed prior to the beginning of the year, or finalized within the year.

We are also pleased to report that 100% of our community support service organizations, the Waterloo Wellington Community Care Access Centre, mental health and addictions agencies and community health centres signed agreements with the WWLHIN. More than 100 agreements were signed – an impressive accomplishment that aligns the health system for future success.

We want to thank the leadership of these health care organizations for their willingness to look at their operations in a new way, to make needed changes, and for understanding the necessity of 'living within their means' while providing the optimum services.

You will read much about the accomplishments of the past year in this Annual Report. We have worked on making our system more patient-focused and efficient. Wait times improved, investments were made to assist both seniors and youth, and services were integrated for greater efficiency. We focused on improving hospitals' emergency departments and ensuring that people are receiving the appropriate services in the right setting.

We launched initiatives that will help us make the right decisions in the future – such as the Clinical Optimization Project, Rural Health Review, eHealth projects and a Health Human Resources Council.

Our commitment to understanding our community's needs continues. The Integrated Health Service Plan (IHSP), which identifies our community's priorities for years 2007–10, continues to be addressed. At the same time, we are looking to the future as we begin community consultations to update the IHSP and set our path for the years to come.

We want to acknowledge the exceptional commitment of the WWLHIN staff, our board of directors, community council, and the many individuals and groups who make an unwavering contribution to the goal of improving our health system so we continue to 'Live and Live Well in Waterloo Wellington'.

MESSAGE FROM THE CHAIR AND CEO

2008-09 had its challenges – but we prevailed and succeeded in solidifying, and adding, programs and services, putting processes into place, planting seeds for new partnerships and ideas, and setting ourselves up for future success by looking at all investment decisions with a 'transformation' lens for both the short term and long term.

We are pleased with what has been accomplished to date – the pace of change and improvement is gaining momentum — and we look forward to the future with confident optimism.

Kathy Durst, Chair

Sandra Hanmer, CEO

THE WATERLOO WELLINGTON LHIN BOARD OF DIRECTORS

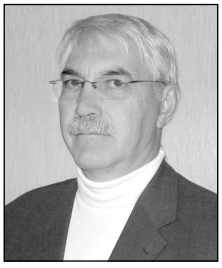
"As the Board of Directors, we are proud of our accomplishments to date and excited about the opportunities we see for transformation. We are all committed to improving our local health system. These are inspiring times and we are glad to have a role in making a real difference."

Kathy Durst, Chair, WWLHIN Board of Directors

Kathy Durst, *Chair*
June 2, 2005 - June 1, 2011

Paul Truex, *Vice-Chair*
June 2, 2005 – June 1, 2011

Paul Holyoke, *Secretary*
June 2, 2005 – June 1, 2011



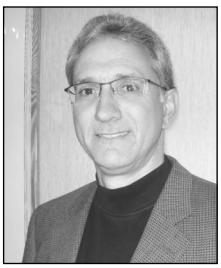
Bill Blackie
Jan 5, 2006 – Feb 4, 2010

Mary D'Alton
May 17, 2006 – June 16, 2010

Glenna Heggie
May 17, 2006 – May 16, 2011

Don Ross
June 1, 2006 – May 31, 2011

Bruce Schieck
Jan 5, 2006 – Jan 4, 2011



Ken Whyte
May 17, 2006 – June 16, 2010

Our Responsibilities

Our Mission

Inspiring people to improve quality of life now and in the future through collaborative relationships and health system integration.

The Waterloo Wellington Local Health Integration Network (WWLHIN) is a non-profit organization funded by the Government of Ontario, through the Ministry of Health and Long-Term Care (MOHLTC).

Across the Province of Ontario, 14 LHINs were created based on the recognition that people at the local level best understand the needs of their community. Through LHINs, people closer to what is going on will identify their community's health care priorities.

The LHINs are responsible for planning, coordinating, integrating and providing funding to local health service providers to create a system that is effective, affordable, and sustainable. In the past year, the WWLHIN invested more than $830 million in the programs and services of our community's health system.

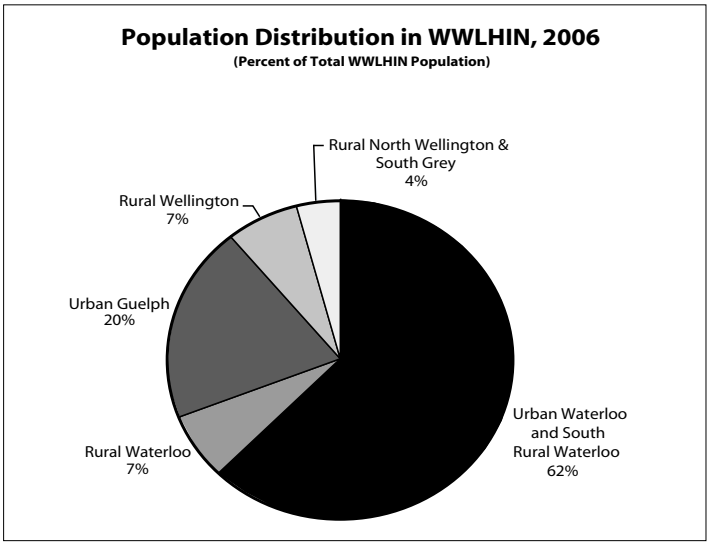
The scope of the WWLHIN's responsibility includes Waterloo Region, Wellington County (including the City of Guelph) and southern Grey County:

- Eight hospital corporations (10 hospital sites)
- 35 long-term care homes
- 31 community support services
- 22 community mental health and addictions services
- Waterloo Wellington Community Care Access Centre (WWCCAC)
- Four community health centres (with six satellites)

The WWLHIN is accountable to the MOHLTC and to the residents of the area. The WWLHIN does its work guided by LHIN/MOHLTC agreements – a Memorandum of Understanding and an Accountability Agreement. Health service providers are bound by Service Accountability Agreements with the WWLHIN.

Our Vision

A health care system that will keep Ontarians healthy, will get them good care when they are sick, and will be there for their children and grandchildren.



Our Unique Community

Our Values

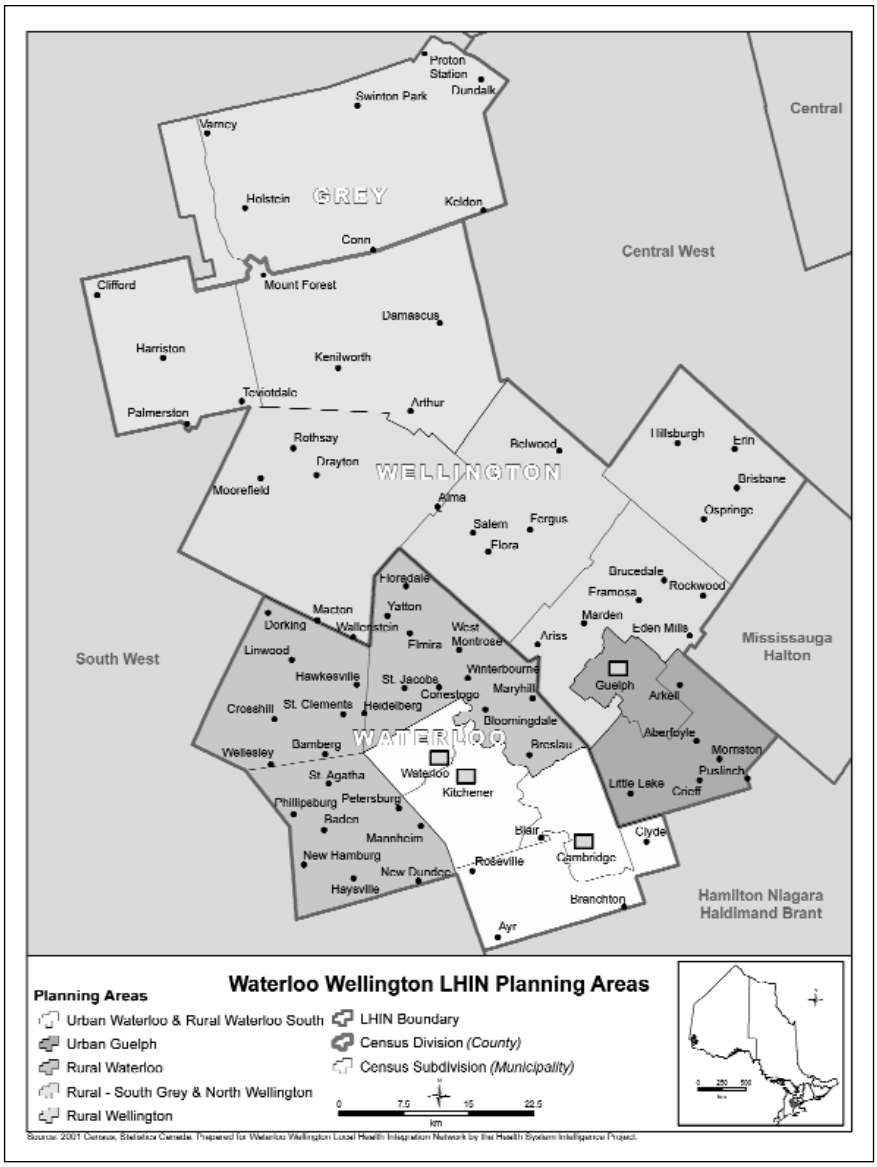
Community – demonstrated by respect, engagement, and focus on people
Integrity – demonstrated by sound decision-making processes, and honesty
Innovation – demonstrated by creativity, future focus, and change
Accountability – demonstrated by follow-through, evidence-based outcomes, and transparency

Census data from Statistics Canada provides the most accurate population and demographic information about the WWLHIN. In 2006, the most recent census data available, the WWLHIN population was 686,320, or 5.6% of the total Ontario population. Growing at a projected rate of 16%, our population is expected to be almost 800,000 by the year 2015. This growth rate exceeds that of the province, which is projected to grow about 13% between 2006 and 2015.

We are an urban/rural mix with a wealth of religions and nationalities. Other than English and French, the five languages most spoken are German, Chinese, Spanish, Polish and Portuguese.

In the WWLHIN, the immigrant, Mennonite, and Francophone populations make up 20%, 3.4% and 1.3% respectively. The Aboriginal population constitutes 1% of the population.

Compared to Ontario overall, economically we do well, with lower unemployment rates, and a lower proportion of people with low income. We have convenient access to neighbouring communities that expand our opportunities for employment and entertainment. Additionally, we consider the area a safe place to live and a good place to work.



Our Health

We are getting older – the proportion of individuals aged 75 to 84 years is expected to increase by 12% between 2007 and 2016, while the proportion of those aged 85+ years is expected to increase by 46% during the same period. The aging of our population and the anticipated growth of more than 100,000 residents over the next few years will result in an increased need for health care services.

Based on data from the 2007 Canadian Community Health Survey, our population is engaging in less healthy behaviour than in 2003. These behaviours include physical activity and fruit and vegetable consumption. As a result, our percentage of people who are overweight or obese has increased by 4.1%. The percentage of our population with diabetes, asthma or high blood pressure has also increased by 1.4%, 0.8% and 2.6% respectively. The percentage of non-smokers exposed to second-hand smoke has decreased slightly, but at 8.3% it is much higher than the provincial average of 5.7%.

The Canadian Community Health Survey relies on self-reported information. As such, a number of vulnerable populations, such as the local Aboriginal population, are under-represented. However, we know that compared to the general population, Aboriginals have a higher prevalence of diabetes, and mental health and addictions issues as well as higher rates of injuries and suicide.

From 2005 to 2007 the number of residents getting flu shots (38% in 2005, 33% in 2007) and the number of residents who had contact with their medical doctor in the past year (78% in 2005, 76.8% in 2007) decreased both in the WWLHIN and Ontario.

Although these trends may suggest that our population is less healthy than two to four years ago, the number of WWLHIN residents who rated their overall health as very good or excellent increased between 2005 and 2007 (from 61.9% to 62.6%). When looking at the area of mental health, while the percentage of people who indicated high life stress decreased, the percentage of people who rated their overall mental health as very good to excellent did not improve but decreased (from 75.1% to 72.4%).

By examining trends in chronic disease prevalence, we are able to paint a picture of need and resource utilization in the WWLHIN. The top four chronic diseases in the WWLHIN in 2007 were hypertension, arthritis, asthma and diabetes. These remain unchanged from 2005.

We looked at how residents with these chronic conditions used our health system (2005-06 data). Three of these four chronic diseases — hypertension, arthritis, and diabetes, (as well as heart disease), are contributing to the highest rates of general practitioner (GP) visits. Three of the top causes of GP visits are then showing up at the emergency room — arthritis, heart disease, asthma, and chronic obstructive pulmonary disease (COPD). Finally, only one of the top four chronic diseases, arthritis, is contributing to the highest rates of hospitalizations. The other three are heart disease, cancer, and COPD.

The Integrated Health Service Plan

Since its beginning, in 2005, the WWLHIN has been committed to consulting with the community and health service providers about ideas and plans for transforming our health system.

Through this consultation, the Integrated Health Service Plan (IHSP) 2007-10 was developed. The priorities identified in the IHSP provide the direction for the WWLHIN's planning, coordination, integration and funding decisions.

Our community's four priority areas are:

- Improving accessibility and reducing wait times
- Improving the health of the population
- Building community capacity to achieve a sustainable health system
- Enhancing system effectiveness

These priorities are enabled by health human resources, and eHealth (more details presented on page 21), and strategic leadership.

Throughout 2008-09 the WWLHIN made decisions and investments in all areas.

Improving Accessibility and Reducing Wait Times

In alignment with provincial initiatives, the WWLHIN tracked wait times for cancer surgery, cardiac by-pass procedures, cataract surgery, hip and knee replacement, magnetic resonance imaging (MRI) and computed tomography (CT) scans.

In 2008-09, the WWLHIN exceeded targets in all areas, with the exception of MRI. However, in the past year, MRI did improve from the worst in the province to the fourth best. Re-admission rates for acute myocardial infarction in the WWLHIN are below provincial benchmarks.

The WWLHIN also saw improvements in emergency department (ED) visits that could be managed elsewhere (reduced by 1.47 per 1000 population), and the hospitalization rate for ambulatory care sensitive conditions (reduced by 5.57 per 1000 population).

The WWLHIN placed a high priority on addressing emergency department issues and developed a detailed ED strategy. There are two goals: to ensure that individuals receive the right care, at the right time, in the right place, and to improve the flow of people through the health care system. Throughout 2008-09 the WWLHIN initiated a number of ED/Alternate Level of Care solutions that are more fully described on page 19.

Improving the Health of the Population

The WWLHIN worked closely with partners including Waterloo Region Public Health, Wellington-Dufferin-Guelph Public Health, Grey Bruce Health Unit, Community Health Centres and Family Health Teams to increase community awareness of, and participation in, preventative practices.

As well, health service providers (HSPs) were encouraged to increase their emphasis on prevention and promotion. For example, many of the year one investments for Aging at Home projects had a focus on prevention.

Building Community Capacity to Achieve a Sustainable Health System

In order for improvements in our health system to be sustainable, the WWLHIN encourages and enables health service providers to build on previous successes and create relationships to work together. This is accomplished in several ways, including engaging health service providers in the planning process and development of long-term solutions, and by encouraging integration and coordination so that patients benefit to the greatest extent from each provider.

Events have taken place over the year that have brought health service providers together to create a dialogue around integration and coordination. This has led to the development of new partnerships among health service providers. One such example is the partnership of the Canadian Mental Health Association – Grand River Branch and the Self Help Alliance. This partnership includes five organizations that are working together to create efficiencies and provide better care to clients.

Enhancing System Effectiveness

Throughout fiscal 2008-09, the WWLHIN undertook numerous activities to improve the way our local health system functions.

A vascular services program was developed at Guelph General Hospital to meet the needs of the residents throughout our area.

The Community Support Service Network was rejuvenated to encourage community support service providers to work together so that clients experience a seamless transition between providers and receive appropriate services.

Improvement initiatives were undertaken at several hospitals with the goal of reducing inefficiencies such as duplication of tests, easing transition through the system, and enhancing coordination of services.

Taking a system wide approach, the WWLHIN began discussions with the community support service sector to determine how they can help move those people who are inappropriately in hospital, back home, with the necessary supports.

Over the past year, the Waterloo Wellington Addiction and Mental Health Network was created to develop a strategy to address the growing needs for these services in the WWLHIN.

Three steering committees were formed – Complex Continuing Care, Clinical Optimization including Rural Health, and Pharmacy Review. The steering committees collected and analyzed information on how specific areas of our system function, identified areas for improvement, and explored integration opportunities. A review of Complex Continuing Care was completed and the Clinical Optimization and Pharmacy Review are underway.

The WWLHIN is investing $37 million (over three years) in its Aging at Home initiative. The focus is on three major areas: to address the needs of frail and medically complex seniors, to provide supportive housing and to improve seniors' health and wellness.

Overall, 20 projects were approved for funding. Seventeen projects were confirmed for funding beginning in 2008-09, including four planning initiatives designed to produce actionable recommendations for the following year:

- Telehome Monitoring for Rural Seniors, led by Groves Memorial Community Hospital
- Geriatric Emergency Management (GEM) Nurses, led by St. Mary's General Hospital (partial planning initiative)
- End-of-Life Medications on Long-Term Care, led by St. Joseph's Health Centre, Guelph
- In-Home Primary Care Prevention and Monitoring for Seniors at Risk, led by Waterloo Wellington Community Care Access Centre
- First Link, led by the Alzheimer Society of Guelph-Wellington
- Adult Day Service Network, co-led by St. Joseph's Health Centre, Guelph, and the Corporation of the City of Waterloo
- Linking Survivors with Survivors, led by Grand River Hospital
- Behavioural Health Program for Highly Disruptive Behaviours, led by St. Joseph's Health Centre, Guelph (planning initiative)
- Senior Supportive Housing Collaborative, led by Sunnyside Home of the Regional Municipality of Waterloo (planning initiative)
- Assisted Living for At Risk Frail Elderly in Guelph, led by Guelph Independent Living
- Access to Care and Housing for Homeless and Those At Risk of Homelessness, led by the Working Centre
- Make Yourself at Home, led by the Guelph Wellington Seniors' Association
- Parish Nursing, led by Waterloo Wellington Community Care Access Centre
- Connections for Healthy Aging, led by Fairview Mennonite Homes
- Close to Home Program, led by the Township of Mapleton
- Geriatric Lead, led by St. Joseph's Health Centre, Guelph
- Multicultural Planning (planning initiative)

Three projects were confirmed for funding beginning in 2009-10. Sunnyside Supportive Housing, led by Sunnyside Home of the Regional Municipality of Waterloo, Information Infrastructure, and Transportation Planning.

Looking Forward

Significant work was accomplished over the three years of the current Integrated Health Service Plan (2007-10). The WWLHIN is presently working on the next IHSP that will guide the development of our health system for three years beyond 2010. This updated plan is being built on the strengths of the previous plan and has an emphasis on performance and action-oriented activities.

Our Engagement Activities

Through meaningful community engagement, the WWLHIN builds and acts on a common vision for health care in Waterloo Wellington. By actively engaging the community, the WWLHIN encourages people to participate in the decisions that affect them.

The WWLHIN works to engage across the spectrum of our communities – the public, local government and community leaders, health service providers, users of the system, and communities that have unique needs in relation to the local health service system. These latter communities may be associated by way of a common culture, lifestyle, language, profession or health condition. Two such communities are Aboriginal and Francophone.

Aboriginal Engagement

The WWLHIN is home to a primarily urban-based Aboriginal population. Within the three local census divisions of the WWLHIN, (Regional Municipality of Waterloo, Wellington County and Grey County), Statistics Canada (Census 2006) reports a total Aboriginal population of just over 8,000 persons.

There are no reserve lands or Friendship Centres within the WWLHIN's boundaries. As this is the case, the WWLHIN continues to work with the Hamilton Niagara Haldimand Brant (HNHB) LHIN – home to the Six Nations Reserve and many other organizations supporting the Aboriginal community.

As the WWLHIN shares some cross-LHIN service initiatives with HNHB, working together has been valuable in assisting the WWLHIN to better understand the specific health service needs of this community. Cross-LHIN engagement and sharing of information works well and is respectful of Aboriginal culture and social practice, where communities are not defined by census divisions or LHIN boundaries.

Francophone Engagement

The WWLHIN is not a designated area under the *French Language Services Act, 1990*. The Francophone population is approximately 1.5% of the total population of the WWLHIN area, with Kitchener and Waterloo being home to the largest number, followed by Cambridge and Guelph.

Although there are no designated French language service requirements, the WWLHIN has been proactive in its efforts to have meaningful engagement and communications' strategies to assist our consultation processes with the local Francophone community.

These strategies include working with the Chair of the WWLHIN's French Language Community of Interest, conducting focus groups for the development of the Integrated Health Service Plan (IHSP) 2007-10 with the Francophone community, and identifying the best approach for involving this community in the development of the IHSP 2010-13.

As well, the WWLHIN translates into French documents such as bulletins, annual reports, service plans, the Integrated Health Service Plan and other materials.

Website Development

The WWLHIN website (www.wwlhin.on.ca) continues to be a valuable vehicle for the WWLHIN to keep our commitment to transparency by providing public education on health care related issues, activities of the WWLHIN and decisions taken by the WWLHIN Board of Directors.

This fiscal year, the WWLHIN refreshed its main website to improve the visitor experience. A new site, titled Waterloo Wellington Partners in Health (www.wwpartnersinhealth.ca) was launched highlighting important partnership initiatives focused on developing an integrated and sustainable health care system for local residents.

Public Consultation

The WWLHIN continuously seeks opportunities to consult with various communities and decision-makers. An example of this was public consultation sessions undertaken to identify issues and opportunities related to providing health care to the rural population.

'Rural health' public sessions were held in Harriston, Elora, Elmira and Ayr. Each session included an educational component with presentations by the WWLHIN and local health service providers. As well, there was an interactive session where participants provided their perspectives on the issues and opportunities that most affect or might provide benefit to them as rural residents.

The WWLHIN continued its public consultations through the Community Council. Consisting of members who have a wide range of community contacts and in-depth knowledge of the communities where they reside, the members provide the WWLHIN with input on how to strengthen relationships and communications with their specific knowledge of their own communities. Meetings with the WWLHIN Community Council are held bi-monthly.

Presentations

In our continuing efforts to involve and inform elected officials, the Board Chair and CEO conducted a series of presentations to all 20 municipal councils in the WWLHIN area, providing an update on the WWLHIN's activities and ongoing planning, and welcoming feedback about local issues.

In addition, presentations to community-based organizations provided an opportunity to educate students and community-members on the WWLHIN model of health care, as well as current projects and accomplishments. Presentations were made to students at the University of Waterloo, School of Pharmacy and local community groups such as the Guelph Kiwanis Club and the Rotary Club of Cambridge.

The WWLHIN encourages invitations from the community as an excellent opportunity to share information about our local health care system.

Events

The WWLHIN participated at local events such as the Health and Wellness Fair held at RIM Park, and our regular participation at grassroots community events like the Woolwich Seniors' Health Fair in Elmira and "Passport Day" organized by WWLHIN-based community support service organizations. These events provided the WWLHIN with an opportunity to reach community members who may not currently interact with the health system, as well as continued to build relationships with service providers operating within the WWLHIN.

With the recognition that education is key to meaningful community engagement, the WWLHIN regularly provides opportunities for health care providers to learn and engage each other around issues that will lead to efficient transformation of our local health system.

One vehicle for this is the 'Champions of Change' event series hosted by the WWLHIN twice yearly. In April 2008, Aging at Home was the focus of the presentation by Dr. Mark Nowacynski who shared his experiences in working within the senior community through his presentation 'House Calls with my Camera.' This event was the perfect venue in which to also share an overview of the WWLHIN's Aging at Home Strategy.

The September 2008 'Champions of Change' introduced community dialogue on the topic of system navigation. Conversation began with a presentation by keynote speaker Cathy Fooks of The Change Foundation's report, 'Who is the Puzzlemaker?' The report provides patient and caregiver perspectives on navigation through Ontario's health system. For local context, presentations were made by the Waterloo Wellington Community Care Access Centre (WWCCAC), and front-line staff from the Kitchener Downtown Community Health Centre.

In December, the WWLHIN also continued the dialogue with the Boards of Directors of health service provider organizations within the WWLHIN. The 'Chairs' Forum' was attended by board members and senior administrators from a cross-section of providers such as hospitals, the WWCCAC, long-term care homes, and community support service agencies. The topic for this forum was 'What is Integration?' This event was an opportunity to hear about the recent experience of a group of local providers that had undertaken a merger, followed by dialogue amongst providers on how we can work together to successfully implement integration models that will further an organization's efforts to provide quality programs and services.

In February, Dr. Ben Chan of the Ontario Health Quality Council met with members of the WWLHIN Long-Term Care provider community to talk about quality initiatives.

Through its on-going community engagement activities, the WWLHIN has been able to draw a comprehensive portrait of the people and health care needs in Waterloo Wellington.

The Waterloo Wellington LHIN has the responsibility and the opportunity to pursue integration activities. Under the *Local Health System Integration Act, 2006*, integration activities are defined as:

- The coordination of services and interactions
- Partnering with others in providing services or in operating
- Transferring, merging or amalgamating services, operations or entities
- Starting or ceasing to provide services
- Ceasing to operate

Both the WWLHIN and its health service providers (HSPs) have an obligation to identify integration opportunities. There are four integration options:

- Voluntary Integration – health service providers, at their own initiative, plan to integrate services funded by the WWLHIN
- Facilitated Integration – the WWLHIN and/or health service providers explore appropriate integration strategies and the WWLHIN facilitates or negotiates integration with the HSPs
- Required Integration – WWLHIN ordered integration of services
- Funding – WWLHIN uses its funding authority to promote integration of services

During the past year, the WWLHIN followed through on integration initiatives that began in 2007-08 while simultaneously supporting new initiatives that will continue to unfold in 2009-10.

Acute Care Services

With regard to acute care services, the WWLHIN's local health system took major steps forward in 2008-09.

With broad acute care and community service provider representation, the WWLHIN launched the Clinical Optimization Project to obtain information to support multi-year planning for appropriate acute care services in Waterloo Wellington. As part of this effort, the WWLHIN supported the path-breaking collaborative activities of the Complex Continuing Care (CCC) Optimization Working Group. This group made recommendations about the size and location of CCC resources in Waterloo Wellington. These recommendations are under review.

The WWLHIN began the detailed work necessary to achieve alignment and operability among area hospitals' information technology systems. The WWLHIN worked with its providers and Canada Health Infoway to initiate the HealtheConnections project, a two-year demonstration project to establish care networks among health service providers. The project also utilizes and broadens deployment of a personal health record and enables the sharing of patient-provided data.

The WWLHIN approved the creation of a regional vascular services program at Guelph General Hospital, bringing the expertise of doctors and staff together to provide high-quality care for patients requiring these procedures. This required integration decision was the first for any LHIN and Ontario.

Community Support and Mental Health and Addictions Services

The WWLHIN also followed through on integration efforts that began in 2007-08 affecting community support and mental health providers. In approving community providers' 2008-09 operating plans, the WWLHIN committed to better understanding and supporting these providers' efforts to create a sustainable, integrated local health system. For this reason, the WWLHIN recruited a Community Support Services Lead whose responsibility is to lead and support, as appropriate, the integration of community support services.

Community Support Services

The WWLHIN showed its commitment by supporting the process that led to the voluntary integration of four community support service agencies in Waterloo Wellington. The four agencies expressed their intent to merge into one agency to deliver community based services to seniors in the Kitchener, Waterloo and Cambridge communities. KW Friendship Group, R.A.I.S.E. Home Support for the Elderly, Meals on Wheels Kitchener Waterloo, and Cambridge Community Support (Meals on Wheels) launched an effort to merge their combined operations with a new name and logo 'Community Support Connections; Meals on Wheels and More!' The merger was completed in 2008-09.

Also during 2008-09, the WWLHIN undertook a wide array of activities leveraging Aging at Home funding. Three new service providers introduced programs focused on supporting seniors. The Township of Mapleton began the 'Close to Home' program. The Guelph Wellington Seniors' Association began the 'Make Yourself at Home' program and the Working Centre initiated the 'Access to Care and Housing for Homeless' program. By having these programs, seniors are able to access support services that enable them to live in a home of their choice.

Throughout 2008-09, the WWLHIN continued to work with area hospitals, long-term care homes and the Waterloo Wellington Community Care Access Centre (WWCCAC) to operate interim transition beds to help relieve alternate levels of care pressures. The WWCCAC administered the intake and flow of the patients, and these beds were available to all hospitals in the WWLHIN.

Mental Health and Addictions Services

During the negotiation of Service Accountability Agreements with community mental health and addictions service providers, the WWLHIN worked with health service providers to better coordinate and deliver services that had previously been provided through an indirect funding and reporting mechanism.

The resulting Service Accountability Agreements with Trellis Mental Health and Developmental Services, Waterloo Regional Homes for Mental Health and the Canadian Mental Health Association - Grand River Branch saw direct accountability for the delivery of services implemented. This direct accountability will produce delivery and reporting of services that is more efficient.

The WWLHIN advised on the process that led to the voluntary integration of four self-help providers from the mental health sector – creating the Self Help Alliance in late 2008. The Alliance was subsequently recognized by the WWLHIN in April 2009 as having voluntarily joined the Canadian Mental Health Association - Grand River Branch.

In early 2009, the WWLHIN also recognized the newly-created Waterloo Wellington Addiction and Mental Health Network and offered resources needed by its coordinator to carry out its mandate to create sustainable service provision.

In 2008-09, the Capital Project of the Wellington County Emergency Mental Health Service at Guelph General Hospital (GGH) was underway to provide a dedicated space for mental health services, staffed by both GGH and Homewood Health Centre staff. This partnership of Guelph General Hospital, Homewood Health Centre and Trellis Mental Health and Developmental Services will begin delivering emergency mental health services to patients in a coordinated and integrated way.

The WWLHIN worked with two new service providers, Ray of Hope and Portage, to develop an integrated residential youth addiction treatment program. This program will provide the treatment needs of youth through the availability of 16 new residential beds as well as community-based support for almost 200 youth.

Ministry/LHIN Accountability Agreement

The Ministry/LHIN Accountability Agreement (MLAA) sets out the obligations on the part of both the MOHLTC and the LHINs in fulfilling their mandate to plan, integrate, and fund local health care services. It establishes a mutual understanding between the Ministry and the WWLHIN and outlines respective performance indicators within a pre-defined period.

The year saw mostly successes and some challenges for the WWLHIN in achieving the performance targets set out in the MLAA.

The WWLHIN leads the province with respect to wait times for select surgical and diagnostic procedures. At the same time, like many LHINs, the WWLHIN experienced challenges in achieving the provincial targets for Percentage of Alternate Level of Care (ALC) days and Median Wait Time to Long-Term Care Home Placement.

Performance Indicator	LHIN 08-09 Starting Point	LHIN 08-09 Target	Most Recent Quarter 08-09 *	Annual Results**	LHIN Met Target Yes/No
1. 90th Percentile Wait Times for Cancer Surgery	57	50	50	55	YES
2. 90th Percentile Wait Times for Cardiac By-Pass Procedures	40	40	26	26	YES
3. 90th Percentile Wait Times for Cataract Surgery	95	95	73	71	YES
4. 90th Percentile Wait Times for Hip Replacement	189	182	93	96	YES
5. 90th Percentile Wait Times for Knee Replacement	205	182	90	99	YES
6. 90th Percentile Wait Times for Diagnostic MRI Scan	140	60	68	68	YES
7. 90th Percentile Wait Times for Diagnostic CT Scan	48	28	23	26	YES
8. Hospitalization Rate for Ambulatory Care Sensitive Conditions (ACSC)	276.00	276.00	281.20	248.53	YES
9. Median Wait Time to Long-Term Care Home Placement – All Placements	87.00	74.00	130.00	132.00	NO
10. Percentage of Alternate Level of Care (ALC) Days – By LHIN of Institution	13.00	11.20	20.57	19.28	NO
11. Rate of Emergency Department Visits that could be Managed Elsewhere	17.99	15.00	19.14	18.14	NO
12. Readmission Rates for Acute Myocardial Infarction (AMI)	3.11	3.10	3.18	3.09	YES

Note:

* Performance indicators 1-7 = Q4 2008/09; and 8-12 = Q3 2008/09

** Performance indicators 8-12 (in the Annual Results Column) only include the average of Q1-3

Improving Access

Access to select surgical and diagnostic procedures is measured by the length of time between when the doctor identifies that a procedure is needed to the time the procedure is completed. The MLAA indicators capture this wait as experienced by the 90th person out of 100.

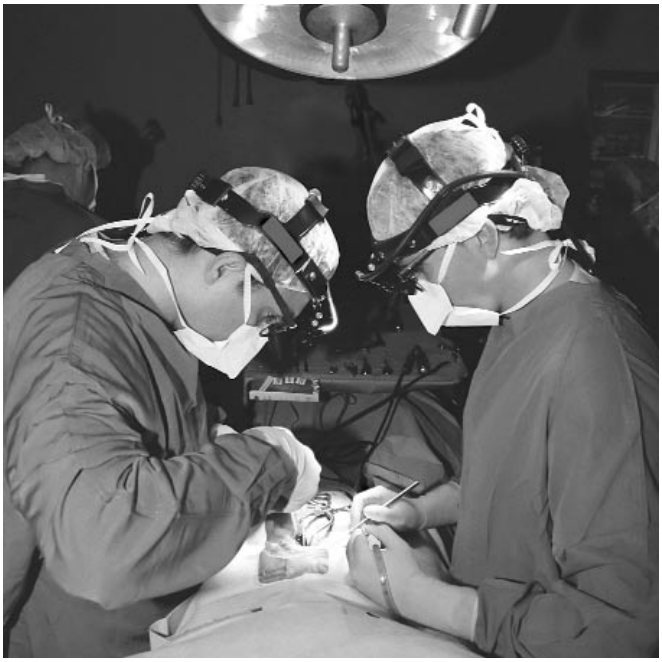
The WWLHIN is the top performer in the province with respect to wait times for Cardiac By-Pass Procedures, Cataract Surgeries, Hip Replacements, and Knee Replacements. We are one of the top four performers with respect to Cancer Surgery, CT Scan, and MRI Scan wait times. The 68-day wait time for MRI is a particular success story as just two years ago the WWLHIN had the longest wait in the province at over 300 days.

Improving Integration

The Hospitalization Rate for Ambulatory Care Sensitive Conditions (ACSC) indicator captures the hospitalization rate for specific conditions identified as being manageable with the appropriate care supports in the community setting. Examples include diabetes, asthma, epileptic convulsions, and hypertension.

While not all hospital admissions for ACSCs are avoidable, adequate primary care and community supports keep hospitalization rates low by preventing the onset of a specific condition, controlling the occurrence of an acute episode, or managing chronic conditions. The WWLHIN saw considerable improvement in this indicator in 2008-09, surpassing the performance target and demonstrating a 10% reduction in hospitalizations for ACSCs from 2007-08 levels.

The Median Wait Time for Long-Term Care Home Placement captures the average time an individual waits from the time they are deemed eligible for long-term care and make an application to the date of placement. Included in this indicator are individuals waiting either in their home or in a hospital for placement.



Waits in hospital for placement in long-term care have a significant impact on the Percentage of Alternate Level of Care days indicator as the majority of ALC patients are waiting for long-term care placement. Because of this, addressing this wait time is a key element of our ALC strategy, and includes increasing capacity in the system through the addition of 288 long-term care beds in the WWLHIN.

An ALC Day is a day that a patient occupies a hospital bed designated for acute care, but the patient has completed the phase of their treatment that necessitated hospital admission. They may be waiting for the necessary supports in the home, for specific services such as rehabilitation, or for admission into a long-term care facility. In this context, Percentage of ALC days measures the degree of hospital/ community integration where a patient's needs could be better met in an alternate care setting.

The Percentage of ALC Days in the WWLHIN has increased over the past year. Working with our system partners, a comprehensive ALC strategy was put in place to implement system solutions that will positively affect this indicator. These solutions address bottlenecks across the continuum of care, and include strategies aimed at: preventing presentations in emergency departments, addressing patient flow challenges both within hospitals and at discharge from the hospital to the community, and increasing capacity in the community and in long-term care facilities to provide appropriate care.

Early results demonstrate that initiatives launched in 2008-09 are having the desired impact and the percentage of ALC days in the WWLHIN is beginning to decrease.

The Rate of Emergency Department Visits that could be Managed Elsewhere indicator captures non-urgent emergency room visits where appropriate information, awareness and access to care options could have prevented presentation in the emergency department. This rate has increased slightly in the WWLHIN over 2008-09 to 18.14% from the starting point of 17.99%. Prevention strategies which relieve the burden on emergency departments are an important element of our overall ALC strategy, and work in this area continues to progress.

Improving Quality

The Readmission Rates for Acute Myocardial Infarction (AMI) indicator captures the percentage of people who had an unplanned hospital readmission within 28 days of an initial hospitalization for AMI.

In this context, it provides a measure of the quality of care delivered both in the hospital and in the community setting. Performance in the WWLHIN on this indicator continues to track well at 3.09%.

Emergency Department and Alternate Level of Care Initiatives

The WWLHIN has placed a high priority on addressing the Emergency Department (ED) and Alternate Level of Care (ALC) situation with a detailed strategy. There are two goals: to ensure that individuals receive the right care, at the right time, in the right place, and to improve the flow of people through the health system.

There are two distinct parts to the strategy. It begins with understanding and analyzing the situation. A working group was established to ensure that all hospitals are consistent with how data are reported, and that results are continuously monitored. With this information, solutions can be developed to meet the needs of the individuals who reside in hospital beds and who would benefit from a more appropriate level of care for their medical needs, i.e., ALC patients.

The second part of the strategy is to put solutions in place to improve the current services and the flow between them, and to identify and implement new services that will positively affect the ED and ALC issues.

In 2008-09, these solutions included:

- A transition bed program with 67 beds at locations throughout Waterloo Wellington. Patients waiting in hospital for an alternate level of care may wait in these transition beds for an appropriate care arrangement.

- Geriatric Emergency Management (GEM) nurses made available in each emergency department to assist older adults in returning to their home and accessing needed services following their emergency department visit.

- The Waterloo Wellington Community Care Access Centre (WWCCAC) providing case managers in the ED. Other WWCCAC services were enhanced including additional home support options.

- Total funding of $37 million, spread over three years, planned for the WWLHIN's Aging at Home initiatives. Funding in Year One focused on preventative programs.

- Implementation of an ED Pay-For Results program to reward efforts of designated hospitals aimed at decreasing the length of time patients stay in the emergency department.

- Enhanced mental health services including mental health beds dedicated for rural patients through a partnership between Wellington Health Care Alliance and Homewood Health Centre.

- Education initiatives that included working with health service providers to ensure they understand the far-reaching impact of ED and ALC pressures and identify opportunities for system improvement and improving communication with patients and families about options available to them.

Additional initiatives to support ED and ALC solutions are planned for 2009-10 and beyond, building on the work done in 2008-09.

Aging at Home Initiatives

The WWLHIN's Aging at Home (AAH) Strategy aims to provide seniors with a suite of services to enable them to live as independently as possible, for as long as possible, in a safe home of their choice.

Beginning in July 2008, seniors across Waterloo Wellington began to benefit personally from the AAH projects approved in February 2008. Seventeen projects were intended for implementation in-year, four were planning initiatives designed to produce actionable recommendations for the following year, and the rest were intended to start in 2009-10. (For more information, refer to page nine).

The range and dynamic nature of the projects that began in 2008-09 reflected their proponents' innovative thinking. Fairview Mennonite Homes' 'Connections for Healthy Aging' program promoted the benefits of social interaction and proper nutrition to its live-in and community clients in Cambridge and area. Guelph Independent Living Centre's 'Assisted Living for At Risk Frail Elderly' created the area's first seniors-dedicated supportive housing and attendant outreach services. The Geriatric Emergency Management nurses, located in all area hospital emergency departments, supported the early return home of seniors.

Other projects helped the WWLHIN to round out efforts in the three focus areas of its strategy: programs for medically complex and frail seniors, to provide supportive housing, and to improve seniors' health and wellness.

Due to the enthusiastic response from the community to its appeal to support seniors, the WWLHIN found itself in the distinctive position of breaking new ground in Ontario. Through its AAH Strategy, the WWLHIN created Ontario's newest health service providers – the Township of Mapleton, the Working Centre, and the Guelph Wellington Seniors' Association. The WWLHIN also took up the potential of parish nursing.

In fulfillment of its commitment to the community, the WWLHIN expended its full allocation of $4.7 million for Year One of the Aging at Home Strategy.

Waterloo Wellington Addiction and Mental Health Network

Early 2009 saw the beginning of the Waterloo Wellington Addiction and Mental Health Network. The vision of this new organization is a society where those who have mental health and addiction issues can live in the community as full citizens with complete rights and responsibilities. The mission of its health service and other providers is to develop a recovery-directed system.

Among its other purposes, the Network will plan for, coordinate, and oversee the continued development of an integrated and recovery-oriented addiction and mental health system for clients and family members in Waterloo Wellington.

The Network has assumed the responsibility of advising the WWLHIN about improving the lives of individuals with addiction and/or mental health issues and their families.

To enable the Network and wide system success, the WWLHIN approved resources that will give it the consistency of staff support to take on the transformation agenda both parties expect to begin operationalizing in 2009-10.

eHealth Initiatives

In 2008-09, the eHealth Program began HEALTHeCONNECTIONS, a chronic disease management project to empower people with diabetes to work with their doctor and other care providers to manage their disease better.

The planning phase of HEALTHeCONNECTIONS ended in March with the approval by Canada Health Infoway for the Implementation Phase. Canada Health Infoway, the Ministry of Health and Long-Term Care and the WWLHIN are investing in this leading edge initiative to enable diabetes management with internet-based tools for clinicians and patients.

Other eHealth initiatives include:

- Expansion of ONEMAIL to enable more secure transmission of personal health information between providers.
- Completed implementation of the Ontario Drug Benefit Program's Provincial Drug Profile Viewer in WWLHIN hospitals. This software improves patient safety by consolidating a patient's drug history into a single view.
- Creation of an electronic health record for children by integrating children's hospital records with the Provincial Electronic-Children's Health Network (eCHN).
- The Guelph Family Health Team successfully completed a pilot project in support of telehomecare, which allows people in remote areas to have access to health professionals to help manage chronic diseases.
- Use of Telemedicine is also gaining ground with the formation of the Telemedicine Advancement Working Group.

Health Human Resources Initiatives

The Waterloo Wellington LHIN Health Human Resources (HHR) Council was formed in 2008. The Council's mandate is to create a WWLHIN-wide HHR strategy to address HHR issues centered around the Integrated Health Service Plan, priority populations and service areas, and to support the implementation of the HealthForceOntario strategy within the WWLHIN.

In 2008-09, much of the work of the HHR Council was focused on conducting an environmental scan, to identify gaps and challenges, which will be the basis for an upcoming HR strategy.

The WWLHIN's Operations

Total revenue for 2008-09 includes funding for WWLHIN operations and special projects, and funding for health service providers in accordance with public sector reporting guidelines. The WWLHIN managed all of the funding from the Ministry of Health and Long-Term Care within service commitments and ended the year with a surplus of $89 related to WWLHIN operations.

In 2008-09, we reviewed staff roles in order to carry out our responsibilities effectively and to respond to the needs of health services providers and our community. In February 2009, we implemented a new staff structure and position responsibilities that focused on a team approach and provided opportunities for staff to take on leadership roles.

Six teams now include the CEO's team, Clinical, Communication, and eHealth teams, as well as the Performance and Accountability team and the System Design and Transformation team. We are confident that this new organizational structure will better support our responsibilities as we move forward in our planning and action.

The WWLHIN Board of Directors continued their work on behalf of the organization and the community in moving forward on our vision to 'Live and Live Well in Waterloo Wellington'. The board is committed to making well thought-out, well-informed, and thoroughly-discussed decisions that will enable the transformation of our local health system.

Transparency is important to the board. Board meetings, open to the public, occur monthly, and rotate throughout the WWLHIN, enabling members to meet with stakeholders throughout the area. Board members also participated in many community engagement activities including the Chairs' Forum, Champions of Change, and visits to elected officials, community groups, and health service provider groups.

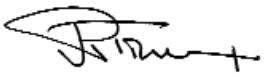
The board receives valuable input from the 15-member Community Council. This is a group of individuals who bring their community knowledge, experience, and interest in local health care, to the WWLHIN, and in turn, back to the community.

The WWLHIN continued its efforts to keep the community informed of its activities. In addition to numerous community engagement activities, communications materials are readily available. These include access to two websites: www.wwlhin.on.ca and www.wwpartnersinhealth.ca. As well, bulletins, brochures, posters, and the Annual Report are widely available. Most materials are available in English, French and on the CNIB website. Articles or appearances in the local media also continued to inform the community.

Waterloo Wellington LOCAL HEALTH INTEGRATION NETWORK Annual Report 2008-2009

Approved by

Kathy Durst, Chair



Paul Truex, Vice-Chair

Financial statements of

Waterloo Wellington Local Health Integration Network

March 31, 2009

Waterloo Wellington Local Health Integration Network

March 31, 2009

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Auditors' Report

To the Members of the Board of Directors of the
Waterloo Wellington Local Health Integration Network

We have audited the statement of financial position of the Waterloo Wellington Local Health Integration Network as at March 31, 2009 and the statements of financial activities, changes in net debt and cash flows for the year then ended. These financial statements are the responsibility of the Waterloo Wellington Local Health Integration Network management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Waterloo Wellington Local Health Integration Network as at March 31, 2009 and the results of its operations, its changes in its net debt and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

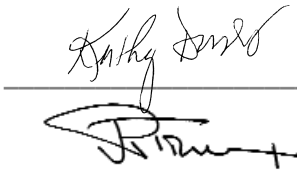
Chartered Accountants
Licensed Public Accountants
May 6, 2009

Waterloo Wellington Local Health Integration Network

Statement of financial position
as at March 31, 2009

	2009	2008
	$	$
Financial assets		
Cash	**1,039,237**	769,204
Due from Health Service Providers	**-**	3,572,372
	1,039,237	4,341,576
Liabilities		
Accounts payable and accrued liabilities	**1,038,872**	702,741
Due to the Ministry of Health and Long-Term Care (Note 3b)	**89**	61,865
Due to the Ministry of Health and Long-Term Care from Health Service Providers	**-**	3,572,372
Due to the Local Health Integration Networks Shared Services Office (Note 4)	**17,511**	4,598
Deferred capital contributions (Note 5)	**206,500**	310,625
	1,262,972	4,652,201
Commitments (Note 6)		
Net debt	**(223,735)**	(310,625)
Non-financial assets		
Prepaid expenses	**17,235**	-
Capital assets (Note 7)	**206,500**	310,625
Accumulated surplus	**-**	-

Approved by the Board



Director

Director

Waterloo Wellington Local Health Integration Network

Statement of financial activities
year ended March 31, 2009

	Budget (unaudited) (Note 8)	2009 Actual	2008 Actual
	$	$	$
Revenue			
Ministry of Health and Long-Term Care funding			
Health Service Providers transfer payments (Note 9)	**818,278,600**	**831,056,024**	790,125,284
Local Health Integration Network operations - general and administrative	**3,483,412**	**4,214,754**	3,445,043
E-Health (Note 10a)	**-**	**425,000**	275,000
Emergency Department Lead (Note 10b)	**-**	**75,000**	37,500
Emergency Department/Alternative Levels of Care Lead (Note 10c)	**-**	**33,300**	-
Aboriginal Planning (Note 10d)	**-**	**5,000**	5,000
Aging at Home	**-**	**-**	181,000
Wait Times	**-**	**-**	70,000
Amortization of deferred capital contributions (Note 5)	**-**	**158,375**	146,279
	821,762,012	**835,967,453**	794,285,106
Expenses			
Transfer payments to Health Service Providers (Note 9)	**818,278,600**	**831,056,024**	790,125,284
Local Health Integration Network operations - general and administrative (Note 11)	**3,483,412**	**4,373,040**	3,572,150
E-Health (Note 10a)	**-**	**425,000**	256,094
Emergency Department Lead (Note 10b)	**-**	**75,000**	36,742
Emergency Department/Alternative Levels of Care Lead (Note 10c)	**-**	**33,300**	-
Aboriginal Planning (Note 10d)	**-**	**5,000**	5,000
Aging at Home	**-**	**-**	179,431
Wait Times	**-**	**-**	70,000
	821,762,012	**835,967,364**	794,244,701
Annual surplus before funding repayable to the Ministry of Health and Long-Term Care	**-**	**89**	40,405
Funding repayable to the Ministry of Health and Long-Term Care (Note 3b)	**-**	**(89)**	(40,405)
Annual surplus	**-**	**-**	
Opening accumulated surplus	-	-	-
Closing accumulated surplus	**-**	**-**	

Waterloo Wellington Local Health Integration Network

Statement of changes in net debt
year ended March 31, 2009

	2009	2008
	$	$
Annual surplus	-	-
Acquisition of prepaid expenses	**(17,235)**	-
Acquisition of capital assets	**(54,250)**	(38,369)
Amortization of capital assets	**158,375**	146,279
Decrease in net debt	**86,890**	107,910
Opening net debt	**(310,625)**	(418,535)
Closing net debt	**(223,735)**	(310,625)

Statement of cash flows
year ended March 31, 2009

	2009	2008
	$	$
Operating		
Annual surplus	-	-
Less items not affecting cash		
Amortization of capital assets	**158,375**	146,279
Amortization of deferred capital contributions (Note 5)	**(158,375)**	(146,279)
Changes in non-cash operating items		
Decrease (increase) in due from Health Service Providers	**3,572,372**	(3,572,372)
Increase in accounts payable and accrued liabilities	**336,131**	200,543
(Decrease) increase in due to the Ministry of Health and Long-Term Care	**(61,776)**	40,405
(Decrease) increase in due to the Ministry of Health and Long-Term Care from Health Service Providers	**(3,572,372)**	3,572,372
Increase (decrease) in due to Local Health Integration Networks Shared Services Office	**12,913**	(68,287)
Increase in prepaid expenses	**(17,235)**	-
	270,033	172,661
Investing		
Acquisition of capital assets	**(54,250)**	(38,369)
Financing		
Decrease in deferred capital contributions (Note 5)	**54,250**	38,369
Net increase in cash	**270,033**	172,661
Cash, beginning of year	**769,204**	596,543
Cash, end of year	**1,039,237**	769,204

Waterloo Wellington Local Health Integration Network

Notes to the financial statements
March 31, 2009

1. Description of business

The Waterloo Wellington Local Health Integration Network ("WW LHIN") was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the *Local Health System Integration Act, 2006* (the "Act") as the WW LHIN and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to taxation.

A Local Health Integration Network ("LHIN") is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

Each LHIN has also entered into an Accountability Agreement with the Ministry of Health and Long Term Care ("MOHLTC"), which provides the framework for LHIN accountabilities and activities.

Commencing April 1, 2007, all funding payments to LHIN managed Health Service Providers ("HSPs") in a LHIN geographic area, have flowed through each LHIN's financial statements. Funding allocations from the MOHLTC are reflected as revenue and an equal amount of transfer payments to authorized HSPs are expensed in each LHIN's financial statements for the year ended March 31, 2009.

The mandates of the WW LHIN are to plan, fund and integrate the local health system within its geographic area. The WW LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The WW LHIN covers all of the County of Wellington, the Region of Waterloo, and the City of Guelph. The WW LHIN also contains part of Grey County, which is split with the South West and the North Simcoe Muskoka LHINs. The WW LHIN enters into service accountability agreements with service providers.

2. Significant accounting policies

The financial statements of the WW LHIN are the representations of management, prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants ("CICA") and, where applicable, the recommendations of the Accounting Standards Board ("AcSB") of the CICA as interpreted by the Province of Ontario. Significant accounting policies adopted by the WW LHIN are as follows:

Basis of accounting

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the fiscal year that the events giving rise to the revenues occur and they are earned and measurable; expenses are recognized in the fiscal year that the events giving rise to the expenses are incurred, resources are consumed, and they are measurable.

Through the accrual basis of accounting, expenses include non-cash items such as the amortization of capital assets and impairments in the value of assets.

2. Significant accounting policies (continued)

Ministry of Health and Long-Term Care Funding

The WW LHIN is funded solely by the Province of Ontario in accordance with the Ministry LHIN Accountability Agreement ("MLAA"), which describes budget arrangements established by the MOHLTC. These financial statements reflect agreed funding arrangements approved by the MOHLTC. The WW LHIN cannot authorize an amount in excess of the budget allocation set by the MOHLTC.

The WW LHIN assumed responsibility to authorize transfer payments to HSPs, effective April 1, 2007. The transfer payment amount is based on provisions associated with the respective HSP Accountability Agreement with the WW LHIN. Throughout the fiscal year, the WW LHIN authorizes and notifies the MOHLTC of the transfer payment amount; the MOHLTC, in turn, transfers the amount directly to the HSP. The cash associated with the transfer payment does not flow through the WW LHIN bank account.

The WW LHIN statements do not include any Ministry managed programs.

Government transfer payments

Government transfer payments from the MOHLTC are recognized in the financial statements in the year in which the payment is authorized and the events giving rise to the transfer occur, performance criteria are met, and reasonable estimates of the amount can be made.

Certain amounts, including transfer payments from the MOHLTC, are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the completion of specific work. Funding is only recognized as revenue in the fiscal year the related expenses are incurred or services performed. In addition, certain amounts received are used to pay expenses for which the related services have yet to be performed. These amounts are recorded as payable to the MOHLTC at period end.

Deferred capital contributions

Any amounts received that are used to fund expenses that are recorded as capital assets, are recorded as deferred capital contributions and are recognized over the useful life of the asset reflective of the provision of its services. The amount recorded under "revenue" in the statement of financial activities, is in accordance with the amortization policy applied to the related capital asset recorded.

Capital assets

Capital assets are recorded at historical cost. Historical cost includes the costs directly related to the acquisition, design, construction, development, improvement or betterment of capital assets. The cost of capital assets contributed is recorded at the estimated fair value on date of contribution. Fair value of contributed capital assets is estimated using the cost of asset or, where more appropriate, market or appraisal values. Where an estimate of fair value cannot be made, the capital asset would be recognized at nominal value.

Maintenance and repair costs are recognized as an expense when incurred. Betterments or improvements that significantly increase or prolong the service life or capacity of a capital asset are capitalized. Computer software is recognized as an expense when incurred.

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives as follows:

Computer equipment, furniture and fixtures	3 years straight-line method
Leasehold improvements	Life of lease straight-line method
Office equipment	5 years straight-line method
Web development	3 years straight-line method

For assets acquired or brought into use during the year, amortization is provided for a full year.

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Funding repayable to the MOHLTC

In accordance with the MLAA, the WW LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOHLTC.

a) The amount repayable to the MOHLTC related to current year activities is made up of the following components:

	Revenue	**Expenses**	**2009 surplus**	2008 surplus
	$	**$**	**$**	$
Transfer payments to HSPs	**831,056,024**	**831,056,024**	**-**	-
LHIN operations	**4,373,129**	**4,373,040**	**89**	19,172
E-Health	**425,000**	**425,000**	**-**	18,906
Aging at Home	**-**	**-**	**-**	1,569
Emergency Department Lead	**75,000**	**75,000**	**-**	758
Emergency Department/ Alternative Levels of Care Lead	**33,300**	**33,300**	**-**	-
Aboriginal Planning	**5,000**	**5,000**	**-**	-
	835,967,453	**835,967,364**	**89**	40,405

b) The amount due to the MOHLTC at March 31 is made up as follows:

	2009	2008
	$	$
Due to MOHLTC, beginning of year	**61,865**	21,460
Paid to MOHLTC during year	**(61,865)**	-
Funding repayable to the MOHLTC related to current year activities (Note 3a)	**89**	40,405
Due to MOHLTC, end of year	**89**	61,865

4. Related party transactions

The LHIN Shared Services Office (the "LSSO") is a division of the Toronto Central LHIN and is subject to the same policies, guidelines and directives as the Toronto Central LHIN. The LSSO, on behalf of the LHINs is responsible for providing services to all the LHINs. The full costs of providing these services are billed to all the LHINs. Any portion of the LSSO operating costs overpaid (or not paid) by the LHINs at the year end are recorded as a receivable (payable) from (to) the LSSO. This is all done pursuant to the shared service agreement the LSSO has with all the LHINs.

5. Deferred capital contributions

	2009	2008
	$	$
Balance, beginning of year	**310,625**	418,535
Capital contributions received during the year	**54,250**	38,369
Amortization for the year	**(158,375)**	(146,279)
	206,500	310,625

6. Commitments

The WW LHIN has commitments under various operating leases related to building and equipment. Lease renewals are likely. Minimum lease payments due in each of the next four years are as follows:

	$
2010	214,703
2011	74,205
2012	6,536
2013	5,377

The WW LHIN also has funding commitments to HSPs associated with accountability agreements. The actual amounts which will ultimately be paid are contingent upon WW LHIN funding received from the MOHLTC.

7. Capital assets

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
	$	$	$	$
Office equipment, furniture and fixtures	**128,623**	**77,716**	**50,907**	49,020
Computer equipment	**18,732**	**17,122**	**1,610**	7,848
Web development	**23,043**	**14,101**	**8,942**	16,616
Leasehold improvements	**593,696**	**448,655**	**145,041**	237,141
	764,094	**557,594**	**206,500**	310,625

8. Budget figures

The budgets were approved by the Government of Ontario. The budget figures reported on the statement of financial activities reflect the initial budget at April 1, 2008. The figures have been reported for the purposes of these statements to comply with PSAB reporting requirements. During the year the government approved budget adjustments. The following reflects the adjustments for the WW LHIN during the year:

The final HSP funding budget of $831,056,024 is derived as follows:

	$
Initial budget	**818,278,600**
Additional funding received during the year	**12,777,424**
Final budget	**831,056,024**

The final operating budget of $4,214,754 is derived as follows:

	$
Initial budget	**3,483,412**
Additional funding received during the year	**785,592**
Amount treated as capital contributions made during the year	**(54,250)**
Final budget	**4,214,754**

9. Transfer payments to HSPs

The WW LHIN has authorization to allocate the funding of $831,056,024 to the various HSPs in its geographic area. The WW LHIN approved transfer payments to the various sectors in 2009 as follows:

	2009	2008
	$	$
Operation of hospitals	**513,191,841**	495,524,666
Grants to compensate for municipal taxation - public hospitals	**159,225**	159,225
Long term care homes	**133,531,737**	124,127,504
Community care access centres	**87,491,554**	82,525,235
Community support services	**13,467,645**	11,693,400
Assisted living services in supportive housing	**5,875,770**	5,219,100
Community health centres	**14,434,473**	13,071,551
Community mental health programs	**25,868,455**	24,253,991
Specialty psychiatric hospitals	**29,553,211**	27,820,502
Addictions programs	**7,482,113**	5,730,110
	831,056,024	790,125,284

10. Separate funding amounts were received by the WW LHIN from the MOHLTC for specific initiatives.

a) E-Health

The WW LHIN received funding of $425,000 (2008 - $275,000) from the MOHLTC. These funds were used toward initiatives in support of its strategic E-Health Plan as defined in its Integrated Health Services Plan. E-Health expenses incurred during the year are as follows:

	2009	2008
	$	$
Salaries and benefits	**294,114**	110,338
Consulting services	**83,294**	141,516
Other	**47,592**	4,240
	425,000	256,094

10. (continued)

b) Emergency Department Lead

The WW LHIN received funding of $75,000 (2008 - $37,500) related to the Emergency Department Lead. Emergency Department Lead expenses incurred during the year are as follows:

	2009	2008
	$	$
Consulting services	**70,000**	34,357
Other	**5,000**	2,385
	75,000	36,742

c) Emergency Department/Alternative Levels of Care Lead

The WW LHIN received funding of $33,300 (2008 - nil) related to the Emergency Department/Alternative Levels of Care Lead. Emergency Department/Alternative Levels of Care Lead expenses incurred during the year are as follows:

	2009	2008
	$	$
Consulting services	**33,300**	-
	33,300	-

d) Aboriginal Planning

The WW LHIN received funding of $5,000 (2008 - $5,000) related to Aboriginal Planning. Aboriginal Planning expenses incurred during the year are as follows:

	2009	2008
	$	$
Consulting services	**5,000**	5,000
	5,000	5,000

11. LHIN operations - general and administrative expenses

The Statement of Financial Activities presents the expenses by function, the following classifies these same expenses by object:

	2009	2008
	$	$
Salaries and benefits	**2,785,968**	2,067,121
Occupancy	**226,971**	251,193
Amortization	**158,375**	146,279
Shared services	**300,000**	300,000
Public relations	**66,755**	65,070
Consulting services	**305,216**	281,870
Supplies	**55,795**	73,491
Board member expenses	**189,828**	169,662
Mail, courier and telecommunications	**116,108**	74,551
Other	**168,024**	142,913
	4,373,040	3,572,150

12. Pension agreements

The WW LHIN makes contributions to the Hospitals of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 29 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2009 was $249,026 (2008 - $172,286) for current service costs and is included as an expense in the Statement of Financial Activities.

13. Guarantees

The WW LHIN is subject to the provision of the *Financial Administration Act.* As a result, in the normal course of business, the WW LHIN may not enter into agreements that include indemnities in favour of third parties, except in accordance with the *Financial Administration Act* and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the WW LHIN pursuant to the terms of the *Local Health System Integration Act, 2006* and in accordance with s. 28 of the *Financial Administration Act.*

14. Segment disclosures

The WW LHIN was required to adopt Section PS 2700 - Segment Disclosures, for the fiscal year beginning April 1, 2007. A segment is defined as a distinguishable activity or group of activities for which it is appropriate to separately report financial information. Management has determined that existing disclosures in the statement of financial activities and within the related notes for both the prior and current year sufficiently discloses information of all appropriate segments and, therefore, no additional disclosure is required.

15. Comparative figures

Certain prior year comparative amounts have been reclassified to conform with the presentation adopted for the current year.

Waterloo Wellington **LHIN**

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