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SECTION II

Section II of this report is published under a separate cover. It provides the financial statements of the regional health authorities and provincial health boards. To obtain financial statements of individual regional health authorities and provincial health boards, please consult the contact list on page 13.





P R E F A C E

Public Accounts 2003/2004

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

The annual report of the Government of Alberta released June 29, 2004 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

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

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

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





Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2004, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 13, 2004 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original Signed]

Gary G. Mar, Q.C.
Minister of Health and Wellness
September 13, 2004





Message from the Minister

Innovation defined and redefined health care in Alberta in 2003/2004. Programs, policies and the system's very structure changed as the province continued to implement the 2002 recommendations of the Premier's Advisory Council on Health. The result is a system better able to meet the needs of Albertans in the year past, and in the years ahead.

The year started with a new map of Alberta's health regions. Nine new regions replaced the former 17 regions for greater efficiency and more effective service delivery. The new regions took on the added responsibility of delivering mental health services, to better integrate those services into community care.

The boundaries of our relationships changed as well. For the first time in Canada, physicians, health regions and a provincial government share leadership for medical service delivery. Together, the parties will automate physicians' offices, ensure specialist and rural on-call services, and expand 24-hour, seven-day access to routine and non-emergency health services (primary care).

Primary care received an independent boost, with 10 new initiatives launched throughout the province in 2003/2004. Programs range from diabetes management in northern Alberta, to helping family physicians provide treatment for mental illnesses, to improved access to specialists for cardiac and lung patients, adult epilepsy and Hepatitis C.

In health care, as in other areas of endeavour, innovation and technology are inseparable. Telephone health information



went province-wide. Health Link Alberta responded to more than 800,000 calls last year. A provincial online registry allows patients and their physicians to see wait lists for surgeries and procedures across Alberta. The new \$1.2 million Telehealth Clinical Services Grant Fund gave people across the province better remote access to more services like stroke screening, heart monitoring, pediatric follow-up and telemental health.

The jewel in Alberta's health technology crown is the first provincial electronic health record in Canada. It gives physicians, pharmacists, hospitals, home care and other providers secure online access to a patient's prescription history, allergies and laboratory tests. More than 5,000 health care providers have enrolled in the electronic health record system since it was launched October 2003. Drumheller became the first community in Canada wholly connected to an electronic health record.

Innovation also inspired new strategies to protect public health. For the first time, the province has set targets to cut the rates for chronic diseases, substance abuse and preventable injuries over the next 10 years.



Health authorities endorsed the targets and are incorporating them into their business plans.

To help achieve those targets, a new Diabetes Strategy helps low-income Albertans buy supplies to manage their disease and works with Aboriginal communities to screen for diabetes.

Alberta honoured the memory and crusade of cancer victim Barb Tarbox, with anti-tobacco educational materials for school children in the first year after her death. Alberta's popular Healthy U campaign expanded into the workplace with Healthy U @ work. To further protect Albertans, we drew on international experience and our own research to fight the threats of West Nile virus and Sudden Acute Respiratory Syndrome (SARS).

With the achievements of the past year, our health system is strong and looking ahead to familiar and new challenges. One such challenge is patient safety; a 2003 survey found three out of 10 Albertans are concerned about this issue. The new Health Quality Council of Alberta will monitor Alberta's health care system, recommend improvements and report directly to Albertans on the quality and performance of health services.

With a first commitment to quality health care in the future, my department looks forward to another year of improvements to our health system for all Albertans.

[Original Signed]

Gary G. Mar, Q.C.
Minister of Health and Wellness
MLA Calgary Nose Creek



Management's Responsibility for Reporting

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

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

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

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

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

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

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

[Original Signed]

Dr. Roger Palmer
Deputy Minister
Alberta Health and Wellness
September 13, 2004

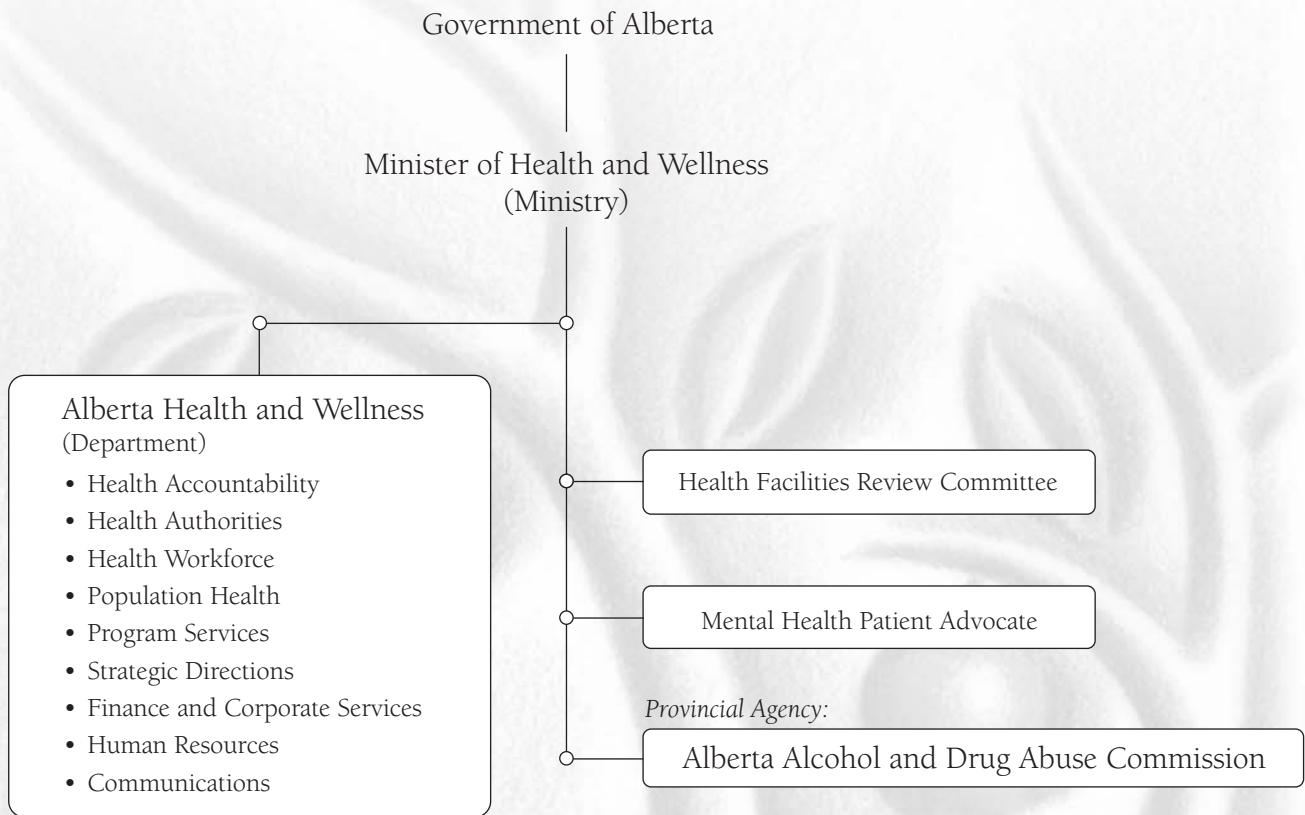




OVERVIEW

Ministry of Health and Wellness Organization

(April 1, 2003 to March 31, 2004)



CONTACT LIST

Ministry Contacts

Minister of Health and Wellness,
GARY G. MAR

Telephone: (780) 427-3665
Fax: (780) 415-0961

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

Deputy Minister of Health and Wellness,
ROGER PALMER

Telephone: (780) 422-0747
Fax: (780) 427-1016

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

Health Accountability Assistant Deputy Minister
and Chief Information Officer,

TODD HERRON

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

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

Health Authorities Assistant Deputy Minister,
WAYNE McKENDRICK

Telephone: (780) 415-8913
Fax: (780) 644-5186

Maintains liaison and facilitates effective working relationships between the ministry and the province's health authorities.



**Health Workforce Assistant Deputy Minister,
RICHARD BUTLER**

Telephone: (780) 427-1310
Fax: (780) 415-8455

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

**Population Health Assistant Deputy Minister,
ART McINTYRE**

Telephone: (780) 427-8596
Fax: (780) 422-3671

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

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

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

Provides program services and information for Albertans and providers on insured health care services. Administers the *Alberta Health Care Insurance Act*, provides registration and benefit processing, and manages Alberta Aids to Daily Living Program and Emergency Health Services. The division is also responsible for developing a process to improve decision making on public funding of new services/technologies.

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

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

Co-ordinates environmental scanning to identify, track and address strategic issues. Leads preparation of the ministry business plan and other planning documents to report department activities and strategic goals. Works with federal/provincial/territorial health departments on current and emerging intergovernmental issues and develops health system policy and strategies to assure Albertans achieve optimal health and wellness.

**Finance and Corporate Services Assistant
Deputy Minister,
BRUCE PERRY**

Telephone: (780) 427-0885
Fax: (780) 422-3672

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



**Communications Director,
CAROL CHAWRUN**

Telephone: (780) 427-7164
Fax: (780) 427-1171

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

**Health Facilities Review Committee, Chair,
BOB MASKELL, MLA EDMONTON-MEADOWLARK**

Telephone: (780) 427-4924
Fax: (780) 427-0806

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

**Mental Health Patient Advocate,*
JAY McPHAIL**

Telephone: (780) 422-1812
Fax: (780) 422-0695

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

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

Telephone: (780) 427-2837
Fax: (780) 423-1419

Funds and operates a province-wide system of programs and services to address the harms associated with alcohol, other drug and gambling problems, and conducts related research. The core businesses of Information, Prevention and Treatment provide the framework for a comprehensive range of service options including: information, prevention, early intervention, community-based counseling, day programs, detoxification and residential treatment.

* As of April 1, 2004, the Mental Health Patient Advocate comes under the Mental Health Board.



Health Authorities

Contact List

Regional Health Authorities and Provincial Health Boards Contacts

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

2003/2004 Health Authorities	Region	Contact Phone Number
Chinook Regional Health Authority	R1	(403) 388-6009
Palliser Health Region	R2	(403) 528-5633
Calgary Health Region	R3	(403) 943-1111
David Thompson Regional Health Authority	R4	(403) 341-8622
East Central Health	R5	(780) 608-8820
Capital Health	R6	(780) 407-1000
Aspen Regional Health Authority	R7	(780) 349-8705
Peace Country Health	R8	(780) 538-5387
Northern Lights Health Region	R9	(780) 791-6161
Alberta Mental Health Board		(780) 422-2233
Alberta Cancer Board		(780) 412-6300





Vision, Mission and Core Businesses

VISION

The Government of Alberta's vision for Alberta is:

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

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

Citizens of a healthy Alberta achieve optimal health and wellness.

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

A healthy population is critical for the province's social, economic and cultural development. Health and wellness depend on access to quality health services and factors such as education, employment, income and the environment. The Government of Alberta works to create an environment that allows Albertans to be as well and healthy as possible and enjoy a high quality of life. Alberta Health and Wellness contributes by ensuring Albertans have equitable access to effective and appropriate health and wellness services when needed.

Achieving the vision for health and wellness begins with individual Albertans taking responsibility for their own health. The Ministry of Health and Wellness and other departments and levels of government, health authorities and health service providers, in both the public and private sectors, all need to be involved.

MISSION AND CORE BUSINESSES

The mission of the ministry is:

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

The ministry fulfills this mission through its two core businesses:

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



Highlights for 2003/2004

Individual Albertans are at the centre of Alberta's complex health system. In 2003/2004, the ministry improved the way the health system supports the efforts of Albertans to be well and healthy by actively pursuing its core businesses and the specific goals of the 2003/2004 Business Plan. The following are highlights of the ministry's achievements in relation to each goal.

Goal 1: Accessible, effective, quality health services are delivered to Albertans who need them.

- Responsibility and funding for mental health services were transferred from the Alberta Mental Health Board (AMHB) to regional health authorities (RHAs). Continuity of patient care was maintained at all times. A provincial mental health plan was developed through collaborative effort of the AMHB, RHAs and key stakeholders to guide the implementation of services.
- Patients and their physicians gained access to information on wait times for hip and knee replacements, cataract removal, cardiac surgery, and MRI and CT scans through the launch of the Alberta Waitlist Registry.
- Two new websites were launched to help Albertans access reliable health information and locate health services in their own health regions. Health Link Alberta includes an online library of health topics developed by Alberta clinical experts. Inform Alberta is a database of health and community services to aid Albertans in finding health services in their community.

- For the first time since 1994, accommodation charges in continuing care facilities were increased to keep pace with the true cost of room and board. These fees remain below the fees charged by the majority of Canadian provinces.
- There were large reductions in wait times for open heart surgery, and fewer Albertans are waiting for accommodation in long-term care facilities in 2003/2004, compared with past years (See Measure 1.A).

Goal 2: Health and wellness of Albertans is supported through health protection and promotion, and disease and injury prevention.

- The ministry responded to the emergence of West Nile virus with a "Fight the Bite" public information campaign and an integrated surveillance program (humans, mosquitoes, birds and horses).
- The Alberta Diabetes Strategy was released in May 2003. As part of the strategy, the enhanced Alberta Monitoring for Health Program was implemented in November 2003.
 - This program provides financial assistance for diabetic monitoring supplies to low-income Albertans with no private insurance. As a result, 40,000 Albertans with diabetes are now eligible for assistance.
 - The program provides funding to help low-income Albertans monitor blood sugar levels to avoid more serious diabetic complications.



- A Mobile Diabetes Screening Initiative was implemented for Aboriginal people living off reserve. Residents of five Métis settlements were screened.
- A contingency plan for a potential influenza pandemic was completed. The plan aims to slow the spread of disease, minimize serious illness or death and maintain essential community services. Alberta's health officials used the pandemic influenza plan as a template for our provincial SARS response.
- The Healthy U @ work program, initiated by Alberta Health and Wellness, was rolled out throughout Alberta. A planning guide was developed and made available to employers interested in initiating their own employee health program.
- More women received mammography screening for breast cancer in 2003 than in past years, and Alberta results are near targeted levels (See Measure 2.C).

Goal 3: Integrated, sustainable and accountable system for health is supported and promoted.

- Alberta became the first province in Canada to implement an electronic health record, allowing health care providers such as physicians, pharmacists, and hospitals to access pertinent patient information online, including prescription information, allergies and laboratory test results. The electronic health record improves the quality and safety of patient care by reducing the incidence of medical error. It enhances accuracy and clarity of medical records and gives health professionals a common understanding of an individual's health condition.
- Alberta's internet-based Newborn Metabolic Screening technology received an award of excellence from the Canadian Information

Productivity Award program. The technology allows faster and more accurate identification of infants who need treatment or additional screening for three inherited disorders.

- The Health Quality Council of Alberta was established to replace the Health Services Utilization and Outcomes Commission. It will report directly to Albertans on the quality and performance of health services, identify best practices and review and monitor access, cost effectiveness, efficiency and patient safety.
- An eight-year tri-lateral agreement involving the Alberta Medical Association, regional health authorities and Alberta Health and Wellness was reached. The agreement includes four strategic physician agreements that achieve a critical alignment of all partners on compensation for physician services and on key initiatives such as primary care, physician on-call programs and the automation of paper-based physician offices.
- The number of regional health authorities in Alberta was reduced from 17 to nine with a corresponding realignment of regional boundaries. The enlarged regions have and will continue to provide greater opportunities for improving efficiency and effectiveness.

Goal 4: The Ministry's effectiveness is optimized.

- Leadership for the cross ministry Health Sustainability Initiative (HSI) was provided by the ministry. The HSI focused its efforts on four areas of activity in 2003/2004.
 1. *Staying healthier*, resulted in the "Framework for a Healthy Alberta" which is a strategic direction for action by health partners on health promotion and injury and disease prevention. The framework



includes 10-year objectives and targets developed collaboratively by Alberta Health and Wellness, Alberta Finance and Alberta Seniors. It is being used by regional health authorities to develop targets and strategies.

2. *Shifting health services from facility-based to community-based settings*, resulted in a series of initiatives aimed at strengthening home care and supportive living as alternatives to facility-based care.
 3. *Health and access issues for low-income Albertans*, identified co-ordinated efforts towards improving access through primary health care initiatives and targeted programs for low-income Albertans.
 4. *Containing the cost of pharmaceuticals*, resulted in agreement among key stakeholders on the need to work collaboratively at the national level and with the pharmaceutical industry on utilization and cost containment initiatives.
- A business resumption plan for the ministry was completed in accordance with government standards. The plan is intended to assist the ministry in responding to any major disruption in operations, thereby ensuring services to Albertans will continue without interruption.
 - In order to strengthen evidence-based decision making in the acquisition and deployment of new technologies, Alberta led the development of the Pan-Canadian Health Technology Assessment strategy.

- Federal/provincial/territorial health ministers implemented the recommendations of the National Steering Committee on Patient Safety. As a result, the Canadian Patient Safety Institute was established in Edmonton, Alberta.
- Other government ministries report being very satisfied with the work done by Alberta Health and Wellness on cross-government initiatives, exceeding our business plan target (See Measure 4.C).

FINANCIAL RESULTS

For 2003/2004, patient care and access to services remained a priority for government. As well, government focused on implementation of reforms that would ensure patients' needs continue to be met. During this period, the ministry expended \$7.4 billion.

The \$7.4 billion expense is an increase of \$529.6 million (7.7 per cent) over 2002/2003.

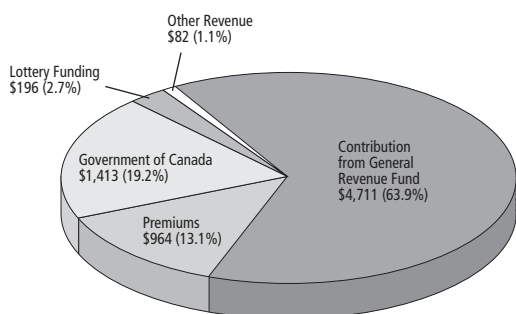
Increased spending reflects:

- Support for delivery of acute, continuing care, mental health and cancer services to Albertans as well as continued access to critical health services such as heart surgeries and kidney dialysis — \$289.2 million. This also includes \$49.6 million of new funding to support the purchase of medical/diagnostic equipment.
- The impact of a new tri-lateral agreement between the Alberta Medical Association, regional health authorities and the department, as well as new agreements with the Alberta Association of Optometrists, the Alberta Podiatry Association and the College of Chiropractors of Alberta — \$134.3 million.

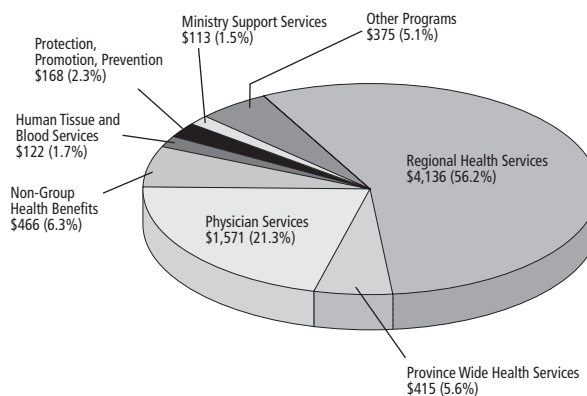


- Continued demand for non-group drug benefits, primarily by seniors as well as the addition of new drug products to the Drug Benefit List — \$ 53 million.
- Continued work on initiatives to support health reform and renewal such as a 24-hour telephone information services (Health Link Alberta), and the implementation of an electronic health record allowing health care providers to access patient information online — \$29.0 million.
- Continued support of activities and programs that protect, promote health and prevent disease — \$30.6 million, including funding to support the Alberta Diabetes Strategy and a mosquito spraying program to be implemented in Spring 2004.
- Completion of various initiatives — (\$2.9 million)
- Decrease in health care insurance premium write offs — (\$3.6 million).

Source of Funding (\$ in Millions)



How Funding was Spent (\$ in Millions)



Total \$7,366 Million





Communication with Albertans

Alberta Health and Wellness made Albertans aware of new diseases, communicated progress on health reform and department initiatives and consulted with Albertans on health services.

Activities included:

West Nile virus and SARS

The province launched a public information program to educate Albertans about how to reduce their risk of being infected with West Nile virus.

The Alberta Provincial Health Officer worked with Alberta Medical Officers of Health to monitor suspected cases of Severe Acute Respiratory Syndrome (SARS) and provided information to Albertans. The Alberta response plan for pandemic influenza was the model for the provincial response to SARS.

Influenza immunization

Albertans were informed that the annual influenza immunization program expanded to provide free immunization to anyone living with individuals at high risk for influenza.

Healthy U campaign

Since January 2003, Healthy U encouraged Albertans to include healthy eating and regular physical activity in their lives. Healthy U included TV and radio ads, an informative website and a Healthy U crew team that travelled to summer events to promote healthy eating and physical activity.

Other health reform achievements

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

- Mental health services provided by regional health authorities
- A provincial online Waitlist Registry
- The first provincial electronic health record in Canada
- First eight-year tri-lateral agreement for physician services and primary care
- An Alberta Tobacco Reduction Strategy featuring a public awareness program, legislation to prevent youth from smoking and a Smoker's Help Line
- A diabetes strategy to help low-income people purchase supplies and screen Aboriginal communities for diabetes.

Review committees

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

- The Health Reform Implementation Team: produced two reports monitoring progress on health reform. The final team report January 2004 documented health reform progress that occurred since the Premier's Advisory Council on Health report was accepted by government January 2002.



- The Expert Advisory Panel on Publicly Funded Health Services produced two reports on categories for publicly funded health services and proposed changes to allied health services.
- The Health Quality Council of Alberta replaced the Health Services Utilization and Outcomes Commission in February 2004 to report directly to Albertans on quality and performance of health services.

Cross-ministry initiatives

Alberta Health and Wellness collaborated with other government departments and various stakeholders in the following:

- Health Sustainability Initiative
- Framework for a Healthy Alberta
- Diabetes Strategy
- Early Childhood Development Initiative
- Alberta Tobacco Reduction Strategy
- Aboriginal Policy Framework
- Healthy Aging Framework.

Health Link Alberta and health information websites

Health Link Alberta, a 24-hour telephone health information line was expanded province-wide in June 2003. Two websites to help Albertans find reliable health information and health services in their communities were launched February 2004.

Public inquiries

The Customer Services and Registration Branch responded to 1,131,166 telephone calls, answered 1,235,567 written inquiries and served 111,313 walk-in clients.

The department responded to approximately 6,900 Ministerial action requests.

Media relations

Alberta Health and Wellness produced 75 news releases on topics like health reform, immunization programs, public health warnings, health funding and program changes.



Auditor General's Report

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

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

To the Members of the Legislative Assembly

In connection with the Ministry of Health and Wellness' key performance measures included in the *2003-2004 Annual Report of the Ministry of Health and Wellness*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the key performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2003.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the key performance measures included in the *2003-2004 Annual Report of the Ministry of Health and Wellness*.

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

Edmonton, Alberta
August 25, 2004





Core Businesses

Alberta Health and Wellness has two core businesses:

1. Lead and support a system for the delivery of quality health services.

A system of quality health services is in place to meet the needs of Albertans who are medically fragile, injured or ill or who need diagnosis, treatment or support. While health authorities, agencies and individual practitioners are responsible for delivering those services, the ministry establishes direction, policy and provincial standards. Key ministry roles are to set priorities based on health needs, determine the financial, capital and human resources required, and measure and report on the system's performance. For 2003/2004, the ministry spent \$7.053 billion on this core business, of which approximately \$4.4 billion was provided to the health authorities directly responsible for the provision of health services to Albertans.

2. Encourage and support healthy living.

A primary focus of the health system is to support and encourage the health and wellness of Albertans. Health authorities and provincial agencies provide health promotion and protection programs and disease and injury prevention programs. These address risks to health where knowledge or early intervention can make a difference and help Albertans make informed decisions about their health.

Because many factors have an impact on health, the ministry is also engaged in cross-ministry initiatives to effectively address challenges to the health and wellness of the population. In 2003/2004, \$313 million was spent on this core business.

The core businesses are directed towards four goals:

GOAL 1

Accessible, effective, quality health services are delivered to Albertans who need them.

GOAL 2

The optimal health and wellness of Albertans is supported through health protection and promotion, and disease and injury prevention.

GOAL 3

An integrated, sustainable and accountable system for health is supported and promoted.

GOAL 4

The ministry's effectiveness is optimized.

The following four sections provide information about actions, key achievements, performance indicators and results for each goal in 2003/2004.



Goal

1 Accessible, effective, quality health services are delivered to Albertans who need them

Health authorities and individual practitioners have primary responsibility for service delivery. Continuous improvement and innovation ensure services are as effective, efficient and appropriate as possible.

THE MINISTRY

- Worked closely with health authorities, agencies and other stakeholders to improve accessibility and foster the optimal use of health professionals;
- Worked with health authorities to ensure appropriate investment and management of provincial resources through review and approval of business and capital plans;
- Administered the Alberta Health Care Insurance Plan and the payment system for health practitioners, Aids to Daily Living Program, ambulance operators and other services; and
- Collaborated with regional health authorities (RHAs) in determining a more equitable distribution of funding across health regions. Collaboration was achieved primarily through the Funding Methodology Working Group. Most of the \$4 billion RHA global funding is allocated on a population basis. Allocation improvements included assigning people represented by the public trustee to their actual region of residency, and incorporation of community lab data into the funding allocation model.

WHAT WE DID

Implement government directions emerging from follow-up on the Premier's Advisory Council on Health report

- Responsibility and funding for mental health services were transferred from the Alberta Mental Health Board (AMHB) to regional health authorities (RHAs). Continuity of patient care was maintained at all times. A provincial mental health plan was developed through the collaborative effort of the AMHB, RHAs and key stakeholders to guide the implementation of services.
- A new tri-lateral agreement was established between the Alberta Medical Association, the regional health authorities and Alberta Health and Wellness. Under this new master agreement, committees were established to address issues pertaining to physician services, including on-call services and primary care.
- The design of the Health Workforce Information Network from the Alberta Health and Wellness perspective was completed. Consultations to incorporate health authority needs is the next step.

Identify appropriate wait times for selected services and implement the posting of wait times, centralized booking, electronic health records and other measures to provide Albertans with access to services when and where they are needed

- A web-based Alberta Waitlist Registry was developed. The website provides information on waitlists for selected surgical procedures, and MRI and CT scans for hospitals and



providers. Information is available to public at: www.health.gov.ab.ca.

- New agreements were reached with the Alberta Association of Optometrists, the Alberta Podiatry Association and the College of Chiropractors of Alberta to ensure Albertans have continued access to their professional services.
- A new agreement was reached with the Alberta Dental Association and College. The agreement provides funding for on-call oral surgery services in the Capital and Calgary health regions.
- A total of 172 new drug products were added to the Drug Benefit List. More than 3,600 drugs are now on the list.

Implement new models of care with an emphasis on primary health care

The continuing challenge of health system renewal requires the development and implementation of new models of care and service delivery. The following illustrate the progress being made.

- Two new websites were launched to help Albertans access reliable health information and locate health services in their own health regions. Health Link Alberta (www.healthlinkalberta.ca) includes an online library of health topics developed by Alberta clinical experts. Inform Alberta (www.informalberta.ca) is a database of health and community services to aid Albertans in finding health services in their community.
- Ten primary health care capacity-building initiatives were funded to support development and implementation of primary health care models.

- Funding was provided to the Alberta Association of Optometrists and the Alberta Podiatry Association to explore ways to increase their involvement in primary care delivery.
- Alternate Relationship Plans (ARPs) were established in co-operation with physicians, regional health authorities and the Alberta Medical Association. These new partnerships enhance access to services for patients who have not been adequately served under the traditional fee-for-service funding model.
 - Shared Mental Health Care ARP — involves 54 family and specialist physicians working with other health care providers to streamline care for people with mental illness.
 - Health First Strathcona ARP — involves 18 physicians providing after-hours access to primary care.
 - Alexandra Seniors Community Health Centre ARP — involves six physicians providing care for inner-city seniors.
 - Comprehensive Home Option of Integrated Care for the Elderly — involves five physicians providing medical and support services to the very frail elderly.
 - The Northeast Community Health Centre Family Medicine Service Program — involves four physicians offering primary health care for the at-risk and under-served population.
 - Severe Headache Disorder Program — involves three physicians working with patients experiencing eight to 15 headaches a month. The program helps them reduce headache occurrence, manage pain and stress, and rely less on drugs and emergency room visits.



- The pilot phase of the Taber ARP was concluded. This project has resulted in enhanced service delivery and access, and the use of a multidisciplinary team.

Enable Albertans to “age in place” with improved access to appropriate care through the continuing care reform process

The economic viability of Alberta’s continuing care system was enhanced through increases to accommodation charges. The increases bring the standard accommodation fees closer to the true cost of room and board. However, these fees remain below the daily maximum in the majority of provinces. Responsibility for housing services in these facilities was transferred to Alberta Seniors since that ministry is responsible for a broad range of housing programs.

Key Performance Measures and Results

MEASURE 1.A

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

Wait times for health services are one measure of how well the health system is providing access to needed health services. Patients whose need is very urgent will receive immediate service, while patients with less urgent needs will be placed on waiting lists. In recent years, the ministry has developed a process for the quarterly reporting of the number of persons waiting and/or the length of time spent waiting, to address access to selected health services. The positive results for 2003/2004 show the benefits of this approach. In the past year wait times have become shorter for heart surgery,

and fewer people are waiting for placement in a continuing care facility.

In response to recommendations from the Premier’s Advisory Council on Health (January 2002), new information systems were developed to support detailed website reporting of wait lists and wait times. Since October 2003, Albertans have been able to access wait times for publicly funded surgeries and procedures via the Internet.

The Alberta Waitlist Registry shows physicians and patients accurate and current wait times for MRIs, CT scans, radiation and chemotherapy treatments, hip or knee replacements, cataract removal and cardiac surgery. The ministry is working with health service providers and the regional health authorities to develop and implement specific guidelines for access to selected health services. The work includes wait time standards, guidelines for determining urgency and the development of management processes to ensure Albertans have timely access to these services.

HIP AND KNEE REPLACEMENT SURGERY

The number of persons waiting for hip or knee replacement surgery increased during the past two years. However, the average waiting time has not changed and remains above target levels. The ministry is working with health service providers and the health authorities to develop and implement specific guidelines for access to these surgeries.



Hip and Knee Replacement Surgery

	2002/2003				2003/2004				Target 2004/2005
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Total number waiting at quarter's end	2,583	2,753	3,032	2,810	2,880	3,195	3,677	3,745	
Average wait time in months*	4.7	5.0	4.9	4.7	4.6	4.5	4.9	5.0	4 months

Source: Alberta Health and Wellness. Data provided by regional health authorities.

*Chinook results not included due to incomplete reporting. Results for 2002/2003 have been restated.

ADULT OPEN HEART SURGERY

The number of persons waiting for heart surgery decreased significantly during the past year. Waiting times for in-patients urgently needing heart surgery are at, or close to, the one week target. Wait times for planned out-patient cases are approaching the six week target.

Heart surgeries are provided to Albertans in the Calgary and Capital health regions. Changes in management of care for heart disease, including new methods of treatment, were implemented

to reduce the wait list and wait times for heart surgery. Some of these changes mean that some patients who would have received heart surgery in the past are now being treated successfully by other means (e.g., angioplasty). The result is that persons in need of heart surgery now face shorter wait times. The ministry is working with health service providers and the health authorities to develop and implement specific guidelines for access to heart surgery.

Adult Open Heart Surgery

		2002/2003				2003/2004				Target 2004/2005
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Total number waiting at quarter's end		572	573	579	455	376	314	268	258	
Median wait times in weeks										
Urgent inpatient	Calgary	1.1	1.0	1.0	0.9	0.9	0.9	0.7	0.7	1 week
	Capital	1.7	1.4	1.9	1.4	1.6	1.1	1.0	1.0	1 week
Urgent outpatient	Calgary	17.3	17.9	18.6	17.9	8.2	8.8	6.1	6.6	2 weeks
	Capital	21.0	23.1	23.0	21.0	19.4	13.3	8.2	7.6	2 weeks
Planned outpatient	Calgary	19.9	18.3	17.0	18.0	7.6	6.1	4.3	3.3	6 weeks
	Capital	26.9	22.7	23.1	22.1	22.9	15.6	10.7	10.0	6 weeks

Source: Alberta Health and Wellness. Data provided by regional health authorities.

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



CANCER RADIATION THERAPY: AVERAGE WAIT TIME IN WEEKS

During the past two years, average waiting times for radiation therapy for breast or prostate cancer remained above the four week target time. The ministry is working with the Alberta Cancer Board to develop and implement specific guidelines for access to these treatments.

Cancer Radiation Therapy: Average Wait Time in Weeks

		2002/2003				2003/2004				Target 2004/2005
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Breast cancer	Cross Cancer	10.5	10.5	10.0	11.5	15.5	11.0	11.0	8.0	4 weeks
	Tom Baker	12.5	9.0	7.0	8.0	6.0	5.0	5.5	7.0	4 weeks
Prostate cancer	Cross Cancer	14.0	17.0	12.0	6.5	9.0	14.0	12.5	20.0	4 weeks
	Tom Baker	8.0	5.5	6.0	7.5	7.0	7.0	6.0	5.5	4 weeks

Source: Alberta Health and Wellness. Data are provided by the Alberta Cancer Board.

MAGNETIC RESONANCE IMAGING

The number of persons waiting for Magnetic Resonance Imaging (MRI) procedures increased somewhat during 2003/2004, though the rate of increase slowed. The ministry is working with health service providers and the health authorities to develop and implement specific guidelines for access to these diagnostic services.

Number of MRIs Performed and Persons Waiting

		2002/2003				2003/2004				Target 2004/2005
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
MRI scans performed		19,867	19,002	19,937	20,095	19,038	19,095	18,278	21,113	
Persons waiting		12,104	13,422	15,718	16,149	18,575	17,907	20,781	19,765	Decreasing

Source: Alberta Health and Wellness. Data provided by regional health authorities.



LONG-TERM CARE FACILITY ADMISSION: NUMBER
OF PERSONS WAITING

The number of persons waiting for continuing care placements started to decline compared with levels reported in 2002/2003. These results coincide with the implementation of new continuing care models, such as supportive living, which enable more Albertans to find living arrangements suited to their need for care.

Continuing Care Facility Admission: Number of Persons Waiting

	2002/2003				2003/2004				Target 2003/2004
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
In acute care hospital	436	435	387	340	363	412	295	267	Decreasing
Urgent in community	454	440	488	457	504	442	406	339	Decreasing

Source: Alberta Health and Wellness. Data provided by regional health authorities.



MEASURE 1.B

Ratings of ease of access to hospital physician services and hospital services

Access to publicly funded health services is a fundamental principle of the health care system. Health services are made available to all Albertans through the public health system. The ministry's goal is to achieve reasonable access for all. Albertans' ratings for ease of access to physician and hospital services remain at or near target levels. Since 2001, there was very little change in results for either of these measures.

Ratings of Ease of Access to Services

	2001	2002	2003	2004	Target 2004
Ease of access to physician services (percentage responding easy or very easy)	86	84	86	85	85
Ease of access to hospital services (percentage responding easy or very easy)	71	73	72	73	75

Source: Alberta Health and Wellness Survey, 2001 – 2004.

Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 72 per cent and 81 per cent in recent years. Results for "physician access" are accurate within two per cent 19 times out of 20; results for "hospital access" are accurate within three per cent 19 times out of 20. Adult Albertans are asked: "How easy or difficult was it for you to obtain this service from your physician? Would you say it is: very easy, easy, a bit difficult, or very difficult?" and "How easy or difficult was it for you to get this hospital service when you needed it? Would you say it is: very easy, easy, a bit difficult, or very difficult?" The measure is the percentage of people who respond "easy" or "very easy."

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



MEASURE 1.C

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

The goal of the ministry is to ensure the provision of high quality health services. These key measures reflect Albertans' views about the quality of services they received, based on their experiences with the health system. Albertans continue to report they receive high quality health services. The results for 2004 are not significantly different from those reported since 2000. Funding ensures the appropriate levels of health professionals, staff, equipment, medications and supplies. Through legislation, such as the *Health Professions Act* and the *Hospitals Act*, the Ministry ensures health professionals practise in accordance with appropriate standards and health facilities are managed appropriately.

Ratings of Quality of Care Received

Measure	2000	2001	2002	2003	2004	Target 2004
Quality of Care Personally Received (percentage responding good or excellent)	86	86	86	85	86	90
Quality of Care Received in Hospital (percentage responding good or excellent)	83	80	81	83	81	85

Source: Alberta Health and Wellness Survey; 2000 – 2004.

Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 72 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20. For "quality of care received in hospital" (approximate sample = 1,200) the results are accurate within three per cent 19 times out of 20.

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



MEASURE 1.D

Patient satisfaction with the way service was provided

It is important to Albertans that health services are provided with respect for the dignity of each person. For example, health service providers should be friendly, be good listeners, answer questions and perform their duties in an efficient and professional manner. Generally, Albertans are very satisfied with the way health services are provided. Satisfied patients often mentioned that service was “efficient and timely” or that it was “professional and friendly.” Less than seven per cent were dissatisfied. These patients frequently noted “the provider did a poor job,” “it took too long to get the service” or the service was “rushed.”

Patient Satisfaction

Measure	2001	2002	2003	2004	Target 2004
Percentage satisfied with the way services were provided (percentage responding “very” or “somewhat” satisfied)	88	86	87	89	90

Source: Alberta Health and Wellness Survey, 2001 – 2004.

Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 72 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent, 19 times out of 20.

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



Goal 2 The optimal health and wellness of Albertans is supported through health protection and promotion, and disease and injury prevention

The health status of an individual or community is affected by the interaction of many factors. They include genetic endowment, early childhood development, education, environmental conditions, employment opportunities and lifestyle choices. The health system supports efforts by Albertans to be healthy and well by providing promotion, protection and prevention services and accurate and timely health information.

WHAT WE DID

Provide a supportive environment which enables Albertans to stay healthy and to make appropriate and responsible use of health services

- The *Framework for a Healthy Alberta* was implemented. The framework sets out health objectives and targets in key areas of health. The framework provides strategic direction for action by health partners on health promotion and injury and disease prevention. Regional health authorities use the framework to develop their own targets and strategies.
- Overall, there are now 44,000 fewer smokers in Alberta. Results of Statistics Canada's 2002 Canadian Community Health Survey show that 77 per cent of Albertans do not smoke. That is five per cent above previous levels and above the target level set in past business plans. Some of the biggest declines in daily smoking were among teenagers and young adults, the result of a number of provincial campaigns in recent years, including the

enactment of the *Prevention of Youth Tobacco Use Act*, intended to prevent young people from starting to use tobacco, along with the largest single tobacco tax increase in Canadian history.

- The Healthy U website, which is the primary source of information for the Healthy U initiative, was redesigned. It includes weekly healthy eating and physical activity tips, an increased number of links to sources of information on nutrition and active living, recipes, contests and more.
- The Healthy U crew, a group of healthy young Albertans, traveled throughout Alberta motivating thousands of Albertans to get active and eat healthy. The crew handed out prizes and valuable information at numerous special events.
- The Healthy U @ work program, initiated by Alberta Health and Wellness, was rolled out throughout Alberta. A planning guide was developed and made available to employers interested in initiating their own employee health program.

Protect Albertans from diseases transmitted in air, water, food and physical environments through interventions supported by education, environmental monitoring, regulations and enforcement measures

- The *Environmental Health Field Manual for Private, Public and Communal Drinking Water Systems in Alberta* was revised to include information on blue-green algae in drinking water and enhanced response protocols.



- Alberta Health and Wellness' new Food and Food Establishment Regulation is an outcome-based regulation that focuses regulatory requirements on key food safety requirements pertinent to all food retail establishments. The regulation introduced improvements to how permit fees are applied by providing exemptions to charitable organizations and more clearly defined fee amounts that are based upon the degree of potential food safety risk.
- A procedures guide was developed for use by regional health authorities to monitor specified risk materials for Bovine Spongiform Encephalopathy (BSE).

Protect Albertans against communicable diseases through disease control and prevention measures, including immunization

Rates of Various Communicable Diseases in Alberta (1000,000)

Communicable Disease	1996	1997	1998	1999	2000	2001	2002	2003
AIDS*	2.8	1.9	0.8	1.4	1.7	1.3	^1.0	**0.9
E.coli 0157	5.8	6.8	9.0	6.6	10.8	9.5	8.5	6.0
Gonorrhoea	17.2	14.6	18.5	18.3	19.8	27.0	31.8	**32.0
Invasive meningococcal	0.2	0.1	0.2	0.1	2.6	2.0	0.8	0.5
Measles	0.3	8.8	0.04	0.6	4.1	0.2	0.1	0.0
Pertussis	41.2	27.6	26.3	28.2	15.5	11.0	9.7	10.9
Tuberculosis	5.1	5.9	5.5	5.1	4.5	3.8	4.1	3.5

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

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

^ Revised.

** Preliminary data



Reduce the incidence and burden of disease and injury through education, information and targeted interventions

- A contingency plan for a potential influenza pandemic was completed. The plan was used as a template for the provincial response to SARS.
- Alberta's immunization program was enhanced with the expansion of the pertussis and Hepatitis A vaccine programs, and increased coverage for influenza vaccine.
- The Alberta Diabetes Strategy was released in May 2003. As part of the strategy, the enhanced Alberta Monitoring for Health Program was implemented in November 2003.
 - The program provides financial assistance for diabetes monitoring supplies to low-income Albertans with no private insurance. As a result, 40,000 Albertans with diabetes are now eligible for assistance.
 - The program provides funding to help low-income Albertans monitor their blood sugar levels to avoid more serious diabetic complications.
- A Mobile Diabetes Screening Initiative was implemented for Aboriginal people living off reserve. Residents of five Métis settlements were screened.
- A new Alberta Cervical Cancer Screening Program was initiated in the Calgary area in October 2003 for prevention and early detection.

- The first Alberta demonstration site was established for chronic disease prevention under the World Health Organization Countrywide Integrated Noncommunicable Disease Intervention program (CINDI).
- A West Nile virus response plan was developed to help reduce the health risk to Albertans. It included a public awareness campaign, website information and surveillance program to improve detection of the disease.

WWW.FIGHTTHEBITE.INFO



Key Performance Measures and Results

MEASURE 2.A

Self-reported health status

Self-reported health status is a good indicator of the health and well being of Albertans. It is accepted nationally and internationally as a means of reporting on population health. How people rate their own health is affected by a variety of factors, including chronic disease, disability, temporary illness and mental health.

Self-reported health status was slightly lower in 2004 compared to the previous year, and it is slightly below the targeted levels for 2004. The self-reported health status of Albertans has been at or near the target values for most of the last five years. The ministry promotes behaviours that will help Albertans maintain and improve their own health through collaborative initiatives and programs such as Healthy U.



Self-Reported Health Status

	2000	2001	2002	2003	2004	Target 2004
Age 18 – 64 (percentage reporting excellent, very good, or good health)	90	89	88	90	88	90
Age 65+ (percentage reporting excellent, very good, or good health)	79	72	78	80	78	80

Source: Alberta Health Survey, 2000 – 2004 (annual)

Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 72 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20.

Adult Albertans are asked: "In general, compared with other people your age, would you say your health is: excellent, very good, good, fair, or poor." Sample size for the 18 – 64 age group is about 3,450, and estimates for this sample are accurate within about two per cent 19 times out of 20. Sample size for the age 65+ group is about 550, and these estimates are accurate within about four per cent 19 times out of 20.

MEASURE 2.B

Mortality rates for injury and suicide

Injuries, including suicide, are a major cause of death in Alberta. Alberta's injury and suicide mortality rates are among the highest in Canada. Injury mortality rates in 2002 were similar to rates reported for the past several years and have changed little since 1998.

Mortality Rates: Injury and Suicide per 100,000 Population

		1998	1999	2000	2001	2002	Target 2004
Injury & suicide	Males	75	67	67	70	69	
	Females	29	29	30	30	28	
	All Albertans	52	48	48	50	49	45
Suicide	Males	23	24	20	24	22	
	Females	6	6	7	7	6	
	All Albertans	14	15	14	16	14	13

Source: Alberta Health and Wellness; calculated from Vital Statistics (April 2003) and the Alberta Health Registration File (mid-year population estimates).

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



MEASURE 2.C

Breast cancer-screening rates

Appropriate screening can have a significant impact on early detection and prevention of death due to breast cancer. Breast cancer screening rates have increased steadily since 1997 and are near the 75 per cent target. The steady improvement is due to the joint efforts of the Alberta Cancer Board and regional health authorities in delivering the Screen Test Program and raising awareness of the importance of these cancer screening tests.

Per cent of Women Screened by Mammography

	1994/ 1995	1996/ 1997	1998/ 1999	2000/ 2001	2002/ 2003	Target 2003/2004
Mammography, last 2 years (percentage of women age 50 – 69)	71	63*	69	71	74	75

Source: National Population Health Survey (NPHS) (1994/1995, 1996/1997, 1998/1999); Canadian Community Health Survey (CCHS) (2000/2001, 2002/2003); Statistics Canada
The NPHS, conducted every two years by Statistics Canada. Approximately 1,200 Albertans are interviewed, either by telephone or in person. The measure is the per cent of women aged 50-69 years who report having a mammogram for breast cancer screening in the past two years. Estimates for this measure are based on a smaller sub-sample of the NPHS, and may be accurate within eight per cent 19 times out of 20. The CCHS includes a much larger sample of Albertans (14,000), and the estimate for this measure from the CCHS is accurate to within four per cent 19 times out of 20. [Note: The NPHS is a longitudinal survey, interviewing the same persons every two years; trends should be interpreted with caution.]

Note: Screening results are based on self-report.

*Result restated for consistency with 2002/2003 methods.



MEASURE 2.D

Childhood immunization rates

A high rate of immunization for a population can help ensure the incidence of childhood diseases remains low and outbreaks are controlled. Immunization coverage rates for Alberta remain steady, but below target. Additional efforts are required in remote areas of the province and with specific groups of residents to ensure children receive appropriate immunization for adequate health protection.

Childhood Immunization Rates

Percentage immunized at age 2	1998	1999	2000	2001	2002	Target 2005
Diphtheria, tetanus, pertussis, polio, Hib (4 doses)	77	79	79	78	76	88*
Measles, mumps, rubella (1 dose)	86	89	90	87	87	98

Source: Alberta Health and Wellness, Disease Control and Prevention, CAIT Report 2413. Data provided by regional health authorities.

The measure is the number of children aged two years who have received the required immunization, divided by the total population two years of age. Population at age two is estimated from Alberta Health and Wellness mid-year registration files. Data on reported immunizations is compiled from data provided by Health Canada, which has responsibility for Aboriginal children on reserves, and by regional health authorities. Results in 2002 do not include data from First Nations on reserves; however this does not significantly affect these results.

Note: Data on Pneumococcal and meningococcal immunization is not available for 2002. This key performance measure is under development.

*The actual target is 98%, consistent with the national target for immunization coverage.



MEASURE 2.E

Annual Influenza vaccine for seniors

The annual influenza virus affects the lives of many Albertans, but the effects can be particularly severe among older persons, especially those with chronic health conditions.

Annual vaccination is recommended as an effective means to reduce the impact of influenza on Albertans and on the health system. Additional efforts are required to increase the percentage of seniors who received the influenza vaccine.

Influenza Vaccination Rates for Seniors

	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	Target 2004/2005
Percentage of Albertans aged 65 and older, who have received influenza vaccine	67	67	66	68	75

Source: Alberta Health and Wellness, Disease Control and Prevention. Data provided by regional health authorities.



Goal 3 An integrated, sustainable and accountable system for health is supported and promoted

The health system is diverse and complex. Due to our province-wide mandate and infrastructures the ministry must work with regional health authorities and other partners to ensure that appropriate communication, accountability and information systems are in place.

WHAT WE DID

Seek sustainability for health through the integrated application of strategies focusing on expenditures, revenues, expectations and evidence-based innovation

- In collaboration with health regions, equitable funding allocations for regional health services were established. The funding formula was fine-tuned to account for changes in health region boundaries.
- The number of regional health authorities in Alberta was reduced from 17 to nine with a corresponding realignment of regional boundaries. The enlarged regions have and will continue to provide greater opportunities for improving efficiency and effectiveness.

Develop and implement an integrated information system to support and improve clinical and management decision-making and support research

- Alberta's web-based Newborn Metabolic Screening technology received an award of excellence from the Canadian Information Productivity Award program. Through a simple blood test all newborns are tested for three inherited disorders, which if not

treated, will lead to health concerns and disabilities. The technology provides timely information to the health regions to identify children who need treatment.

- Alberta was the first province in Canada to implement an electronic health record. The Alberta Electronic Health Record (EHR) allows authorized health care providers to access patient information online. Other authorized personnel may access the Alberta EHR information for planning and administrative purposes in accordance with the *Health Information Act*.



- Work was completed to ensure the safety and security of personal health information for the Alberta EHR including security standards and security self-assessment tools for physician offices, and conducting threat risk assessments for all health regions.
- The Alberta Provider Directory was launched. The directory provides comprehensive information on physicians, midwives and acupuncturists. It allows authentication of health providers who can access the Alberta EHR and provides information for workforce planning.
- Twenty clinical telehealth projects were funded through the Clinical Services Grant Fund to improve rural access to health services and rural caregiver communication with specialists.



Improve Albertans' knowledge of the health system through meaningful engagement, effective communication and access to relevant and understandable information

- Albertans were informed about the health system and its services through media announcements, a continually updated website, timely response to public inquiries and the extended province-wide Health Link Alberta telephone information service.

Collaborate with the Health Services Utilization and Outcomes Commission, and ensure health services utilization outcomes are assessed and report annually to Albertans

- The Health Services Utilization and Outcomes Commission mandate was expanded and the commission was renamed the Health Quality Council of Alberta to reflect its new role. The council reports directly to Albertans on the quality and performance of health services, identifies best practices and monitors access, effectiveness, efficiency and patient safety.
- The Province Wide Services Annual Report on Activities and Outcomes was published. The report informs Albertans about activity and results from the approximately \$400 million expenditure on these specialized health services.

Collaborate with the Alberta Alcohol and Drug Abuse Commission to ensure addiction information, prevention and treatment services are available to Albertans on a province-wide basis

Achievements are reported in the Alberta Alcohol and Drug Abuse Commission section of this report.

Build the skills and numbers of health professionals

- The *Health Professions Act* and related legislation were implemented with respect to optometrists, social workers and licensed practical nurses.
- More foreign-trained professionals obtained Canadian credentials through the Enhancing Clinical Capacity Project Fund and the Alberta International Medical Graduate Program.
- New and expanded education opportunities were provided for Aboriginal medical students, nurse practitioners and post-graduate medical education.
- Improved training for health care aides was provided through the Health Care Aide Provincial Prototype Curriculum Project, which was completed in collaboration with Alberta Learning, post-secondary institutions and employers.



Key Performance Measures and Results

MEASURE 3.A

Public self-rated knowledge of health services available

The ratings of public knowledge of available health services remains below target, and has not changed significantly from previous results. The ministry, health authorities and health professionals are responsible for informing Albertans about health services. Continuing effort is needed to keep Albertans informed about the services available to them.

Self-Reported Knowledge of Health Services

	2000	2001	2002	2003	2004	Target 2004
Knowledge of which health services are available (percentage responding excellent or good)	63	66	62	65	64	70

Source: Alberta Health and Wellness Survey, 2000 – 2004.

Data are collected through a telephone survey of 4,000 randomly selected Alberta households. The survey is commissioned by Alberta Health and Wellness and is conducted by the Population Research Laboratory at the University of Alberta; the response rate for the survey has ranged between 72 per cent and 81 per cent in recent years. Results for the entire sample are accurate within two per cent 19 times out of 20.

Albertans are asked: "In general, how would you rate your knowledge of the health services that are available to you? Would you say: excellent, good, fair or poor?" The measure is the percentage of respondents who answered "excellent" or "good."

MEASURE 3.B

Stakeholder ratings of access to information

The collection and provision of health system information, and the protection of privacy, are important functions of the ministry. Information held by the ministry is used for planning and research purposes. The ministry provides limited access to this information on a "need to know" basis in accordance with the provisions of the *Health Information Act*.

Target = improvement for 2004

Stakeholder access to information

2002 – 2003	
Per cent reporting moderate to extremely easy access	62%

Source: Alberta Health and Wellness; Information Management Branch, Data Disclosure Survey; February 2004.

The survey was administered through a web-based questionnaire, asking stakeholders who had contacted the branch during the years 2002 or 2003 for data access (n=543) to assess how easy it was for them to understand the process for accessing data. Ratings were made using a 5-point scale, with 1 labeled "not at all easy" and 5 labeled "extremely easy." The measure is the per cent of respondents rating 3, 4, or 5 on the scale. Responses to this question were provided by 125 stakeholders. Results are estimated to be accurate to within about 9 per cent, 19 times out of 20.



Goal

4 The ministry's effectiveness is optimized

The Ministry of Health and Wellness plays an essential leadership role within Alberta's health system. The ministry must make the best use of its human, financial and technological resources and work collaboratively and proactively with service providers, health authorities, regulatory bodies and public interest groups. This means that the ministry has to be able to effectively combine the talents, knowledge and energies of a broad spectrum of stakeholders and public representatives.

WHAT WE DID

Enhance the department's internal capacity through supportive work environments and strong and effective teams

- The Healthy U @ work campaign provided staff with valuable information on healthy eating and active living during the past year. An Intranet site was continuously updated with information on physical activity and better nutrition. Special events were held to encourage staff to increase their physical activity. Lunch time lectures were provided on a wide variety of topics.
- The annual general meeting provided department staff with an in-depth look at the core businesses of the department and where everyone fits in the big picture.
- A business resumption plan for Alberta Health and Wellness was completed in accordance with government-wide direction. The plan would be activated in the event of a serious disruption to ministry operations.

Create and support effective collaboration processes and structures to engage key stakeholders, with roles and accountabilities clearly delineated

- Work began on a program to consolidate seven rural regional information systems into one. The Regional Shared Health Information Program tracks physician orders for tests and medications, and schedules patient tests or procedures. The program will be linked to Alberta's Electronic Health Record, allowing physicians and health care professionals access to pertinent patient information.
- In response to concerns about the accessibility of emergency services regional health authorities embarked upon a province-wide review for the purpose of sharing information on best practices and appropriate performance measures.

Provide staff, stakeholders and citizens with ready access to better information

- A Business Intelligence Environment program was developed in order to better manage data and information held by Alberta Health and Wellness.
- In order to support continuing health system research a process was established whereby external researchers could apply for controlled access to health information held by the ministry.
- An Intranet site — Environmental Scanning Plus — was developed to give staff online access to briefings, reports and data, as well as health care events and reform initiatives from a provincial, national and international perspective.



- Client satisfaction surveys were conducted for both the Aids to Daily Living program and the Alberta Health Care Insurance Plan Customer Services and Registration Branch. The Aids to Daily Living program received a satisfaction rate of 94 per cent, while the Alberta Health Care Insurance Plan Customer Services and Registration Branch received a satisfaction rate of 88 per cent.

Ensure cross-ministry initiatives benefit from the department's leadership, and contribution of high quality, timely and effective resources

In consultation with other ministries, the ministry produced the following resources in response to identified public concern:

- The *Water for Life Strategy* was developed in collaboration with the Provincial Water Advisory Council (Alberta Environment) to address management of Alberta's water quantity and quality for the benefit of Albertans now and for the future.
- A report entitled *First Nations in Alberta: A Focus on Health Service Use* was released. This report was produced in collaboration with provincial and federal stakeholders and Aboriginal Affairs and Northern Development. It will support the Aboriginal Policy Initiative and the Aboriginal Health Strategy and will aid policy makers, health care administrators and professionals to better address the health needs of First Nations people.
- Alberta Health and Wellness initiated a cross-ministry initiative with Alberta Corporate Service Centre, Alberta Learning, and Human Resources and Employment to share and review best practices in revenue collections, and issue a joint request for proposal for all outsourced government collections. Through

economies of scale, the ministry expects to realize annual cost savings in administrative expense of approximately \$1 million starting in the 2004/2005 fiscal year.

Improve information quality and access by operationalizing the Information Management Framework and adopting/developing system-wide standards

- Health information and technology standards were developed and adopted by the Health Information Standards Committee for Alberta. These standards pertain to Cervical Cancer Screening, Newborn Metabolic Screening, Emergency Medical Services Patient Care Reporting, and Telehealth Videoconferencing.

Lead the Health Sustainability Initiative to strengthen collaboration, integration and co-ordination across government ministries to enhance the sustainability of the public health care system

- Leadership for the cross-ministry Health Sustainability Initiative (HSI) was provided by Alberta Health and Wellness in collaboration with Alberta Finance and Alberta Seniors. *Staying healthier*, resulted in the "Framework for a Healthy Alberta" which is a strategic direction for action by health partners on health promotion and injury and disease prevention. The framework includes 10-year objectives and targets developed collaboratively by Alberta Health and Wellness, Alberta Finance and Alberta Seniors. It is being used by the regional health authorities to develop targets and strategies.

The HSI component, *Shifting health services from facility-based to community-based settings*, resulted in a series of initiatives aimed at strengthening home care and supportive



living as alternatives to facility-based care. The *Health and access issues for low-income Albertans* component of the HSI, identified barriers and focused attention on strategies to improve access through primary health care initiatives and targeted programs for low-income Albertans. The fourth area of focus, *Containing the cost of pharmaceuticals*, resulted in agreement among key stakeholders on the need to work collaboratively at the national level and with the pharmaceutical industry on utilization and cost-containment initiatives.

- Within the cross-ministry HSI a “Framework for a Healthy Alberta” was implemented in collaboration with the regional health authorities. The framework is comprised of strategies to increase health promoting behaviours and to prevent injury and chronic disease, such as diabetes, heart disease and cancer. Implementation of the framework will be monitored on a continuing basis.
- The Young Family Wellness Initiative’s target of providing five per cent of parents of newborns with education and counseling on breastfeeding, postpartum depression and infant health and development was achieved.
- Highlights of the Alberta Children and Youth Initiative include:
 - Enhanced services to improve the health of pregnant women and enhance the health and development of young children;
 - Aboriginal communities were engaged in a pilot project aimed at preventing Aboriginal youth suicide;
 - The *Policy Framework for Services for Children and Youth with Special and Complex Needs and their Families*, was implemented to enhance cross-ministry coordination of services; and

- A provincial inventory of Fetal Alcohol Spectrum Disorder supports and services was completed.
- Barriers to appropriate use of health services by low-income Albertans were identified as part of a cross-ministry initiative for improving access to programs and services.

Provide leadership in federal/provincial/territorial and other collaborative, cross-jurisdictional engagements pertaining to health and health care

- Alberta provided leadership for the Pan-Canadian Health Technology Strategy.
- In meeting the commitments of the February 2003 First Ministers Accord, Alberta and other provinces and territories developed a consensus proposal for home care that is achievable and realistic within federal funding commitments.
- The executive leadership teams of Alberta Health and Wellness and the British Columbia Ministry of Health Services held regional meetings and discussed collaboration on joint health initiatives. Joint work can contribute to efficiencies for both ministries.



Key Performance Measures and Results

MEASURE 4.A

Quality of service provided by registry and client information service

Customer Services and Registration Branch is a primary link between the public and the Alberta Health Care Insurance Plan. This branch responds to inquiries about health service claims and coverage. The department is committed to the Service Excellence Framework, a cross-government initiative dedicated to providing excellent service to Albertans and all other clients of government. These results indicate Albertans who receive registry and information services from Alberta Health and Wellness continue to be satisfied with the services provided. Results from the 2003 survey are higher than the previous year, and exceed the ministry target.

Client Satisfaction Rate

	2000	2001	2002	2003	Target 2003
Client satisfaction with service provided by Registry and Client Information Services, Alberta Health and Wellness. (percentage responding satisfied or very satisfied)	86	85	82	88	85

Source: Customer Services and Registration Branch, Client Satisfaction Survey conducted by Criterion Research (June 2000; September 2001; January 2003; March 2004). The survey of 1,000 clients produces results that are accurate within three per cent 19 times out of 20.



MEASURE 4.B

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

The ministry ensures goals and behaviours of individual employees are aligned with department and government goals. There is greater opportunity for success if employees understand how their work contributes to the achievement of business goals. Most department staff (79 per cent) indicate that they have a good understanding of how their work contributes to the achievement of the ministry business plan, slightly lower than the results for 2002, and below the target value. 'Alignment' is one of the five strategic areas addressed in the Corporate Human Resource Plan that requires organizational support.

Staff Understand How Their Work Contributes to Department Success

	1999	2000	2001	2002	2003	Target 2003
Per cent of department staff who strongly or somewhat agree that they know and understand how their work contributes to the achievement of their department business plan.	85	83	95	83	79	95

Source: Government of Alberta Corporate Employee Survey (formerly called the Core Measures Survey) results for Alberta Health and Wellness; 1999 – 2003; Personnel Administration Office. Department staff (n=305) are asked whether they agree or disagree with the statement: "You know and understand how your work contributes to the achievement of your department business plan." Survey results are accurate within five per cent 19 times out of 20. The Corporate Employee Survey is conducted each year by the Personnel Administration Office of the Government of Alberta.



MEASURE 4.C

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

The ministry must work with various government departments in order to achieve its goals and the goals of government in general. Results from December 2003 show a very high level of satisfaction with the cross-ministry work of the department, somewhat higher than results obtained in 2002, and above the 2003 target. We continue to place a high priority on our work with other government departments.

Satisfaction with Ministry Contribution to Cross-Government Initiatives

	2001	2002	2003	Target 2003
Percentage of surveyed staff who were satisfied or very satisfied with department contribution.	86	83	90	86

Source: Alberta Health and Wellness survey (annual) "Satisfaction of Other Ministries with Alberta Health and Wellness' Contribution to Cross-ministry Initiatives." (December 2001; 2002; 2003).

A total of 60 persons responded to the survey, a response rate of 95 per cent.



Integrated Results Analysis

The ministry's annual report is a summary of the most significant activities of the ministry over the past year. It serves as a high level report on the provincial health system's performance. The report is structured according to the four goals of the 2003-2006 ministry business plan.

The 2003/2004 fiscal year was characterized by major organizational changes in the health system. The number of regional health authorities was reduced from 17 to nine and the geographic boundaries of those regions were changed to provide opportunities for greater service integration and efficiency. The responsibility for the delivery of mental health services was transferred from the Alberta Mental Health Board to the nine regions in an effort to promote integration of mental health services with other health services and to provide stronger linkage and continuity among all health services.

Through active collaboration with other government ministries, Alberta Health and Wellness provided leadership in the development of initiatives designed to improve the overall performance and sustainability of the health system. The cross-ministry initiatives have set the stage for the rejuvenation and renewal of the health system.

GOAL 1

The first goal focuses on sustaining and improving the delivery of accessible, effective, quality health services to Albertans who need them. An eight-year tri-lateral agreement was established which binds the Alberta Medical Association, regional health authorities and Alberta Health and Wellness in the pursuit

of common goals. In the past year wait times have become shorter for heart surgery, and fewer people are waiting for placement in a continuing care facility. A web-based waitlist registry was developed that provides Albertans with information on wait times for joint replacement, heart surgery, cancer therapy and MRI. Health Link Alberta, a 24-hour telephone information service, was extended province-wide and two new websites were established that provide Albertans with an online library of health topics developed by Alberta clinical experts and a database of health and community services to aid Albertans in finding health services in their community.

GOAL 2

Improving the health and wellness of Albertans through protection, promotion and prevention strategies is the focus of Goal 2. The *Framework for a Healthy Alberta* was implemented in order to set out health objectives and targets in key areas of health. The Alberta Diabetes Strategy was introduced to provide financial assistance for diabetes monitoring supplies for eligible low-income Albertans. A *Mobile Diabetes Screening Initiative* was implemented for Aboriginal people living off reserve. A contingency plan for a potential influenza pandemic was completed and was used as a template for Alberta's SARS response.

The survey results of the past year for self-reported health status show that the majority of Albertans (88 per cent) believe their health is excellent, very good, or good. Mortality rates for injury and suicide have remained stable at 49 per 100,000. The target of 75 per cent for the influenza vaccination of seniors has not been fully achieved.



Breast cancer screening rates have increased steadily since 1997 (63 per cent) to 74 per cent in 2003, very close to the 75 per cent target. Results of Statistics Canada's 2003 Canadian Community Health Survey show that 77 per cent of Albertans do not smoke. That is five per cent above previous levels and above the target level set in past.

GOAL 3

Support for an integrated, sustainable and accountable system for health is the focus of Goal 3. As there are numerous stakeholders involved in the organizing and delivery of health services in Alberta, effective communication, accountability and information systems are essential to achieving this goal. The Health Quality Council of Alberta was established to replace the Health Services Utilization and Outcomes Commission. It will report directly to Albertans on the quality and performance of health services, identify best practices and review and monitor access, cost effectiveness, efficiency and patient safety. The Alberta Electronic Health Record, a first in Canada, allows authorized health care providers to access patient information online. The Alberta Provider Directory authenticates providers attempting to access the Electronic Health Record.

The proportion of Albertans who reported their knowledge of available health services as excellent or good stands at 64 per cent. Approximately 62 per cent of Albertans report they have easy access to the health information they require. Efforts to improve performance in this area continues.

GOAL 4

Optimizing the ministry's effectiveness is the focus of Goal 4.

Effectiveness of the ministry in achieving continuous improvement in the health system was demonstrated through a number of key initiatives. Two successful health policy forums involving health authority board members and executive leaders were held and resulted in consensus on key priorities for the health system.

The cross-ministry Health Sustainability Initiatives effectively focused on:

- a) maintaining the health of Albertans
- b) shifting the focus from facility-based to community-based services
- c) addressing health and service access for low-income Albertans and
- d) strategies to control the rising cost of pharmaceuticals.

Alberta's Internet-based Newborn Metabolic Screening technology, which received an award of excellence from the Canadian Information Productivity Award program, allows faster and more accurate identification of newborns who need treatment.

Survey results show an increase in the client satisfaction rate (88 per cent) of Albertans who receive registry and information services from the Customer Services and Registration Branch. Results from the 2003 survey are higher than the previous year, and exceed the ministry target. Seventy-nine per cent of department staff indicate they have a good understanding of how their work contributes to the fulfillment of the department business plan.

Other government ministries report high satisfaction rates (90 per cent) with the contribution of Alberta Health and Wellness to cross-ministry initiatives. Survey results show the Alberta Aids to Daily Living program received a client satisfaction rate of 94 per cent. Efforts to improve these areas continues.



Challenges and Opportunities

Substantial progress was made in the past year toward building a better public health care system.

Alberta launched a leading-edge electronic health record system and a wait list registry for surgeries and procedures. A first-time agreement among doctors, government and regional health authorities is leading to better ways to meet patient needs.

The Healthy U campaign is helping Albertans to make healthy choices and the province-wide Health Link Alberta line has responded to more than one million calls for health information and advice.

But maintaining a high quality system requires keeping pace with continually rising costs and high expectations from a growing and aging population.

Alberta, like other provinces, is faced with the challenge of delivering essential health services at a cost that exceeds all other areas of public spending. New diagnostic and treatment technologies, drugs and home care services are among the factors that drive up costs in the health care system each year.

While our health care system must respond to illness, we also must continue our efforts to build a healthier population. Many long-term strategies are in place to reduce disease and injury rates. At the same time, Albertans must assume a greater responsibility for their health and follow lifestyles that will help them stay healthy and reduce their risk of chronic disease.

A better health care system will require wise investments in lasting improvements and finding the most efficient and affordable ways to deliver health care services.



Organization with a Provincial Mandate

Alberta Alcohol and Drug Abuse Commission (AADAC)

MISSION

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

CORE BUSINESSES, GOALS AND MEASURES

Core Business 1: Information

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



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

WHAT WE DID

- AADAC released results from The Alberta Youth Experience Survey 2002. This province-wide survey of junior and senior high students provides current information on youth substance use and gambling in Alberta. The survey was developed in collaboration with Alberta Learning and other stakeholders.
- AADAC released Substance Use and Gambling in the Alberta Workplace 2002, a study replicating research conducted by AADAC in 1992. Results provide current estimates of alcohol and drug use in the workplace, as well as baseline measures of employee tobacco use and gambling.
- AADAC is a member of the Canadian Addiction Survey National Advisory Committee. The Canadian Addiction Survey supports the renewed Canadian Drug Strategy, and results will provide current information on national and provincial adult alcohol and illicit drug use.
- AADAC continued to work with the Alberta Gaming and Liquor Commission (AGLC) to deliver problem gambling intervention training for gaming vendors/operators in the province.
- AADAC introduced the Truth About Tobacco website. The site includes information on prevention, smoking cessation, and updates on the Alberta Tobacco Reduction Strategy programs and media campaigns.

PERFORMANCE MEASURE

Percentage of Albertans who are aware of AADAC services

Target (2003/2004) = 70 per cent

RATIONALE

Albertans who are aware of AADAC services are more informed about where to get information on alcohol, other drug and problem gambling prevention and treatment services.

RESULTS

Measure	Target		
	2002/2003	2003/2004	2003/2004
Percentage of Albertans who are aware of AADAC services	89	89	70*

Source: AADAC Public Opinion Survey (2003); 2004 Alberta Survey. For 2002/2003, an independent private research contractor conducted the AADAC 2003 Public Opinion Survey. Data were collected through a telephone survey of 3,000 randomly selected Albertans aged 18 years and older (response rate = 29 per cent). The margin of error is ± 1.8 per cent, 19 times out of 20. For 2003/2004, AADAC contracted the Population Research Laboratory, University of Alberta, to ask about awareness of AADAC. Data were collected through telephone interviews of 1,207 randomly selected Albertans aged 18 years and older (response rate = 38.3%). The margin of error is ± 2.8 per cent, 19 times out of 20. Respondents for both surveys were asked: "Prior to me phoning you today, were you aware of the Alberta Alcohol and Drug Abuse Commission, or AADAC?"
 *The 2003/2004 target was based on results from the AADAC Market Audit (2000) as results from the 2002/2003 survey were not available. The target for 2004/2005 has been realigned.

PERFORMANCE MEASURE

Number of visitors to AADAC websites

Target (2003/2004) = increase 5 per cent



R A T I O N A L E

Albertans visiting AADAC websites are more informed about the harms associated with substance use and problem gambling.

R E S U L T S

Measure	2002/2003	2003/2004	Target 2003/2004
Number of visitors to AADAC websites	286,455	454,724	5 per cent increase

Source: Alberta Innovation and Science (2002/2003, 2003/2004).
Distinct host statistics for AADAC websites.

D I S C U S S I O N

For 2003/2004, AADAC exceeded both performance targets for its Information Business. Eighty-nine per cent of Albertans who participated in AADAC's Public Opinion Survey indicated they were aware of AADAC. The target was 70 per cent. The number of visitors to AADAC's websites increased 58.7 per cent, exceeding the targeted five per cent increase from 2002/2003. AADAC's introduction of the Truth About Tobacco website contributed to this result.



Core Business 2: Prevention

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

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

WHAT WE DID

- AADAC continued to lead the Alberta Tobacco Reduction Strategy.
 - A multi-media tobacco reduction campaign included three television ads targeting 12- to 14-year-olds and their parents. The campaign also included prevention posters for youth and a brochure designed to help parents talk to their children about tobacco.
 - In March 2004, AADAC hosted Unfiltered—The Truth About Tobacco on Campus, a free conference for Alberta post-secondary students interested in tobacco reduction.
 - In conjunction with Alberta Learning, AADAC distributed the video *Barb Tarbox: A Life Cut Short by Tobacco* to 2,500 Alberta schools.
- As part of a comprehensive School Strategy, AADAC distributed *Leaps and Bounds*, a curriculum-aligned resource for grades 5-6, and redesigned AADAC's websites for parents and teachers.
- To support AADAC's Enhanced Services for Women, AADAC developed *The Help Kit*, a resource package for community professionals to help them better screen, intervene and refer pregnant women to treatment programs. In addition, AADAC designed a series of posters to increase awareness of the risks associated with substance use during pregnancy. *The Help Kit* and posters were released during National Addictions Awareness Week (NAAW) in November 2003.
- In partnership with Alberta Children's Services, the Alberta Medical Association and the College of Physicians and Surgeons of Alberta, AADAC supported the development and launch of a multi-media fetal alcohol spectrum disorder (FASD) prevention campaign.
- AADAC and the Brewers of Canada continued to collaborate on the Youth Alternative (YA!) project. Ten community projects were funded to reduce alcohol consumption among youth in rural areas.



- AADAC continued to contribute to the development of collaborative community strategies designed to prevent harms associated with the use of illicit drugs (e.g., methamphetamine) in a number of communities across the province.

PERFORMANCE MEASURE

Prevalence of smoking among Alberta youth

Target (2003/2004) = 16 per cent

RATIONALE

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

RESULTS

Measure (in per cent)	2000/2001	2003/2004	Target 2003/2004
Prevalence of smoking among Alberta youth	17.9	13.9	16

Source: Canadian Community Health Survey (CCHS) (2000/2001). Daily and occasional smoking combined for Albertans 12 – 19 years of age. The CCHS includes a sample of Albertans 12 years and older (n = 14, 456). The response rate at the national level is 84.7 per cent.

Canadian Community Health Survey (CCHS) (2003). Daily and occasional smoking combined for Albertans 12 – 19 years of age. The CCHS includes a sample of Albertans 12 years and older (n = 13,871). The response rate at the national level is 80.6 per cent. Excluded from CCHS sampling survey framework were residents of institutions, full-time members of the Canadian armed forces, residents of Indian Reserves and of Crownlands and residents of a few remote areas.

PERFORMANCE MEASURE

Percentage of Alberta women who consumed alcohol during pregnancy

Target (2003/2004) = 3.8 per cent

RATIONALE

Alcohol consumption during pregnancy can have long-term effects on childhood development. Offering a range of prenatal prevention programs can reduce the number of children born with life-long disabilities such as fetal alcohol spectrum disorder (FASD).

RESULTS

Measure (in per cent)	2000	2001	2002	Target 2003/2004
Self-reported alcohol consumption during pregnancy	4.0	3.9	4.0	3.8

Source: Health Surveillance, Alberta Health and Wellness (2000, 2001, 2002). Alberta's Vital Statistics, Notice of a Live or a Stillbirth (n = 36,723). Self-reported alcohol consumption during pregnancy.

DISCUSSION

In 2003/2004, the target for prevalence of smoking among Alberta youth was met, 13.9 per cent of Albertans age 12 to 19 years who participated in the Canadian Community Health Survey reported they were current smokers. Results suggest that prevention activities are having a positive influence on the prevalence of smoking by Alberta youth.

The target of 3.8 per cent of women consuming alcohol during pregnancy was not met. In 2002, four per cent of Alberta women reported alcohol consumption during pregnancy. Previous results show minor fluctuations in the proportion of women who reported alcohol consumption during pregnancy and these fluctuations may represent random error rather than actual change. Results do not measure problem use and include those who may have had a single drink during pregnancy.



Core Business 3: Treatment

AADAC offers a broad continuum of treatment services that assist Albertans to improve or recover from the harmful effects of alcohol, other drug and gambling problems. Treatment is aimed at adults, youth and their families who display significant problems. Albertans have access to basic services where they and their families live and work, with access to more specialized services on a regional and

provincial basis. Services include community-based outpatient counselling, day programs, crisis and detoxification services, short-term and long-term residential treatment, and overnight shelter. Specialized programs are available for youth, women, Aboriginal Albertans, business and industry referrals, and persons with opiate dependency or cocaine addiction.

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

WHAT WE DID

- In collaboration with the Calgary Health Region, AADAC opened the Calgary Opiate Dependency Program. This expansion promotes greater accessibility to the program, especially for clients living in southern Alberta.
- AADAC opened a satellite office in Airdrie to better meet the needs of individuals and families living in this growing community.
- AADAC's Henwood Treatment Centre initiated a pilot project for residential clients who wanted to receive treatment for their tobacco use along with treatment for their alcohol, other drug or gambling problems. AADAC sustained funding for Kick the Nic, a tobacco cessation program for youth aged 13 to 17.
- AADAC awarded 15 Young Adult Tobacco Reduction Grants to community groups for the development of innovative tobacco-related programs, policies and projects targeted at young adults 18 to 24 years old.

- AADAC continued to collaborate with regional health authorities to provide hospital-based addiction services.
- AADAC continued to provide crisis counselling and referral through the toll-free AADAC help line.

PERFORMANCE MEASURE

Percentage of clients who are satisfied with AADAC treatment services

Target (2003/2004) = 95 per cent

RATIONALE

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



RESULTS

Measure (in per cent)	2001/ 2002	2002/ 2003	2003/ 2004	Target 2003/ 2004
Percentage of clients who are satisfied with AADAC treatment services	95	95	96	95

Source: AADAC Treatment Follow-up Survey database. Client satisfaction was assessed from two sources. Results from both sources were combined and weighted to provide total client satisfaction (n = 8,460).

- (1) An independent private research contractor conducted follow-up telephone interviews with treatment clients (other than detoxification). Clients entering treatment services (excluding detoxification) were eligible for telephone interview selection. Based on annual client admissions, sample quotas were assigned to each treatment type. A random sample of 5,908 clients was telephoned three months after treatment completion. A total of 2,268 clients were interviewed and asked to rate their level of satisfaction with services received (response rate = 38.4 per cent). The margin of error is ± 2.0 per cent, 19 times out of 20.
- (2) Client satisfaction with detoxification was measured by a self-administered feedback survey given to clients at the end of service. Of the 11,453 detoxification admissions, 6,192 surveys were returned (response rate = 54.1 per cent).

PERFORMANCE MEASURE

Percentage of clients reporting they were improved following treatment

Target (2003/2004) = 93 per cent

RATIONALE

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

RESULTS

Measure (in per cent)	2001/ 2002	2002/ 2003	2003/ 2004	Target 2003/ 2004
Percentage of clients reporting they were improved following treatment	93	94	93	93

Source: AADAC Treatment Follow-up Survey database. Client improvement was assessed using the same process as in client satisfaction source (1) above. Number of clients interviewed, response rate and margin of error are as above. Clients were interviewed and asked about their level of substance use and gambling. Improvement was indicated if clients were "abstinent" or "improved" three months after treatment.

DISCUSSION

In 2003/2004, the target for client satisfaction with treatment services was exceeded; 96 per cent of clients reported they were "somewhat satisfied" or "very satisfied" with the treatment services received. The high level of satisfaction suggests treatment programs are meeting the client expectations.

In 2003/2004, the target for clients reporting improvement following treatment was met; 93 per cent of clients reported improvement three months after treatment. As treatment services achieved the intended outcome of abstinence or improved level of recovery, results suggest that treatment programs are effective.



Cross-Ministry Initiatives

- AADAC contributed to the Health Sustainability Initiative through membership on the Partnering Deputies Committee and various sub-committees. In addition, AADAC was actively involved in both the Family Violence and Mental Health Diversion Projects.
- AADAC continued as a member on the Aboriginal Policy Initiative (API) Interdepartmental Committee. In support of API, AADAC funded four new community addiction projects: Cold Lake Native Friendship Centre, Muskosagayigun Cultural Centre, Oldman River Cultural Centre and Lac La Biche Native Friendship Centre. As part of the Aboriginal Tobacco Use Strategy, AADAC approved 25 community grants to deliver prevention, education and cessation programs to Aboriginal Albertans living off reserve. An Aboriginal Guiding Circle provides advice for the strategy.
- AADAC also continued as a member on the Alberta Children and Youth Services Initiative (ACYI) Partnering Deputies Committee and the ACYI Coordinating Committee, as well as various sub-committees that support ACYI strategies.
- AADAC co-led the Alberta FASD (fetal alcohol spectrum disorder) Cross-Ministry Committee with Alberta Children's Services and, as a member of the Canada Northwest FASD Partnership, helped to organize the national FASD conference.
- AADAC supported the Economic Development Strategy as a member of the Alberta Advisory Committee on Impairment in the Workplace. In addition, AADAC operated the Business and Industry Clinic in Grande Prairie, which offers a specialized treatment program for employees with substance use problems.
- AADAC chaired the Provincial Advisory Committee on Illicit Drug Use and participated on the Solicitor General's Cross-Ministry Working Group on Methamphetamine.
- As part of a human resource development strategy, AADAC implemented a competency framework to support employee performance management and leadership continuity. In addition, the core-training curriculum offered 56 courses to AADAC staff and allied professionals to enhance professional development.



Future Challenges

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

An ongoing challenge for AADAC is to maintain quality addiction services while responding to growing service demands due to population growth, changing demographics, urbanization, cultural diversity and the availability of new technologies. In addition, issues related to addiction are complicated by concurrent conditions such as mental health concerns, fetal alcohol spectrum disorder (FASD), human immunodeficiency virus (HIV) and hepatitis. AADAC must be responsive to these changing needs and environmental influences while remaining focused on its vision, mission and core businesses.

Addictions information, prevention and treatment services play a key role in sustaining the health and wellness of individual Albertans, and of families and communities across the province. AADAC has developed a strong presence in communities across Alberta and will continue to collaborate with key stakeholders, working together to sustain effective services.



Financial Information

Ministry of Health and Wellness

Consolidated Financial Statements

March 31, 2004



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

Auditor's Report

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

Auditor's Report

To the Members of Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Health and Wellness as at March 31, 2004 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

As disclosed in Note 2, the recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. PSAB has recently revised the definition of the Government reporting entity for implementation for years commencing on or after April 1, 2005. In Note 2, management has stated when it intends to comply with PSAB's recommendations. If the regional health authorities had been included in the accompanying financial statements, I estimate that revenues, expenses, assets and liabilities would increase by approximately \$863, \$967, \$4,115 and \$3,528 million respectively.

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

Edmonton, Alberta
May 21, 2004



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 12)
Revenues (Schedule 1)			
Internal Government Transfers	\$ 196,380	\$ 196,380	\$ 104,987
Transfer from the Government of Canada	1,397,172	1,412,722	950,155
Premiums and Fees	934,459	963,529	936,750
Other Revenue	65,452	82,278	78,434
	<u>2,593,463</u>	<u>2,654,909</u>	<u>2,070,326</u>
Expenses - Directly Incurred (Note 2c and Schedules 3 and 6)			
Program			
Regional Health Services	4,112,038	4,135,550	3,850,112
Province-Wide Services	414,962	414,962	418,042
Physician Services	1,516,183	1,571,272	1,441,543
Non-Group Health Benefits	416,519	466,051	413,066
Allied Health Services	75,358	67,002	62,456
Protection, Promotion and Prevention	169,795	168,457	141,029
Human Tissue and Blood Services	130,000	122,488	115,605
Other Provincial Programs	167,475	130,348	131,527
Alberta Alcohol and Drug Abuse Commission	59,963	61,001	57,798
Health Reform	121,726	53,482	24,467
Ministry Support Services	108,927	112,931	105,813
Systems Development	16,153	15,533	24,423
	<u>7,309,099</u>	<u>7,319,077</u>	<u>6,785,881</u>
Statutory (Schedule 3)			
Valuation Adjustments			
Health Care Insurance Premium Revenue Write-Offs	41,363	46,723	50,218
Other Write-Offs	-	39	45
	<u>41,363</u>	<u>46,762</u>	<u>50,263</u>
Provision for Vacation Pay	-	532	635
	<u>41,363</u>	<u>47,294</u>	<u>50,898</u>
	<u>7,350,462</u>	<u>7,366,371</u>	<u>6,836,779</u>
Net Operating Results	<u>\$ (4,756,999)</u>	<u>\$ (4,711,462)</u>	<u>\$ (4,766,453)</u>

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2004
(in thousands)

	<u>2004</u>	<u>2003</u> (Restated - Note 12)
ASSETS		
Cash (Note 3)	\$ 28,016	\$ 23,208
Accounts Receivable, Loans and Advances (Note 4)	161,873	146,957
Consumable Inventory	5,578	5,636
Tangible Capital Assets (Note 5)	57,318	50,727
	<u>\$ 252,785</u>	<u>\$ 226,528</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 379,582	\$ 412,805
Unearned Revenue (Note 7)	291,279	91,029
	<u>670,861</u>	<u>503,834</u>
NET LIABILITIES		
Net Liabilities at Beginning of Year	(277,306)	(324,499)
Net Operating Results	(4,711,462)	(4,766,453)
Net Transfer from General Revenues	4,570,692	4,813,646
Net Liabilities at End of Year	<u>(418,076)</u>	<u>(277,306)</u>
	<u>\$ 252,785</u>	<u>\$ 226,528</u>

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

	2004	2003
		(Restated - Note 12)
Operating Transactions		
Net Operating Results	\$ (4,711,462)	\$ (4,766,453)
Non-cash items:		
Amortization of Tangible Capital Assets	6,552	2,007
Inventory Consumed	24,206	-
Health Care Insurance Premium Revenue Write-offs	46,723	50,218
Other Write-Offs	39	45
Provision for Vacation Pay	532	635
	(4,633,410)	(4,713,548)
(Increase) in Accounts Receivable and Inventory	(61,968)	(68,075)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(33,755)	41,630
Increase (Decrease) in Unearned Revenue	200,250	(42,258)
Cash (Applied to) Operating Transactions	(4,528,883)	(4,782,251)
Capital Transactions		
Acquisition of Tangible Capital Assets	(13,243)	(16,686)
Acquisition of Consumable Inventory	(24,003)	-
Transfer of Tangible Capital Assets	100	-
Cash (applied to) Capital Transactions	(37,146)	(16,686)
Investing Transactions		
Loans and advances	-	(149)
Repayment of Loans and advances	145	-
Cash Provided (applied to) by Investing Transactions	145	(149)
Financing Transactions		
Net Transfer from General Revenues	4,570,692	4,813,646
Increase in Cash	4,808	14,560
Cash, Beginning of Year	23,208	8,648
Cash, End of Year	\$ 28,016	\$ 23,208

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



MINISTRY OF HEALTH AND WELLNESS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2004

Note 1 Authority and Purpose

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

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

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

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) **Reporting Entity**

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



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

(a) Reporting Entity (continued)

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

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

The accounts of Regional Health Authorities, the Alberta Cancer Board, and the Alberta Mental Health Board are not included in these consolidated financial statements as these accountable organizations are not considered to be part of the Ministry pursuant to section 1(1)(g) of the *Government Accountability Act*.

Details on balances and transactions with these entities are disclosed in Notes 4 and 6 and Schedule 6 to the financial statements.

PSAB has released new guidance that controlled entities are to be included and how they are to be included effective April 1, 2005. This may affect how the Ministry reports accountable organizations such as the Regional Health Authorities, the Alberta Cancer Board and the Alberta Mental Health Board depending on whether control exists. The Ministry has agreed in principle to include the financial statements of these entities commencing from fiscal year beginning April 1, 2006, if it is determined that control exists.

(b) Basis of Consolidation

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

(c) Basis of Financial Reporting

(i) Revenues

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

(ii) Internal Government Transfers

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



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

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

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

(iv) ExpensesDirectly Incurred

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

Directly incurred expenses include:

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

Incurred by Others

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



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

(c) Basis of Financial Reporting (continued)

(v) Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as cash and consumable inventories. Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. Amortization is only charged if the asset is in use. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000 for the Department and \$5,000 for Alberta Alcohol and Drug Abuse Commission. All land is capitalized.

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

(vi) Liabilities

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

(vii) Net Liabilities

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

(viii) Valuation of Financial Assets and Liabilities

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

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



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

(c) Basis of Financial Reporting (continued)

(ix) Payments under Reciprocal and Other Agreements

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

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

Amounts paid and recovered under these agreements are disclosed in Note 10.

**(x) Measurement Uncertainty
(in thousands)**

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount.

The allowance for doubtful accounts, amounting to \$124,269 (2003 - \$111,105) is subject to measurement uncertainty.

The allowance for doubtful accounts, in the amount of \$124,269 (2003 - \$111,105) as reported in Note 4 to these consolidated financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2004 and past collection patterns. The actual amount collected could vary from that estimated.

**Note 3 Cash
(in thousands)**

The cash balance consists of the following:

	2004	2003
Department of Health and Wellness		
Bank Account	\$ 18,322	\$ 13,480
Alberta Alcohol and Drug Abuse Commission		
Consolidated Cash Investment Trust Fund	9,684	9,718
Accountable Advances	10	10
	\$ 28,016	\$ 23,208



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

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizeable Value	Net Realizeable Value
Accounts Receivable	\$ 282,384	\$ 124,269	\$ 158,115	\$ 144,712
Amounts due from Health Authorities and Provincial Boards	48	-	48	11
Refunds Receivable	3,706	-	3,706	2,085
Loans and Advances	4	-	4	149
	<u>\$ 286,142</u>	<u>\$ 124,269</u>	<u>\$ 161,873</u>	<u>\$ 146,957</u>

Accounts receivables are unsecured.

Note 5 Tangible Capital Assets
(in thousands)

	Estimated Useful Life	2004		2003	
		Cost	Accumulated Amortization	Net Book Value	Net Book Value
Systems development Work in progress					
Wellnet projects		\$ 4,258	\$ -	\$ 4,258	\$ 39,165
Others		3,116	-	3,116	4,927
		<u>7,374</u>	<u>-</u>	<u>7,374</u>	<u>44,092</u>
Computer hardware and software	3-10 years	67,114	17,331	49,783	6,485
Equipment	10 years	293	132	161	150
		<u>67,407</u>	<u>17,463</u>	<u>49,944</u>	<u>6,635</u>
		<u>\$ 74,781</u>	<u>\$ 17,463</u>	<u>\$ 57,318</u>	<u>\$ 50,727</u>

Note 6 Accounts Payable and Accrued Liabilities
(in thousands)

	2004	2003
Accounts payable	\$ 113,128	\$ 193,826
Accrued liabilities	223,854	153,504
Amounts due to Health Authorities and Provincial Boards	34,509	57,916
Accrued vacation pay	8,091	7,559
	<u>\$ 379,582</u>	<u>\$ 412,805</u>



Note 7 Unearned Revenue
(in thousands)

	<u>2004</u>	<u>2003</u>
Changes in unearned revenues are as follows:		
Restricted Cash received during the year:		
Health Care Insurance Premiums	\$ 30,447	\$ 29,742
Health Services for Persons with Hepatitis C	1,013	921
Third Party Recoveries	11	3
Health Canada - Canada Health and Social Transfer	248,298	-
Institution Fees	30	30
	<u>279,799</u>	<u>30,696</u>
Less amounts recognized as revenue in the year	<u>(79,549)</u>	<u>(72,954)</u>
(Decrease) increase during the year	200,250	(42,258)
Balance at beginning of year	<u>91,029</u>	<u>133,287</u>
Balance at end of year	<u>\$ 291,279</u>	<u>\$ 91,029</u>
Balances at end of year are comprised of:		
Health Canada - Canada Health and Social Transfer	\$ 248,298	\$ 49,774
Health Care Insurance Premiums	30,447	29,742
Health Services for Persons with Hepatitis C	12,493	11,480
Third party recoveries	11	3
Institution Fees	30	30
	<u>\$ 291,279</u>	<u>\$ 91,029</u>

Note 8 Commitments
(in thousands)

At March 31, 2004, the Ministry has the following commitments:

	<u>2004</u>	<u>2003</u>
Specific programs commitments ^(a)	\$ 3,533,251	\$ 526,917
Service contracts	59,475	40,724
Equipment leases ^(b)	<u>307</u>	<u>331</u>
	<u>\$ 3,593,033</u>	<u>\$ 567,972</u>

^(a) Included in 2004 specific programs commitments is an amount of \$2,787,773 (2003 - nil) for the provision of insured medical services by physicians under the agreement signed with the Alberta Medical Association.



Note 8 Commitments (continued)
(in thousands)

(b) The Ministry leases certain equipment under operating leases that expire on various dates. The aggregate amounts payable for the unexpired terms of these leases are as follows:

Year	2004	2003
2004	\$ -	\$ 143
2005	145	110
2006	91	57
2007	51	21
2008	20	-
	\$ 307	\$ 331

Canadian Blood Services

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

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

During the year, payments to CBS amounted to \$122,488 (2003 - \$115,536). Budgeted expenditure for the 2005 fiscal year is estimated at \$137,000.

Note 9 Contingencies and Equity Agreements with Voluntary Hospital Owners

Hepatitis C

At March 31, 2004, the Ministry was named as defendant in forty-one specific legal actions (2003 - forty-nine specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in thirty specific legal actions approximates \$555 million (2003 - thirty-five specific legal actions approximates \$563 million). For the other eleven claims, no specified amount has yet been claimed (2003 - fourteen claims have no specified amount); the amount of these claims will be determined at trial. Forty of these claims (2003 - forty-seven claims) are covered by the Alberta Risk Management Fund with \$81 million specified for twenty-nine claims (2003 - \$89 million for thirty-four claims). Potential liability for these claims is shared by the Canadian Red Cross Society and the federal government. The resulting loss, if any, from these claims cannot be determined.



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

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of \$1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at \$30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Ministry made a provision in 1999-2000 for its portion of the Hepatitis C assistance. At March 31, 2004 the unpaid balance of the Ministry's commitment to the financial assistance package was \$13,721,265 (2003 - \$17,942,000).

Equity Agreements with Voluntary Hospital Owners

The Ministry has a contingent liability for buy-out of equity under Equity Agreements entered into between the Ministry and Voluntary Hospital Owners. The Ministry's payout liability is contingent upon termination of the equity agreements and transfer of the hospital assets to the Province. At March 31, 2004, the contingent payout liability upon termination is estimated at \$18.9 million (2003 - \$21 million).

Notifications to terminate certain equity agreements have been received by the Ministry. In 2003 - 2004, the Ministry expensed \$1.7 million (2003 - \$8.2 million) representing the equity of the Voluntary Hospital Owners. In turn, the Voluntary Hospital Owners transferred hospital assets to the Crown, as represented by the Minister of Health and Wellness. The Crown, as represented by the Minister of Infrastructure, then transferred the hospital assets to regional health authorities under lease agreements. The regional health authorities will record the hospital assets at their net book value.

Other

At March 31, 2004, the Ministry was named as defendant in twenty other legal actions (2003 – twenty-two legal actions). Twenty of these claims have specified amounts totaling \$25 million (2003 – twenty-one claims with a specified amount of \$35.8 million). Included in the total legal actions are eighteen claims amounting to \$24 million (2003 – nineteen claims amounting to \$34.8 million) in which the Ministry has been jointly named with other entities. Sixteen claims amounting to \$21.4 million (2003 – fifteen claims amounting to \$21.3 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

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

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



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

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

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

	2004					2003	
	Western Health Information Collaborative	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total	
Opening receivable (payable) balance	\$ 57	\$ 28,175	\$ (19)	\$ 2,086	\$ 30,299	\$ 24,739	
Add: Payments made during the year	152	130,131	-	3,956	134,239	131,938	
	209	158,306	(19)	6,042	164,538	\$ 156,677	
Less: Collections received during the year	209	134,757	-	2,335	137,301	126,378	
Closing receivable (payable) balance	\$ -	\$ 23,549	\$ (19)	\$ 3,707	\$ 27,237	\$ 30,299	

Note 11 Defined Benefits plan
(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$4,975 for the year ended March 31, 2004 (2003 - \$3,838).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of \$290,014 (2002 – deficiency \$301,968) and the Public Service Pension Plan reported actuarial deficiency of \$596,213 (2002 – actuarial deficiency \$175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$9,312 (2002 –\$6,472).



Note 11 Defined Benefits plan (continued)
(in thousands)

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of \$9,766 (2003 - \$14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$1,298 (2003 - actuarial deficiency of \$3,053). The expense for these two plans is limited to employer's annual contributions for the year.

Note 12 Comparative Figures
(in thousands)

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

In 2003/2004, programs were transferred to other ministries. As a result, comparatives have been restated as if the Ministry had always been assigned its current responsibilities.

	Revenues	Expenses	Net Operating Results	Net Transfers from General Revenues
As previously reported at March 31, 2003	\$ 2,072,826	\$ 6,841,258	\$ (4,768,432)	\$ 4,815,625
Transfers to Department of Innovation and Science Public Affairs Bureau	(2,500)	(2,500) (1,979)	1,979	(1,979)
Amounts restated at March 31, 2003	<u>\$ 2,070,326</u>	<u>\$ 6,836,779</u>	<u>\$ (4,766,453)</u>	<u>\$ 4,813,646</u>

Note 13 Approval of Financial Statements

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



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 12)
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 196,380	\$ 196,380	\$ 104,987
	<u>196,380</u>	<u>196,380</u>	<u>104,987</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	1,112,809	1,136,440	931,106
Canada Health and Social Transfer - 2003 Supplement	99,200	99,169	-
Health Reform Fund	99,200	99,676	-
Diagnostic/Medical Equipment Fund	49,600	49,584	-
Other	36,363	27,853	19,049
	<u>1,397,172</u>	<u>1,412,722</u>	<u>950,155</u>
Fees:			
Health care insurance:			
Premiums before premium assistance	895,455	1,058,043	1,032,117
Less:			
Premium assistance under legislation	-	(135,820)	(133,078)
	<u>895,455</u>	<u>922,223</u>	<u>899,039</u>
Add:			
Penalties	16,856	17,398	14,440
Interest and miscellaneous	459	168	396
	<u>912,770</u>	<u>939,789</u>	<u>913,875</u>
Health care insurance premiums, penalties and interest			
Blue Cross:			
Premiums before premium assistance	20,000	24,174	23,528
Less premium assistance	-	(1,978)	(2,210)
	<u>20,000</u>	<u>22,196</u>	<u>21,318</u>
Blue Cross premiums			
Total premiums	932,770	961,985	935,193
Other	1,689	1,544	1,557
	<u>934,459</u>	<u>963,529</u>	<u>936,750</u>
Other revenue:			
Third party recoveries	62,333	62,970	58,874
Miscellaneous:			
Previous years' refunds of expenditure	1,400	7,850	15,846
Other	1,719	11,458	3,714
	<u>65,452</u>	<u>82,278</u>	<u>78,434</u>
Total revenues	<u>\$ 2,593,463</u>	<u>\$ 2,654,909</u>	<u>\$ 2,070,326</u>



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall)/ Excess
Health Care Insurance Premiums ^(b)	\$ 922,921	\$ 939,789	\$ 16,868
Non-Group Drug Benefits ^(c)	22,032	22,196	164
Primary Health Care Initiative ^(d)	26,187	24,009	(2,178)
Health Services for Persons with Hepatitis C ^(e)	8,500	1,687	(6,813)
Alberta Telehealth Initiative ^(f)	1,050	900	(150)
Multi-Jurisdictional Health Lines ^(g)	140	81	(59)
Infoway Pharmaceutical Information Network ^(h)	6,350	4,852	(1,498)
Statistical Information ⁽ⁱ⁾	200	66	(134)
Government Sponsored Drug Plans ^(j)	700	729	29
Chronic Disease Management Infostructure ^(k)	500	408	(92)
Infoway Provider Registry Project ^(l)	500	-	(500)
Diabetes Surveillance ^(m)	60	60	-
Reporting Adverse Reactions to Blood Products ⁽ⁿ⁾	100	92	(8)
	<u>\$ 989,240</u>	<u>\$ 994,869</u>	<u>\$ 5,629</u>

^(a) Revenues from dedicated revenue initiatives are included in the Ministry's revenues in the Statement of Operations.

^(b) Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income. Expenses associated with this initiative are included in the Statement of Operations under the Physician Services expense classification.

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

^(d) Health Canada is providing funding to support primary health care initiatives that will be undertaken by the province. Total funding of \$54.7 million will be provided for this initiative and will be used in the areas of proposal development, Health Link implementation, capacity-building fund and administration. Expenses associated with this initiative are included in the Statement of Operations under the Other Provincial Programs expense classification.

^(e) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C (HCV) virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. Expenses associated with this initiative are included in the Statement of Operations under the Other Provincial Programs expense classification.

^(f) The Alberta Telehealth Initiative commenced in 1999, when a donor pledged \$14 million and Alberta Health and Wellness dedicated \$7 million to the A.H.A. Hospitala Funding Foundation to assist the Health Authorities purchase and set-up of tele-video conferencing equipment. The core services that make up this initiative include the following: MCU Bridge Services, Scheduling Services, Standards Development, Evaluation and Business Plan Development. Expenses associated with this initiative are included in the Statement of Operations under the Systems Development and Ministry Support Services expense classification.



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

- (g) A collaborative effort among the western provinces and territories is being undertaken to develop a long-term vision of strengthened infrastructure to support and further develop Health Lines across Canada. Health Lines are emerging as part of a new model for access to and delivery of high quality health services. Health Lines offer the potential to significantly alter the way consumers access and use health services, as well as the manner in which providers deliver health services. Expenses associated with this initiative are included in the Statement of Operations under the Health Reform expense classification.
- (h) The Pharmacy Information Network (PIN) currently focuses on supporting the community drug process. A release of PIN was deployed in a successful pilot in 2002. An enhanced release was subsequently implemented into production to a number of sites throughout the province. The next release of PIN supports both browser access and system-to-system messaging access. This release is ready for province-wide implementation. PIN is a critical component of the Alberta Electronic Health Record (EHR) and is being implemented as part of the initial release of the Alberta EHR. Expenses associated with this initiative are included as Capital Investment.
- (i) The ministry provides statistical information and reports to third party researchers and institutions. The revenue received is used to offset the costs to the department. The expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (j) For new drugs to be considered for inclusion on the ministry's Drug Benefit List, they must first receive approval from Health Canada for sale in Canada. Once approved, the drug is reviewed by the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics. Discussions between Alberta Health and Wellness and a drug manufacturer are held to ensure the drug is used as intended. An agreement may be entered into with the drug manufacturer to fund specific studies or programs that contribute to the cost-effective use of medications provided through government sponsored drug plans. The funds are used by the ministry to conduct these studies and administer the programs. Expenses associated with this initiative are included in the Statement of Operations under the Non-Group Health Benefits expense classification.
- (k) This initiative will include the creation of standards for chronic disease data including minimum data sets, information interchange messages and related data definitions, and the capacity to share this data in support of clinical decision making for the primary health care team. It will also include system solutions that integrate this data with existing clinical decision support tools and within existing care delivery models. It will also include the processes necessary to implement this system and ensure its ongoing use within the primary health care teams. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (l) The current Provider Registry System was developed under the direction of the Western Health Information Collaborative (WHIC) and has been implemented by the four Western Canadian provincial partners of WHIC. Alberta has chosen to name the product Alberta Provider Registry. The Infoway Provider Registry Project implements an enhanced version of the Provider Registry System in the province of Alberta over three releases and will implement the Provider Registry System usage into two Health Authorities and four Colleges. Work on this project was delayed and no costs were incurred during the 2003/2004 fiscal year. The project is expected to proceed in 2004/2005.
- (m) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The ministry will use this funding to enhance its capacity for public health surveillance in the area of diabetes and its complications. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (n) Health Canada is providing funding to assist provinces in reporting of adverse reactions to blood products. Health Canada has developed a data collection mechanism and is providing the funds to implement this system. The ministry will use this funding to initiate a consultation process to determine the relevancy of the information, the format the information will be stored and the feasibility of obtaining information to adequately address adverse event reporting requirements. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.



Schedule 3

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 12)
Voted:			
Grants	\$ 7,067,269	\$ 7,095,416	\$ 6,587,422
Supplies and Services	138,682	109,457	122,221
Salaries, Wages and Employee Benefits	81,127	83,287	74,082
Amortization of Capital Assets	6,132	6,552	2,007
Inventory Consumed	15,750	24,206	-
Other	139	159	149
Total Voted Expenses	\$ 7,309,099	\$ 7,319,077	\$ 6,785,881

Statutory:

Valuation Adjustments

Health Care Insurance Premium Revenue

Write-offs	\$ 41,363	\$ 46,723	\$ 50,218
Other Write-offs	-	39	45
Provision for Vacation Pay	-	532	635
	\$ 41,363	\$ 47,294	\$ 50,898



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2003-2004 Budget	Authorized Supplementary ^(a)	2003-2004 Authorized Budget
Revenues:			
Internal Government Transfers	\$ 196,380	\$ -	\$ 196,380
Transfer from Government of Canada	1,397,172	640	1,397,812
Premiums and Fees	934,459	12,183	946,642
Other Revenue	65,452	9,847	75,299
	<u>2,593,463</u>	<u>22,670</u>	<u>2,616,133</u>
Expenses - Directly Incurred:			
Program			
Regional Health Services	4,112,038	1,000	4,113,038
Province-Wide Services	414,962	-	414,962
Physician Services	1,516,183	-	1,516,183
Non-Group Health Benefits	416,519	15,700	432,219
Allied Health Services	75,358	-	75,358
Protection, Promotion and Prevention	169,795	4,000	173,795
Human Tissue and Blood Services	130,000	-	130,000
Other Provincial Programs	167,475	6,300	173,775
Alberta Alcohol and Drug Abuse Commission	59,963	1,280	61,243
Health Reform	121,726	140	121,866
Ministry Support Services	108,927	1,000	109,927
Systems Development	16,153	450	16,603
	<u>7,309,099</u>	<u>29,870</u>	<u>7,338,969</u>
Statutory Expenses			
Valuation Adjustments			
Health Care Insurance Premiums Revenue Write-Offs	41,363	-	41,363
Provision for Vacation Pay	-	-	-
	<u>41,363</u>	<u>-</u>	<u>41,363</u>
Total Expense	<u>7,350,462</u>	<u>29,870</u>	<u>7,380,332</u>
Net Operating Results	<u>\$ (4,756,999)</u>	<u>\$ (7,200)</u>	<u>\$ (4,764,199)</u>
Equipment / Inventory Purchases	<u>\$ 36,930</u>	<u>\$ (7,350)</u>	<u>\$ 29,580</u>
Capital Investment	<u>\$ -</u>	<u>\$ 6,350</u>	<u>\$ 6,350</u>

(a)

Supplementary Estimates (2) was approved on March 11, 2004. Treasury Board, pursuant to section 24 (2) of the Financial Administration Act, approved on December 9, 2003, January 27, 2004 and February 11, 2004 increases in operating expenses, equipment / inventory purchases and capital investment votes under Regional Health Authorities, Non-Group Health Benefits, Protection, Promotion and Prevention, Other Provincial Programs, Health Reform and Systems Development, Alberta Alcohol and Drug Abuse Commission, and dedicated revenue for Health Care Insurance Premiums, Blue Cross Non-Group Premiums and Transfers from the Government of Canada and other revenue.



Schedule 5

MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2004
 (in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded in the Consolidated Statement of Operations and Financial Position at the amount of consideration agreed upon between the related parties.

	2004	2003
Revenue - Internal Government Transfers	\$ 196,830	\$ 104,987
Expenses - Directly Incurred:		
Other Services	\$ 25,837	\$ 25,412
Capital Assets Transferred	\$ 100	\$ -
Payable to	(624)	(62)

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

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

	2004	2003
Expenses - Incurred by Others:		
Accommodation	\$ 11,827	\$ 10,435
Other Services	1,296	1,262
	\$ 13,123	\$ 11,697



MINISTRY OF HEALTH AND WELLNESS
CONSOLIDATED SCHEDULE OF ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

Program	2004										2003																																																																																																																																																																																							
	Expenses - Incurred by Others					Valuation Adjustments ⁽⁴⁾					Total	(Restated - Note 12)																																																																																																																																																																																						
	Expenses ⁽¹⁾	Accommodation Costs ⁽²⁾	Legal Services ⁽³⁾	Vacation Pay	Health Care Insurance Premiums Revenue Write-Offs	Other Write-Offs	Total	Total	Total																																																																																																																																																																																									
Funding to Health Authorities and Provincial Boards for:													Regional Health Services	\$ 4,135,550	\$ 95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,135,645	\$ 3,850,203	Province-Wide Services	414,962	-	-	-	-	-	-	-	-	-	414,962	418,042	Physician Services	1,571,272	-	-	-	-	-	-	-	-	-	1,571,272	1,441,543	Non-Group Health Benefits	466,051	-	-	-	-	-	-	-	-	-	466,051	413,066	Allied Health Services	67,002	-	-	-	-	-	-	-	-	-	67,002	62,456	Protection, Promotion, and Prevention	168,457	571	-	-	-	-	-	-	-	-	169,028	141,595	Human Tissue and Blood Services	122,488	-	-	-	-	-	-	-	-	-	122,488	115,605	Other Provincial Programs	130,348	51	-	-	-	-	-	-	-	-	130,399	131,625	Alberta Alcohol and Drug Abuse Commission	61,001	7,046	24	251	-	-	-	-	39	-	68,361	64,417	Health Reform	53,482	-	-	-	-	-	-	-	-	-	53,482	24,467	Ministry Support Services	112,931	3,808	1,235	281	-	-	-	-	-	-	118,255	110,525	Systems Development	15,533	256	37	-	-	-	-	-	-	-	15,826	24,714	Health Care Insurance Premiums Revenue Write-Offs ⁽⁵⁾	-	-	-	-	46,723	-	-	-	-	-	46,723	50,218		\$ 7,319,077	\$ 11,827	\$ 1,296	\$ 532	\$ 46,723	\$ 39	\$ 7,379,494	\$ 6,848,476				
Regional Health Services	\$ 4,135,550	\$ 95	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,135,645	\$ 3,850,203																																																																																																																																																																																						
Province-Wide Services	414,962	-	-	-	-	-	-	-	-	-	414,962	418,042																																																																																																																																																																																						
Physician Services	1,571,272	-	-	-	-	-	-	-	-	-	1,571,272	1,441,543																																																																																																																																																																																						
Non-Group Health Benefits	466,051	-	-	-	-	-	-	-	-	-	466,051	413,066																																																																																																																																																																																						
Allied Health Services	67,002	-	-	-	-	-	-	-	-	-	67,002	62,456																																																																																																																																																																																						
Protection, Promotion, and Prevention	168,457	571	-	-	-	-	-	-	-	-	169,028	141,595																																																																																																																																																																																						
Human Tissue and Blood Services	122,488	-	-	-	-	-	-	-	-	-	122,488	115,605																																																																																																																																																																																						
Other Provincial Programs	130,348	51	-	-	-	-	-	-	-	-	130,399	131,625																																																																																																																																																																																						
Alberta Alcohol and Drug Abuse Commission	61,001	7,046	24	251	-	-	-	-	39	-	68,361	64,417																																																																																																																																																																																						
Health Reform	53,482	-	-	-	-	-	-	-	-	-	53,482	24,467																																																																																																																																																																																						
Ministry Support Services	112,931	3,808	1,235	281	-	-	-	-	-	-	118,255	110,525																																																																																																																																																																																						
Systems Development	15,533	256	37	-	-	-	-	-	-	-	15,826	24,714																																																																																																																																																																																						
Health Care Insurance Premiums Revenue Write-Offs ⁽⁵⁾	-	-	-	-	46,723	-	-	-	-	-	46,723	50,218																																																																																																																																																																																						
	\$ 7,319,077	\$ 11,827	\$ 1,296	\$ 532	\$ 46,723	\$ 39	\$ 7,379,494	\$ 6,848,476																																																																																																																																																																																										

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

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

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

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

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





Department of Health and Wellness

Financial Statements

March 31, 2004



DEPARTMENT OF HEALTH AND WELLNESS

FINANCIAL STATEMENTS

MARCH 31, 2004

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flow

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Dedicated Revenue Initiatives

Schedule 3 - Expenses Directly Incurred Detailed by Object

Schedule 4 - Budget

Schedule 5 - Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases and Capital Investment by Element to Authorized Budget

Schedule 6 - Salaries and Benefits

Schedule 7 - Related Party Transactions

Schedule 8 - Allocated Costs



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

Auditor's Report

To the Minister of Health and Wellness

I have audited the statement of financial position of the Department of Health and Wellness as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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

Edmonton, Alberta
May 21, 2004



DEPARTMENT OF HEALTH AND WELLNESS
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 11)
Revenues (Schedule 1)			
Internal Government Transfers	\$ 196,380	\$ 196,380	\$ 104,987
Transfer from the Government of Canada	1,397,172	1,412,722	950,155
Premiums and Fees	932,821	962,038	935,238
Other Revenue	64,982	80,364	76,755
	<u>2,591,355</u>	<u>2,651,504</u>	<u>2,067,135</u>
Expenses - Directly Incurred (Note 2b (iv) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	120,913	124,932	118,683
Health Services	7,128,223	7,133,646	6,609,900
Assistance to Alberta Alcohol and Drug Abuse Commission	57,855	57,855	55,822
	<u>7,306,991</u>	<u>7,316,433</u>	<u>6,784,405</u>
Statutory (Schedules 3 and 5)			
Valuation Adjustments			
Health Care Insurance Premium Revenue Write-Offs	41,363	46,723	50,218
Provision for Vacation Pay	-	281	286
	<u>41,363</u>	<u>47,004</u>	<u>50,504</u>
	<u>7,348,354</u>	<u>7,363,437</u>	<u>6,834,909</u>
Net Operating Results	<u>\$ (4,756,999)</u>	<u>\$ (4,711,933)</u>	<u>\$ (4,767,774)</u>

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2004

(in thousands)

	<u>2004</u>	<u>2003</u>
		(Restated - Note 11)
ASSETS		
Cash	\$ 18,324	\$ 13,483
Accounts Receivable (Note 3)	160,948	146,551
Loans and Advances	1	144
Tangible Capital Assets (Note 4)	57,027	50,448
Consumable Inventory	4,917	5,120
	<u>\$ 241,217</u>	<u>\$ 215,746</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 370,455	\$ 403,993
Unearned Revenue (Note 6)	291,249	90,999
	<u>661,704</u>	<u>494,992</u>
NET LIABILITIES		
Net Liabilities at Beginning of Year	(279,246)	(325,118)
Net Operating Results	(4,711,933)	(4,767,774)
Net Transfer from General Revenues	4,570,692	4,813,646
Net Liabilities at End of Year	<u>(420,487)</u>	<u>(279,246)</u>
	<u>\$ 241,217</u>	<u>\$ 215,746</u>

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2004

(in thousands)

	<u>2004</u>	<u>2003</u> (Restated - Note 11)
Operating Transactions		
Net Operating Results	\$ (4,711,933)	\$ (4,767,774)
Non-cash items:		
Amortization of Tangible Capital Assets	6,447	1,924
Inventory consumed	24,206	-
Health Care Insurance Premium Revenue Write-Offs	46,723	50,218
Provision for Vacation Pay	281	286
	<u>\$ (4,634,276)</u>	<u>(4,715,346)</u>
(Increase) in Accounts Receivable	(61,120)	(61,744)
(Increase) in Consumable Inventory	-	(5,120)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(33,819)	38,381
Increase (Decrease) in Unearned Revenue	200,250	(42,254)
	<u>(4,528,965)</u>	<u>(4,786,083)</u>
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 5)	(13,126)	(16,523)
Acquisition of Consumable Inventory	(24,003)	-
Transfer of Tangible Capital Assets	100	-
Cash (applied to) Capital Transactions	<u>(37,029)</u>	<u>(16,523)</u>
Investing Transactions		
Loans and advances	-	(144)
Repayment of Loans and advances	143	-
Cash Provided (applied to) by Investing Transactions	<u>143</u>	<u>(144)</u>
Financing Transactions		
Net Transfer from General Revenues	4,570,692	4,813,646
	<u>4,841</u>	<u>10,896</u>
Increase in Cash		
Cash, Beginning of Year	13,483	2,587
Cash, End of Year	<u>\$ 18,324</u>	<u>\$ 13,483</u>

The accompanying notes and schedules are part of these financial statements



DEPARTMENT OF HEALTH AND WELLNESS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2004

Note 1 Authority and Purpose

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

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

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

Note 2 Summary of Significant Accounting Policies and Reporting Practices

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

(a) Reporting Entity

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

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

Details on balances and transactions with these entities are disclosed in Notes 3 and 5 and Schedule 5 to the financial statements.

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



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

(a) Reporting Entity (continued)

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

(b) Basis of Financial Reporting

(i) Revenues

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

(ii) Internal Government Transfers

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

(iii) Dedicated Revenue

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

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

(iv) Expenses

Directly Incurred

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



Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**(b) Basis of Financial Reporting (continued)****(iv) Expenses (continued)**Directly Incurred

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

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

Incurred by Others

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

(v) Assets

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

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. Amortization is only charged if the asset is in use. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. All land is capitalized.

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

(vi) Liabilities

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



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

(b) Basis of Financial Reporting (continued)

(vii) Net Liabilities

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

(viii) Valuation of Financial Assets and Liabilities

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

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

(ix) Payments under Reciprocal and Other Agreements

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

Expenses incurred and revenue earned in the provision of services under these agreements are recorded in the records of the service providers and are not included in these financial statements. Amounts paid and recovered under these agreements are disclosed in Note 9.

(x) Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount.

The allowance for doubtful accounts amounting to \$124,157 (2003 - \$110,993) is subject to measurement uncertainty.

The allowance for doubtful accounts, in the amount of \$124,157 (2003 - \$110,993) as reported in Note 3 to these financial statements, is based on an aging analysis of the accounts receivable balance at March 31, 2004 and past collection patterns. The actual amount collected could vary from that estimated.



Note 3 Accounts Receivable
 (in thousands)

	2004			2003
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 281,350	\$ 124,157	\$ 157,193	\$ 144,455
Amounts due from Health Authorities and Provincial Boards	48	-	48	11
Refunds Receivable	3,707	-	3,707	2,085
	<u>\$ 285,105</u>	<u>\$ 124,157</u>	<u>\$ 160,948</u>	<u>\$ 146,551</u>

Accounts receivable are unsecured.

Note 4 Tangible Capital Assets
 (in thousands)

	Estimated Useful Life	2004			2003
		Cost	Accumulated Amortization	Net Book Value	Net Book Value
Systems Development					
Work-in-progress					
Wellnet Projects		\$ 4,258	\$ -	\$ 4,258	\$ 39,165
Others		3,116	-	3,116	4,927
		<u>7,374</u>	<u>-</u>	<u>7,374</u>	<u>44,092</u>
Computer Hardware and Software	3-10 years	66,585	16,971	49,614	6,309
Equipment	10 years	78	39	39	47
		<u>66,663</u>	<u>17,010</u>	<u>49,653</u>	<u>6,356</u>
		<u>\$ 74,037</u>	<u>\$ 17,010</u>	<u>\$ 57,027</u>	<u>\$ 50,448</u>



Note 5 Accounts Payable and Accrued Liabilities
(in thousands)

	<u>2004</u>	<u>2003</u>
Accounts payable	\$ 111,659	\$ 193,367
Accrued liabilities	219,551	148,255
Amounts due to Health Authorities and Provincial Boards	34,509	57,916
Accrued vacation pay	4,736	4,455
	<u>\$ 370,455</u>	<u>\$ 403,993</u>

Note 6 Unearned Revenue
(in thousands)

	<u>2004</u>	<u>2003</u>
Changes in unearned revenues are as follows:		
Restricted Cash received during the year:		
Health Care Insurance Premiums	\$ 30,447	\$ 29,742
Health Services for Persons with Hepatitis C	1,013	921
Third party recoveries	11	3
Health Canada - Canada Health and Social Transfer	248,298	-
	279,769	30,666
Less amounts recognized as revenue in the year	<u>(79,519)</u>	<u>(72,920)</u>
Increase (Decrease) during the year	200,250	(42,254)
Balance at beginning of year	<u>90,999</u>	<u>133,253</u>
Balance at end of year	<u>\$ 291,249</u>	<u>\$ 90,999</u>
Balances at end of year are comprised of:		
Health Canada - Canada Health and Social Transfer	\$ 248,298	\$ 49,774
Health Care Insurance Premiums	30,447	29,742
Health Services for Persons with Hepatitis C	12,493	11,480
Third party recoveries	11	3
	<u>\$ 291,249</u>	<u>\$ 90,999</u>



Note 7 Commitments
(in thousands)

As at March 31, 2004, the Department has the following commitments:

	2004	2003
Specific programs commitments ^(a)	\$ 3,533,251	\$ 526,917
Service contracts	58,911	37,679
	\$ 3,592,162	\$ 564,596

^(a) Included in 2004 specific programs commitments is an amount of \$2,787,773 (2003 - nil) for the provision of insured medical services by physicians under the agreement signed with the Alberta Medical Association.

Canadian Blood Services

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

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

During the year, payments to CBS amounted to \$122,488 (2003 - \$115,536). Budgeted expenditure for the 2005 fiscal year is estimated at \$137,000.

Note 8 Contingencies and Equity Agreements with Voluntary Hospital Owners

Hepatitis C

At March 31, 2004, the Department was named as defendant in forty-one specific legal actions (2003 – forty-nine specific legal actions) relating to the Hepatitis C virus affected through the Canadian blood system. The total claimed in thirty specific legal actions approximates \$555 million (2003 – thirty-five specific legal actions approximates \$563 million). For the other eleven claims, no specified amount has yet been claimed (2003 – fourteen claims have no specified amount); the amount of these claims will be determined at trial. Forty of these claims (2003 – forty-seven claims) are covered by the Alberta Risk Management Fund with \$81 million specified for twenty-nine claims (2003 - \$89 million for thirty-four claims). Potential liability for these claims is shared by the Canadian Red Cross Society and the federal government. The resulting loss, if any, from these claims cannot be determined.



Note 8 Contingencies and Equity Agreements with Voluntary Hospital Owners (continued)

Hepatitis C (continued)

Federal, provincial and territorial governments have agreed to offer financial assistance to Canadians who were affected by the Hepatitis C virus through the Canadian blood system during the period from January 1, 1986 to July 1, 1990. The financial package of \$1.1 billion is national in scope. Alberta's share of the financial assistance package is estimated at \$30 million. The details of assistance will be determined through a negotiation process submitted to the courts for approval. The Department made a provision in 1999/2000 for its portion of the Hepatitis C assistance. At March 31, 2004, the unpaid balance of the Department's commitment to the financial assistance package was \$13,721,265 (2003 - \$17,942,000).

Equity Agreements with Voluntary Hospital Owners

The Department has a contingent liability for buy-out of equity under Equity Agreements entered into between the Department and Voluntary Hospital Owners. The Department's payout liability is contingent upon termination of the equity agreements and transfer of the hospital assets to the Province. At March 31, 2004, the contingent payout liability upon termination is estimated at \$18.9 million (2003 - \$21 million).

Notifications to terminate certain equity agreements have been received by the Department. In 2003/2004, the Department expensed \$1.7 million (2003 - \$8.2 million) representing the equity of the Voluntary Hospital Owners. In turn, the Voluntary Hospital Owners transferred hospital assets to the Crown, as represented by the Minister of Health and Wellness. The Crown, as represented by the Minister of Infrastructure, then transferred the hospital assets to Regional Health Authorities under lease agreements. The Regional Health Authorities will record the hospital assets at their net book value.

Other

At March 31, 2004, the department was named as defendant in twenty other legal actions (2003 – twenty-two legal actions). Twenty of these claims have specified amounts totaling \$25 million (2003 – twenty-one claims with a specified amount of \$35.8 million). Included in the total legal actions are eighteen claims amounting to \$24 million (2003 – nineteen claims amounting to \$34.8 million) in which the Department has been jointly named with other entities. Sixteen claims amounting to \$21.4 million (2003 – fifteen claims amounting to \$21.3 million) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Payments under Reciprocal and Other Agreements
(in thousands)

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



Note 9 Payments under Reciprocal and Other Agreements (continued)
(in thousands)

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

Balances receivable from or payable to the federal government, other provincial governments and the Workers' Compensation Board are reflected in the Statement of Financial Position.

	2004					2003
	Western Health Information Collaborative	Other Provincial Government	Workers' Compensation Board	Air Ambulance	Total	Total
Opening receivable (payable) balance	\$ 57	\$ 28,175	\$ (19)	\$ 2,086	\$ 30,299	\$ 24,739
Add: Payments made during the year	152	130,131	-	3,956	134,239	131,938
	209	158,306	(19)	6,042	164,538	156,677
Less: Collections received during the year	209	134,757	-	2,335	137,301	126,378
Closing receivable (payable) balance	\$ -	\$ 23,549	\$ (19)	\$ 3,707	\$ 27,237	\$ 30,299

Note 10 Defined Benefits Plan
(in thousands)

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$3,264 for the year ended March 31, 2004 (2003 - \$2,543).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of \$290,014 (2002 - deficit \$301,968) and the Public Service Pension Plan reported an actuarial deficiency of \$596,213 (2002 - deficit \$175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$9,312 (2002 - \$6,472).



Note 10 Defined Benefits Plan (continued)
(in thousands)

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of \$ 9,766 (2003 - \$14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$1,298 (2003 – actuarial deficiency of \$3,053). The expense for these two plans is limited to employer’s annual contributions for the year.

Note 11 Comparative Figures
(in thousands)

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

In 2003/2004, programs were transferred to other ministries. As a result, comparatives have been restated as if the Department had always been assigned its current responsibilities.

	Revenue	Expenses	Net Operating Results	Net Transfers from General Revenues
As previously reported at March 31, 2003	\$ 2,069,635	\$ 6,839,388	\$ (4,769,753)	\$ 4,815,625
Transfers to Department of Innovation and Science Public Affairs Bureau	(2,500)	(2,500) (1,979)	1,979	(1,979)
Amounts restated at March 31, 2003	<u>\$ 2,067,135</u>	<u>\$ 6,834,909</u>	<u>\$ (4,767,774)</u>	<u>\$ 4,813,646</u>

Note 12 Approval of Financial Statements

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



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

	2004		2003
	Budget	Actual	Actual (Restated - Note 11)
Internal Government Transfers:			
Transfer from the Lottery Fund	\$ 196,380	\$ 196,380	\$ 104,987
	<u>196,380</u>	<u>196,380</u>	<u>104,987</u>
Transfers from the Government of Canada:			
Canada Health and Social Transfer	1,112,809	1,136,440	931,106
Canada Health and Social Transfer - 2003 Supplement	99,200	99,169	-
Health Reform Fund	99,200	99,676	-
Diagnostic/Medical Equipment Fund	49,600	49,585	-
Other	36,363	27,852	19,049
	<u>1,397,172</u>	<u>1,412,722</u>	<u>950,155</u>
Fees:			
Health care insurance:			
Premiums before premium assistance	895,455	1,058,043	1,032,117
Less:			
Premium assistance under legislation	-	(135,820)	(133,078)
	<u>895,455</u>	<u>922,223</u>	<u>899,039</u>
Add:			
Penalties	16,856	17,398	14,440
Interest and miscellaneous	459	168	396
	<u>912,770</u>	<u>939,789</u>	<u>913,875</u>
	<u>912,770</u>	<u>939,789</u>	<u>913,875</u>
Blue Cross:			
Premiums before premium assistance	20,000	24,174	23,528
Less premium assistance	-	(1,978)	(2,210)
	<u>20,000</u>	<u>22,196</u>	<u>21,318</u>
	<u>20,000</u>	<u>22,196</u>	<u>21,318</u>
Total premiums	932,770	961,985	935,193
Other	51	53	45
	<u>932,821</u>	<u>962,038</u>	<u>935,238</u>
Other revenue:			
Third party recoveries	62,333	62,971	58,874
Miscellaneous:			
Previous years' refunds of expenditure	1,400	7,850	15,846
Other	1,249	9,543	2,035
	<u>64,982</u>	<u>80,364</u>	<u>76,755</u>
	<u>64,982</u>	<u>80,364</u>	<u>76,755</u>
Total revenues	<u>\$ 2,591,355</u>	<u>\$ 2,651,504</u>	<u>\$ 2,067,135</u>



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues ^(a)	(Shortfall) / Excess
Health Care Insurance Premiums ^(b)	\$ 922,921	\$ 939,789	\$ 16,868
Non-Group Drug Benefits ^(c)	22,032	22,196	164
Primary Health Care Initiative ^(d)	26,187	24,009	(2,178)
Health Services for Persons with Hepatitis C ^(e)	8,500	1,687	(6,813)
Alberta Telehealth Initiative ^(f)	1,050	900	(150)
Multi-Jurisdictional Health Lines ^(g)	140	81	(59)
Infoway Pharmaceutical Information Network ^(h)	6,350	4,852	(1,498)
Statistical Information ⁽ⁱ⁾	200	66	(134)
Government Sponsored Drug Plans ^(j)	700	729	29
Chronic Disease Management Infostructure ^(k)	500	408	(92)
Infoway Provider Registry Project ^(l)	500	-	(500)
Diabetes Surveillance ^(m)	60	60	-
Reporting Adverse Reactions to Blood Products ⁽ⁿ⁾	100	92	(8)
	<u>\$ 989,240</u>	<u>\$ 994,869</u>	<u>\$ 5,629</u>

^(a) Revenues from dedicated revenue initiatives are included in the Department's revenues in the Statement of Operations.

^(b) Albertans contributed to the cost of health programs through Health Care Insurance Premiums. The levels of premiums paid by an individual or family are based on their ability to pay as defined by income. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

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

^(d) Health Canada is providing funding to support primary health care initiatives that will be undertaken by the province. Total funding of \$54.7 million will be provided for this initiative and will be used in the areas of proposal development, Health Link Alberta implementation, capacity-building fund and administration. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

^(e) Health Canada is providing funding to provide health services to individuals who acquired the Hepatitis C (HCV) virus from blood and blood products prior to Jan. 1, 1986 and after July 1, 1990. The funding will be used to treat the HCV infection using antiviral drug therapies, immunization and nursing care. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.

^(f) The Alberta Telehealth Initiative commenced in 1999, when a donor pledged \$14 million and Alberta Health and Wellness dedicated \$7 million to the A.H.A. Hospitala Funding Foundation to assist the Health Authorities purchase and set-up of tele-video conferencing equipment. The core services that make up this initiative include the following: MCU Bridge Services, Scheduling Services, Standards Development, Evaluation and Business Plan Development. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF DEDICATED REVENUE INITIATIVES
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

- (g) A collaborative effort among the western provinces and territories is being undertaken to develop a long-term vision of strengthened infrastructure to support and further develop Health Lines across Canada. Health Lines are emerging as part of a new model for access to and delivery of high quality health services. Health Lines offer the potential to significantly alter the way consumers access and use health services, as well as the manner in which providers deliver health services. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (h) The Pharmacy Information Network (PIN) currently focuses on supporting the community drug process. A release of PIN was deployed in a successful pilot in 2002. An enhanced release was subsequently implemented into production to a number of sites throughout the province. The next release of PIN supports both browser access and system-to-system messaging access. This release is ready for province-wide implementation. PIN is a critical component of the Alberta Electronic Health Record (EHR) and is being implemented as part of the initial release of the Alberta EHR. Expenses associated with this initiative are included as Capital Investment on Schedule 5.
- (i) The department provides statistical information and reports to third party researchers and institutions. The revenue received is used to offset the costs to the department. The expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (j) For new drugs to be considered for inclusion on the department's Drug Benefit List, they must first receive approval from Health Canada for sale in Canada. Once approved, the drug is reviewed by the Alberta Health and Wellness Expert Committee on Drug Evaluation and Therapeutics. Discussions between Alberta Health and Wellness and the drug manufacturer are held to ensure the drug is used as intended. An agreement may be entered into with the drug manufacturer to fund specific studies or programs that contribute to the cost-effective use of medications provided through government sponsored drug plans. The funds are used by the department to conduct these studies and administer the programs. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (k) This initiative will include the creation of standards for chronic disease data including minimum data sets, information interchange messages and related data definitions, and the capacity to share this data in support of clinical decision making for the primary health care team. It will also include system solutions that integrate this data with existing clinical decision support tools and within existing care delivery models. It will also include the processes necessary to implement this system and ensure its ongoing use within the primary health care teams. Expenses associated with this initiative are included in the Statement of Operations under the Health Services expense classification.
- (l) The current Provider Registry System was developed under the direction of the Western Health Information Collaborative (WHIC) and has been implemented by the four Western Canadian provincial partners of WHIC. Alberta has chosen to name the product Alberta Provider Registry. The Infoway Provider Registry Project implements an enhanced version of the Provider Registry System in the Province of Alberta over three releases and will implement the Provider Registry System usage into two health authorities and four colleges. Work on this project was delayed and no costs were incurred during the 2003/2004 fiscal year. The project is expected to proceed in 2004/2005.
- (m) Health Canada is providing funding to support the development of a National Diabetes Surveillance System. The department will use this funding to enhance its capacity for public health surveillance in the area of diabetes and its complications. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.
- (n) Health Canada is providing funding to assist provinces in reporting of adverse reactions to blood products. Health Canada has developed a data collection mechanism and is providing the funds to implement this system. The department will use this funding to initiate a consultation process to determine the relevancy of the information, the format the information will be stored and the feasibility of obtaining information to adequately address adverse event reporting requirements. Expenses associated with this initiative are included in the Statement of Operations under the Ministry Support Services expense classification.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2004
 (in thousands)

	2004		2003
	Budget (Schedule 4)	Actual	Actual (Restated - Note 11)
Voted:			
Grants	\$ 7,112,712	\$ 7,140,614	\$ 6,632,942
Supplies and Services	124,405	95,622	105,306
Salaries, Wages and Employee Benefits	47,985	49,402	44,102
Amortization of Tangible Capital Assets	6,000	6,447	1,924
Inventory consumed	15,750	24,206	-
Other	139	142	131
Total Voted Expenses	\$ 7,306,991	\$ 7,316,433	\$ 6,784,405
Statutory:			
Valuation adjustments			
Health Care Insurance Premium Revenue Write-offs	\$ 41,363	\$ 46,723	\$ 50,218
Provision for Vacation Pay	-	281	286
	\$ 41,363	\$ 47,004	\$ 50,504



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF BUDGET
FOR THE YEAR ENDED MARCH 31, 2004
(in thousands)

	2003 - 2004 Budget	Authorized Supplementary ^(a)	2003 - 2004 Authorized Budget
Revenues:			
Internal Government Transfers	\$ 196,380	\$ -	\$ 196,380
Transfer from Government of Canada	1,397,172	640	1,397,812
Premiums and Fees	932,821	12,183	945,004
Other Revenue	64,982	8,600	73,582
	<u>2,591,355</u>	<u>21,423</u>	<u>2,612,778</u>
Expenses - Directly Incurred:			
Voted Operating Expenses			
Ministry Support Services	120,913	1,000	121,913
Health Services	7,128,223	27,590	7,155,813
Alberta Alcohol and Drug Abuse Commission	57,855	-	57,855
	<u>7,306,991</u>	<u>28,590</u>	<u>7,335,581</u>
Statutory Expenses			
Valuation Adjustments			
Health Care Insurance Premiums			
Revenue Write-Offs	41,363	-	41,363
Provision for Vacation Pay	-	-	-
	<u>41,363</u>	<u>-</u>	<u>41,363</u>
Total Expense	<u>7,348,354</u>	<u>28,590</u>	<u>7,376,944</u>
Net Operating Results	<u>\$ (4,756,999)</u>	<u>\$ (7,167)</u>	<u>\$ (4,764,166)</u>
Equipment / Inventory Purchases	<u>\$ 36,800</u>	<u>\$ (7,350)</u>	<u>\$ 29,450</u>
Capital Investment	<u>\$ -</u>	<u>\$ 6,350</u>	<u>\$ 6,350</u>

^(a) Supplementary Estimates (No.2) were approved on March 11, 2004. Treasury Board, pursuant to section 24 (2) of the *Financial Administration Act*, approved on January 27, 2004 and February 11, 2004 increases in the operating expenses, equipment / inventory purchases and capital investment votes under the Ministry Support Services and Health Services programs and dedicated revenue for Health Care Insurance Premiums, Blue Cross Non-Group Premiums and Transfers from the Government of Canada and other revenue.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses - Directly Incurred, Equipment / Inventory Purchases and Capital Investment by Element to Authorized Budget
For the Year Ended March 31, 2004
(in thousands)

Voted Operating Expenses, Equipment / Inventory Purchases and Capital Investment:	Budget 2004	Authorized Supplementary ^(a)	Authorized Budget 2004	Actual 2004 ^(b)	Under (Over) Expended
Ministry Support Services					
1.0.1 Minister's Office	\$ 487	\$ -	\$ 487	\$ 416	\$ 71
1.0.2 Deputy Minister's Office	442	-	442	386	56
1.0.3 Public Communications	1,374	-	1,374	1,593	(219)
1.0.4 Strategic Planning Services	6,340	-	6,340	4,804	1,536
1.0.5 Health Information and Accountability					
- Operating Expense	47,941	1,000	48,941	52,937	(3,996)
- Equipment / Inventory Purchases	7,450	(1,000)	6,450	5,924	526
1.0.6 Population Health					
- Operating Expense	12,264	-	12,264	11,500	764
1.0.7 Workforce Services	4,483	-	4,483	5,076	(593)
1.0.8 Corporate Support Services	23,226	-	23,226	25,870	(2,644)
1.0.9 Program Services	19,022	-	19,022	18,368	654
1.0.10 Health Facilities Review Committee	560	-	560	546	14
1.0.11 Mental Health Patient Advocate's Office	348	-	348	159	189
1.0.12 Health Services Utilization and Outcomes Commission	1,400	-	1,400	1,212	188
1.0.13 Premier's Advisory Council on Health	-	-	-	-	-
1.0.14 Health Advisory and Appeal Services	2,927	-	2,927	1,977	950
1.0.15 Standing Policy Committee on Health and Community Living	99	-	99	88	11
Total Ministry Support Services	128,363	-	128,363	130,856	(2,493)
Health Services					
2.1 Physician Services					
2.1.1 Medical Services	1,410,600	-	1,410,600	1,426,694	(16,094)
2.1.2 Alternate Compensation Strategies	29,350	-	29,350	58,472	(29,122)
2.1.3 Rural Initiatives	17,400	-	17,400	17,825	(425)
2.1.4 Medical Education Allowances	58,833	-	58,833	68,281	(9,448)
Total Physician Services	1,516,183	-	1,516,183	1,571,272	(55,089)
2.2 Provincial Programs					
2.2.1 Non-Group Health Benefits	416,519	15,700	432,219	466,052	(33,833)
2.2.2 Allied Health Services	75,358	-	75,358	67,002	8,356
2.2.3 Human Tissue and Blood Services					
- Operating Expense funded by Lotteries	130,000	-	130,000	122,488	7,512
2.2.4 Ambulance Services	56,990	-	56,990	42,795	14,195
2.2.5 Out-of-Province Health Care Costs	52,165	-	52,165	48,688	3,477
2.2.6 Alberta Wellnet					
- Operating Expense	11,390	450	11,840	8,756	3,084
- Equipment / Inventory Purchases	6,350	(6,350)	-	13	(13)
-Capital investments	-	6,350	6,350	5,608	742
2.2.7 Health Services Research					
- Operating Expense	2,800	-	2,800	-	2,800
- Operating Expense funded by Lotteries	5,325	-	5,325	8,075	(2,750)
2.2.8 Health Reform					
- Operating Expense	121,726	140	121,866	53,482	68,384
- Equipment / Inventory Purchases	-	-	-	1,581	(1,581)
2.2.9 Other Support Programs	54,195	6,300	60,495	35,051	25,444
Total Provincial Programs	932,818	22,590	955,408	859,591	95,817



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Expenses - Directly Incurred, Equipment / Inventory Purchases and Capital Investment by Element to Authorized Budget

For the Year ended March 31, 2004

(in thousands)

Voted Operating Expenses, Equipment / Inventory Purchases and Capital Investment:	Budget 2004	Authorized Supplementary ^(a)	Authorized Budget 2004	Actual 2004 ^(b)	Under (Over) Expended
2.3 Protection, Promotion, and Prevention					
2.3.1 Vaccines and Sera					
- Operating Expense	25,148	-	25,148	29,035	(3,887)
- Equipment / Inventory Purchases	23,000	-	23,000	24,003	(1,003)
2.3.2 Public Health Laboratories	17,236	-	17,236	20,892	(3,656)
2.3.3 Alberta Aids to Daily Living Benefits	83,005	-	83,005	81,463	1,542
2.3.4 Alberta Wellness Initiative	10,150	-	10,150	9,992	158
2.3.5 Aboriginal Health Strategies					
- Operating Expense funded by Lotteries	2,200	-	2,200	2,200	-
2.3.6 Community-based Health Services Support					
- Operating Expense	10,833	-	10,833	-	10,833
- Operating Expense funded by Lotteries	10,000	-	10,000	12,357	(2,357)
2.3.7 West Nile Virus Response	-	4,000	4,000	3,533	467
Total Protection, Promotion and Prevention	181,572	4,000	185,572	183,475	2,097
2.4 Regional and Provincial-Wide Health Services					
2.4.1 Regional Health Services	4,062,438	1,000	4,063,438	4,085,951	(22,513)
2.4.2 Diagnostic / Medical Equipment	49,600	-	49,600	49,600	-
2.4.3 Province-Wide Services	414,962	-	414,962	414,962	-
Total Funding to Health Authorities and Provincial Boards for regional and province wide health services	4,527,000	1,000	4,528,000	4,550,513	(22,513)
Total Health Services	7,157,573	27,590	7,185,163	7,164,851	20,312
Assistance to Alberta Alcohol and Drug Abuse Commission					
3.0.1 Base Operating Funds for Alberta Alcohol and Drug Abuse Commission					
- Operating Expense funded by Lotteries	48,855	-	48,855	48,855	-
3.0.2 Alberta Tobacco Reduction Strategy	9,000	-	9,000	9,000	-
Total Assistance to Alberta Alcohol and Drug Abuse Commission	57,855	-	57,855	57,855	-
	\$ 7,343,791	\$ 27,590	\$ 7,371,381	\$ 7,353,562	\$ 17,819
Operating Expense	7,110,611	28,590	7,139,201	7,122,458	16,743
Operating Expense funded by lotteries	196,380	-	196,380	193,975	2,405
Equipment / Inventory Purchases	36,800	(7,350)	29,450	31,521	(2,071)
	7,343,791	21,240	7,365,031	7,347,954	17,077
Capital Investment	-	6,350	6,350	5,608	742
Total Voted - Operating, Equipment/Inventory Purchases & Capital Investment	\$ 7,343,791	\$ 27,590	\$ 7,371,381	\$ 7,353,562	\$ 17,819
Statutory Expenses					
Valuation Adjustments					
Health Care Insurance Premium Revenue Write-Offs	41,363	-	41,363	46,723	(5,360)
Provision for vacation Pay	-	-	-	281	(281)
Total Statutory Expenses	\$ 41,363	\$ -	\$ 41,363	\$ 47,004	\$ (5,641)

(a) Supplementary Estimates (2) was approved on March 11, 2004. Treasury Board, pursuant to section 24 (2) of the *Financial Administration Act*, approved on January 27, 2004 and February 11, 2004 increases in the operating expenses and capital investment votes under the Ministry Support Services and Health Services programs and dedicated revenue for Health Care Insurance Premiums, Blue Cross Non-Group Premiums and Transfers from Government of Canada and other revenue.

(b) Includes achievement bonus of \$1,177.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF SALARIES AND BENEFITS
FOR THE YEAR ENDED MARCH 31, 2004

	2004			2003	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non- cash Benefits ⁽³⁾	Total	Total
Deputy Minister ⁽⁴⁾	163,152	31,857	37,857	232,866	242,871
Assistant Deputy Ministers					
Health Accountability ⁽⁵⁾	132,458	17,254	18,599	168,311	166,031
Population Health	122,208	15,563	26,505	164,276	169,001
Health Workforce ⁽⁶⁾	111,852	13,773	25,484	151,109	164,739
Program Services	111,056	22,673	24,757	158,486	146,564
Strategic Directions ⁽⁷⁾	119,820	18,323	26,230	164,373	169,027
Finance and Corporate Services	128,364	17,254	29,442	175,060	179,591
Health Authorities ⁽⁸⁾⁽⁹⁾	148,958	19,615	4,783	173,356	-

⁽¹⁾ Base salary includes pensionable base pay.

⁽²⁾ Other cash benefits include bonuses, vacation payments, overtime and lump sum payments.

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

⁽⁴⁾ Automobile provided, no dollar amount is included in other non-cash benefits.

⁽⁵⁾ This position was occupied in an acting capacity until July 28, 2003.

⁽⁶⁾ This position was occupied in an acting capacity until May 31, 2003.

⁽⁷⁾ Previously reported as Assistant Deputy Minister, Strategic Planning.

⁽⁸⁾ This position was established on April 14, 2003.

⁽⁹⁾ The current incumbent does not participate in the government pension plan, salary includes a compensating amount for pension.



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE YEAR ENDED MARCH 31, 2004
 (in thousands)

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

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statements of Operations and Financial Position at the amounts of consideration agreed upon between the related parties.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Revenues				
Grants	\$ -	\$ -	\$ 196,830	\$ 107,487
Expenses - Directly Incurred				
Grants	\$ 58,355	\$ 56,322	\$ -	\$ -
Other Services	-	-	24,966	25,057
	<u>\$ 58,355</u>	<u>\$ 56,322</u>	<u>\$ 24,966</u>	<u>\$ 25,057</u>
Capital Assets Transferred	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ -</u>

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

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Expenses - Directly Incurred				
Accommodation	\$ -	\$ -	\$ 3,424	\$ 3,579
Legal	-	-	1,272	1,229
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,696</u>	<u>\$ 4,808</u>



DEPARTMENT OF HEALTH AND WELLNESS
SCHEDULE OF ALLOCATED COSTS
FOR THE YEAR ENDED MARCH 31, 2004
 (in thousands)

	2004				2003			
	Expenses - Incurred by Others			Valuation Adjustments ⁽⁴⁾				
	Expenses ⁽¹⁾	Accommodation Costs ⁽²⁾	Legal Services ⁽³⁾	Vacation Pay	Health Care Insurance Premiums	Revenue Write-Offs	Total	
Ministry Support Services	\$ 124,932	\$ 3,329	\$ 1,235	\$ 281	\$ -	\$ -	\$ 129,777	\$ 123,640
Health Services	7,133,646	95	37	-	-	-	7,133,778	6,610,037
Alberta Alcohol and Drug Abuse Commission	57,855	-	-	-	-	-	57,855	55,822
Health Care Insurance Premiums	-	-	-	-	46,723	-	46,723	50,218
Revenue Write-Offs ⁽⁵⁾	-	-	-	-	-	-	-	-
	<u>\$ 7,316,433</u>	<u>\$ 3,424</u>	<u>\$ 1,272</u>	<u>\$ 281</u>	<u>\$ 46,723</u>	<u>\$ -</u>	<u>\$ 7,368,133</u>	<u>\$ 6,839,717</u>

⁽¹⁾ Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

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

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

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

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

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





Alberta Alcohol and Drug Abuse Commission

Financial Statements

March 31, 2004



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2004

Auditor's Report

Statement of Financial Position

Statement of Operations

Statement of Cash Flows

Notes to the Financial Statements

Schedule of Revenues

Schedule of Expenses by Object and Core Business

Schedule of Allocated Costs



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

Auditor's Report

To the Members of the Alberta Alcohol and Drug Abuse Commission

I have audited the statement of financial position of the Alberta Alcohol and Drug Abuse Commission as at March 31, 2004 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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

Edmonton, Alberta
May 21, 2004



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2004

	<u>2004</u>	<u>2003</u>
ASSETS		
Current Assets:		
Cash (Note 3)	\$ 9,692,082	\$ 9,725,713
Accounts Receivable	924,889	263,060
Inventory	<u>660,898</u>	<u>515,423</u>
	11,277,869	10,504,196
Capital Assets (Note 4)	<u>290,825</u>	<u>279,315</u>
	<u>\$11,568,694</u>	<u>\$ 10,783,511</u>
 LIABILITIES and ACCUMULATED SURPLUS		
Current Liabilities:		
Accounts Payable	\$ 5,457,814	\$ 5,425,534
Accrued Vacation Pay	3,355,000	3,104,000
Deferred Contributions (Note 6)	314,870	282,952
Unearned Revenue	<u>29,603</u>	<u>30,664</u>
	<u>9,157,287</u>	<u>8,843,150</u>
Accumulated surplus:		
At beginning of year	1,940,361	620,801
Net operating results	<u>471,046</u>	<u>1,319,560</u>
At end of year	<u>2,411,407</u>	<u>1,940,361</u>
	<u>\$11,568,694</u>	<u>\$ 10,783,511</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2004

	2004		2003
	Budget (Note 8)	Actual	Actual
REVENUES (Schedule 1):			
Internal government transfers:			
Department of Health and Wellness	\$ 57,855,000	\$ 58,355,000	\$ 56,322,000
Other revenues:			
Fees	1,638,000	1,491,578	1,511,019
Other	470,000	1,915,069	1,678,742
	<u>59,963,000</u>	<u>61,761,647</u>	<u>59,511,761</u>
EXPENSES –			
DIRECTLY INCURRED:			
(Schedule 2 and 3, Note 2 (b))			
Programs:			
Community services	30,366,000	27,856,457	27,979,643
Residential treatment services	12,483,000	12,352,328	11,884,250
Detoxification services	8,154,000	7,924,195	7,724,907
Research, information and monitoring	6,990,000	10,553,418	8,071,133
Administration	1,970,000	2,353,203	2,183,268
Accrued vacation pay adjustment	-	251,000	349,000
	<u>59,963,000</u>	<u>61,290,601</u>	<u>58,192,201</u>
Net operating results	<u>\$ -</u>	<u>\$ 471,046</u>	<u>\$ 1,319,560</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2004

	<u>2004</u>	<u>2003</u>
Operating Activities:		
Net operating results	\$ 471,046	\$ 1,319,560
Add non-cash charges:		
Amortization of capital assets	104,526	83,467
	<u>575,572</u>	<u>1,403,027</u>
(Increase) decrease in non-cash working capital	<u>(493,167)</u>	<u>2,424,818</u>
Cash provided by operating activities	82,405	3,827,845
Investing activities:		
Acquisition of capital assets	<u>(116,036)</u>	<u>(162,584)</u>
Net cash (used) provided	<u>(33,631)</u>	<u>3,665,261</u>
Cash at beginning of year	<u>9,725,713</u>	<u>6,060,452</u>
Cash at end of year	<u>\$ 9,692,082</u>	<u>\$ 9,725,713</u>



ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2004

Note 1 Authority and Purpose

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

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

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

Note 2 Significant Accounting Policies and Reporting Practices

(a) Revenue Recognition

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

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

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

(b) Expenses

Directly Incurred

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



Note 2 Significant Accounting Policies and Reporting Practices (continued)

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

Incurred by Others

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

(c) Inventory

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

(d) Tangible Capital Assets

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

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

(e) Pensions

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

(f) Valuation of Financial Assets and Liabilities

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

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



Note 2 Significant Accounting Policies and Reporting Practices (continued)**(g) Financial Instruments**

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

(h) Grants

For the years ended March 31, 2004 and 2003, direct financial assistance was given to 25 not-for-profit organizations operating at arms-length from the Commission.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (Fund) of the Province of Alberta. The Fund is being managed with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed income securities with a maximum term to maturity of three years.

Interest is earned on the Commission's daily cash balance at the average rate of the Fund's earnings, which vary depending on prevailing market interest rates. The Commission retains the interest earned on all of its bank accounts, and reflects it as income. Interest income of \$567,759 (2003 \$488,394) was earned during the year on this account and is reflected in the financial statements.

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



Note 4 Tangible Capital Assets

Capital assets consist of the following:

	2004			2003
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	\$ 528,438	\$ 359,729	\$ 168,709	\$ 176,118
Furniture and equipment	214,819	92,703	122,116	103,197
	<u>\$ 743,257</u>	<u>\$ 452,432</u>	<u>\$ 290,825</u>	<u>\$ 279,315</u>

Note 5 Commitments

(a) The Commission leases certain vehicles and equipment under operating leases that expire on various dates through to February 28, 2008. The aggregate amounts payable for the unexpired terms of these leases are as follows:

2004	\$ 144,602
2005	\$ 90,805
2006	\$ 50,887
2007	\$ 20,617

(b) The Commission has certain contractual obligations for contracts, which extend into 2005 and 2006. The value of the contractual obligation is \$543,050 in 2005 and \$20,600 in 2006.

Note 6 Deferred Contributions

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

	2004	2003
Donation	\$ 25,393	\$ 36,148
Interest Earned	9,025	7,718
Transferred to Revenue	(2,500)	(4,750)
Increase during the year	31,918	39,116
Balance at beginning of year	282,952	243,836
Balance at end of year	<u>\$ 314,870</u>	<u>\$ 282,952</u>



Note 7 Pension Costs

The Commission participates in the multi-employer pension plans, Management Employee Pension Plan and Public Service Pension Plan. The Commission also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,710,816 for the year ended March 31, 2004 (2003 \$1,303,856) and is reflected in Employer Contributions on Schedule 2.

At December 31, 2003, the Management Employees Pension Plan reported an actuarial deficiency of \$290,014,000 (2002 – actuarial deficiency \$301,968,000) and the Public Service Pension Plan reported an actuarial deficiency of \$596,213,000 (2002 – actuarial deficiency \$175,528,000). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$9,312,000 (2002 – actuarial surplus \$6,472,000).

Note 8 Approvals**(a) Budget**

The budget amounts shown on the statement of operations agree with the 2003/04 Government Estimates. The budget amounts shown on Schedules 1 and 2 provide additional revenue information and present expenses by object. The Members of the Commission approved these budgets on April 10, 2003.

The Treasury Board, pursuant to section 24(2) of the *Financial Administration Act*, approved increases in operating expenses relating to the Commissions surplus neutral initiatives. This increase brought the authorized budget for the Commission to \$61,243,000.

(b) Financial Statements

These financial statements and accompanying notes were approved on June 17, 2004 by the Members of the Commission.

Note 9 Related Party Transactions

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Commission.

For purposes of this schedule, the related parties are separated into "Entities in the Ministry" which includes only the Department of Health and Wellness, and "Other Entities".



Note 9 Related Party Transactions (continued)

The Commission and its employees paid and collected certain fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

	Entities in the Ministry		Other Entities	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Revenues:				
Grants	\$58,355,000	\$56,322,000	\$ -	\$ -
Expenses:				
Other Services	\$ -	\$ -	\$ 820,752	\$ 355,256
Receivable from	\$ -	\$ -	\$ -	\$ -
(Payable to)	\$ -	\$ -	\$ (623,589)	\$ (62,443)

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

	Entities in the Ministry		Other Entities	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Expenses:				
Legal Fees	\$ -	\$ -	\$ 24,276	\$ 33,277
Accommodation	-	-	7,046,260	6,192,361
	\$ -	\$ -	\$ 7,070,536	\$ 6,225,638

Note 10 Federal/Provincial Cost Sharing Agreements

The Province of Alberta recovers part of its contributions to the Commission from the Government of Canada under the Alcohol and Drug Treatment and Rehabilitation (ADTR) agreement and records this recovery in the financial statements of the Department of Health and Wellness. The ADTR claim relating to the Commission's activities for the year ended March 31, 2004 amounts to approximately \$1,340,000 (2003 \$1,340,000).



Note 11 Salaries, Wages, Benefits and Allowances

	2004			2003	
	Base Salary ^a	Other Cash Benefits ^b	Other Non-cash Benefits ^c	Total	Total
Current Executives					
Chairman of the Board ^d	\$ 15,256	\$ -	\$ -	\$ 15,256	\$ 15,256
Board Members ^e	37,190	-	-	37,190	34,558
Chief Executive Officer ^f	136,188	25,532	34,256	195,976	204,152
Executive Director, Program Services	128,364	18,231	31,763	178,358	169,677
Executive Director, Information Services ^h	92,956	9,360	18,465	120,781	102,879
Executive Director, Corporate Services ^h	96,228	10,266	20,300	126,794	114,114
Director, Provincial Initiatives	95,592	2,688	20,839	119,119	111,473
Director, Urban Services ^h	101,976	2,904	22,403	127,283	125,629
Director, Residential Services	103,548	11,025	21,767	136,340	120,460
Director, District and Youth Services ^h	87,460	2,280	18,030	107,770	-
Director, National Research Coordination ^h	95,166	2,688	19,555	117,409	110,497
Director, Corporate Services ^{g, h}	65,516	17,825	16,125	99,466	118,058
Director, Human Resources & Learning ^h	-	-	-	-	-

(a) Base Salary includes pensionable base pay.

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

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

(d) A new chairperson was appointed during the year.

(e) There were nine Board members in both years.

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

(g) Other cash benefits amounts include vacation payouts totaling \$15,137 (2003 \$19,825).

(h) The Commission reorganized its corporate structure in December 2003. The former Director of Information Services became an Executive Director, and now has responsibility for Research Services. The former Director of Research is now the Director, National Research Coordination. The Director of Community and Youth Services is now the Director of Urban Services. There is a new Director of District and Youth Services. The Director of Corporate Services position was eliminated and replaced with Directors of Information Technology Services and Financial Services. Those positions now report to a new position, the Executive Director of Corporate Services, which also has responsibility for Human Resources and Learning Services. The Directors of Finance, Information Technology Services, and Human Resource and Learning Services are not members of the senior decision making group and their salaries are not disclosed.



Schedule 1

**ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
SCHEDULE OF REVENUES
FOR THE YEAR ENDED MARCH 31, 2004**

	2004		2003
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Internal government transfers:			
Department of Health and Wellness	<u>\$ 57,855,000</u>	<u>\$ 58,355,000</u>	<u>\$ 56,322,000</u>
Other revenues:			
Fees:			
Clients	1,538,000	1,474,910	1,427,064
Seminars	<u>100,000</u>	<u>16,668</u>	<u>83,955</u>
	<u>1,638,000</u>	<u>1,491,578</u>	<u>1,511,019</u>
Other:			
Donations	-	39,248	12,816
Publications	40,000	32,770	36,003
Miscellaneous - Contracted Services	-	1,151,879	994,774
- Interest Income (Note 3)	325,000	567,759	488,394
- Sundry & Misc. at Residential sites	105,000	98,791	123,497
- General	<u>-</u>	<u>24,622</u>	<u>23,258</u>
	<u>470,000</u>	<u>1,915,069</u>	<u>1,678,742</u>
Total revenues	<u>\$ 59,963,000</u>	<u>\$ 61,761,647</u>	<u>\$ 59,511,761</u>



Schedule 2

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
SCHEDULE OF EXPENSES BY OBJECT and CORE BUSINESS
FOR THE YEAR ENDED MARCH 31, 2004

EXPENSES BY OBJECT	2004		2003
	Budget	Actual	Actual
Manpower:			
Salaries	\$26,327,000	\$26,197,166	\$22,950,927
Employer Contributions	4,594,000	4,721,118	4,098,725
Wages	1,853,000	2,968,776	3,093,324
Allowances and Benefits	368,000	250,128	185,876
	33,142,000	34,137,188	30,328,852
Grants:			
Direct financial assistance to agencies	12,412,000	13,156,184	10,801,867
Other:			
Profession, technical, and labor service	9,836,000	6,076,305	10,931,420
Materials and supplies	2,382,000	2,685,077	2,768,178
Travel and relocation	811,000	973,297	1,122,391
Advertising	349,000	2,571,322	760,175
Rentals	345,000	349,318	324,863
Telephones	302,000	344,099	325,919
Voluntary separation payments	-	249,991	32,959
Freight and postage	78,000	100,765	173,640
Board members' fees	39,000	52,446	49,814
Purchased services - other	38,000	323,525	188,453
Repair and maintenance	37,000	42,027	170,610
Insurance	35,000	22,982	17,232
Amortization	132,000	104,526	83,467
Hosting	25,000	48,631	49,734
Bad debts	-	39,032	45,348
Other operating expenses	-	13,886	17,279
	14,409,000	13,997,229	17,061,482
	\$59,963,000	\$61,290,601	\$58,192,201



Schedule 2 (continued)

**ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
SCHEDULE OF EXPENSES BY OBJECT and CORE BUSINESS
FOR THE YEAR ENDED MARCH 31, 2004**

EXPENSES BY CORE BUSINESS	2004		2003
	Budget	Actual	Actual
Core Business:			
Treatment	\$38,299,000	\$39,860,850	\$37,570,520
Information	12,106,000	12,539,723	11,807,380
Prevention	9,558,000	8,890,028	8,814,301
	<u>\$59,963,000</u>	<u>\$61,290,601</u>	<u>\$58,192,201</u>



Schedule 3

ALBERTA ALCOHOL AND DRUG ABUSE COMMISSION
 SCHEDULE OF ALLOCATED COSTS
 FOR THE YEAR ENDED MARCH 31, 2004

	2004				2003	
	Expenses ^a	Accrued Vacation Pay Adjustment	Legal Services ^b	Accommodation costs ^c	Total Expenses	Total Expenses
Community services	\$27,856,457	\$142,565	\$ -	\$ 2,513,656	\$ 30,512,678	\$ 30,617,579
Residential treatment services	12,352,328	38,441	-	2,041,828	14,432,597	14,242,521
Detoxification services	7,924,195	21,026	-	2,072,231	10,017,452	8,950,211
Research information and monitoring	10,553,418	28,297	-	298,961	10,880,676	8,305,677
Administration	2,353,203	20,671	24,276	119,584	2,517,734	2,301,851
	<u>\$61,039,601</u>	<u>\$251,000</u>	<u>\$ 24,276</u>	<u>\$ 7,046,260</u>	<u>\$ 68,361,137</u>	<u>\$ 64,417,839</u>

Programs:

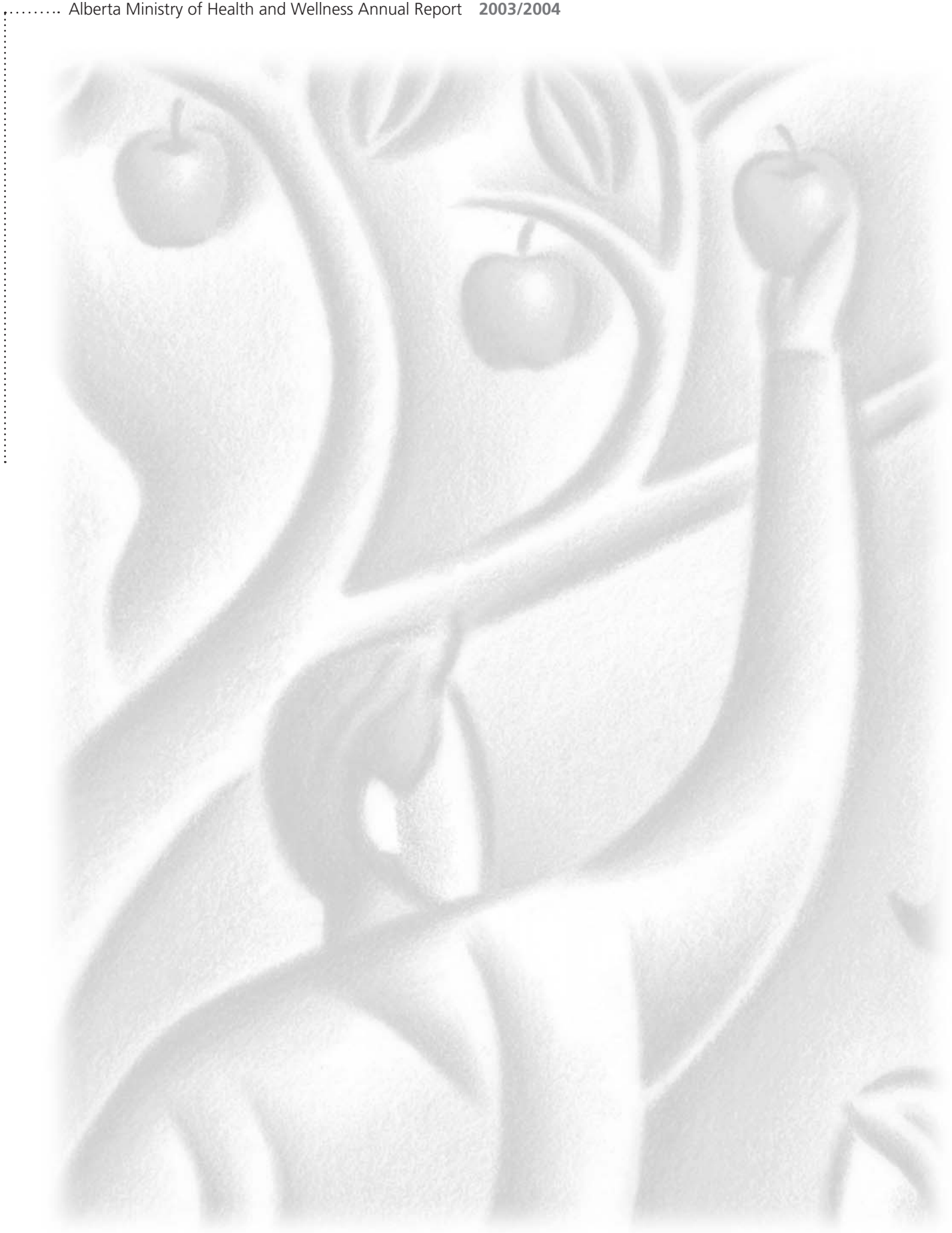
Community services
 Residential treatment services
 Detoxification services
 Research information and monitoring
 Administration

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

^b Cost shown for Legal Services in Note 9, allocated by estimated cost incurred by each program.

^c Costs shown for Accommodation (includes grants in lieu of taxes) in Note 9, allocated by square footage.





**The following
information is
Unaudited**



MINISTRY OF HEALTH AND WELLNESS

STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS

FOR THE YEAR ENDED MARCH 31, 2004

(UNAUDITED)

(in thousands)

	<u>2004</u>	<u>2003</u>
Remissions:		
Third Party Recoveries	\$ 10	\$ -
Compromises:		
Health Care Insurance Premiums	153	109
Write-offs:		
Health Care Insurance Premiums	30,374	24,072
Medical Claim Recoveries	1,150	1,926
Penalties, Interest and Miscellaneous Charges	892	853
Third Party Recoveries	-	5
Total Remissions, Compromises and Write-offs	<u>\$ 32,579</u>	<u>\$ 26,965</u>

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



MINISTRY OF HEALTH AND WELLNESS
STATEMENT OF EXPENSES BY CORE BUSINESS
FOR THE YEAR ENDED: MARCH 31, 2004
 (UNAUDITED)
 (thousands of dollars)

Core Business	2004		2003
	Budget	Actuals	Actuals ^(a)
Delivery of Quality Health Services	\$ 7,042,141	\$ 7,053,396	\$ 6,556,432
Encourage and Support Healthy Living	308,321	312,975	280,347
	\$ 7,350,462	\$ 7,366,371	\$ 6,836,779

^(a) The 2003 comparatives have been restated to conform to 2004 presentation.



Other Information

Health Authority Highlights

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

The section was compiled from the health authorities' audited financial statements for the fiscal year ended March 31, 2004. The financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and Alberta Health and Wellness' Financial Directive 21.

Operating Results

- For fiscal year 2003/2004, health authorities reported a total operating deficit of \$140 million. This compares to a prior year deficit of \$72 million. Of the eleven health authorities, ten reported a deficit.
- Total 2003/2004 expense was \$5.7 billion, compared to \$5.3 billion in the prior year – a 7 per cent increase, of which 4 per cent related to salaries. A total of 48,035 Full Time Equivalents were employed by the health authorities in the year.
- Total administration costs in 2003/2004 were \$187 million (2003 \$186 million) or 3.3 per cent of health authority expenditures (3.5 per cent 2003.)

Financial Position

- The health authorities reported total net assets of \$236 million as at March 31, 2004, a decrease of \$140 million from the prior year.
- Total health authority long-term debt at March 31, 2004 was \$27 million, down from \$28 million at March 31, 2003.



Capital Assets

- In 2003/2004 health authorities spent \$397 million on capital assets. Of this amount, \$166 million was spent on new equipment and \$231 million on infrastructure.
- In 2003/2004 the Government of Canada committed \$149 million over three years to Alberta for the purchase of diagnostic and medical equipment. The 2003/2004 allocation was \$50 million. Of this amount, \$47 million or 94 per cent was spent in 2003/2004, with a modest balance carried forward to be spent in 2004/2005.

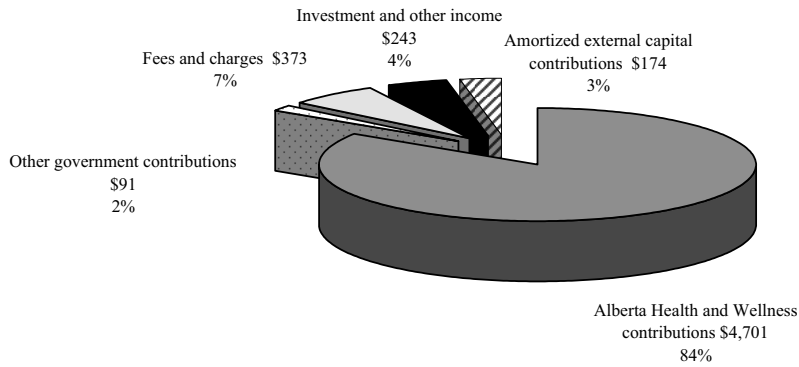
Additional Information

- Effective March 31, 2003, the Minister of Health and Wellness disestablished the seventeen regional health authority boards and created nine new regional health authority boards to be effective April 1, 2003.
- On April 1, 2003, in response to a recommendation of the Premier's Advisory Council on Health, mental health programs, services and facilities were transferred and integrated into Alberta's regional health authority system.
- On June 30, 2004, the Minister of Health and Wellness announced that an additional \$350 million would be invested in the health authorities to eliminate their 2003/2004 accumulated deficits and to provide additional capital and operating funds for 2004/2005.
- Copies of the health authorities' audited financial statements are included in Section II of the Ministry Annual Report.



**HEALTH AUTHORITIES
2003/2004 ACTUAL REVENUE
(\$ millions)**

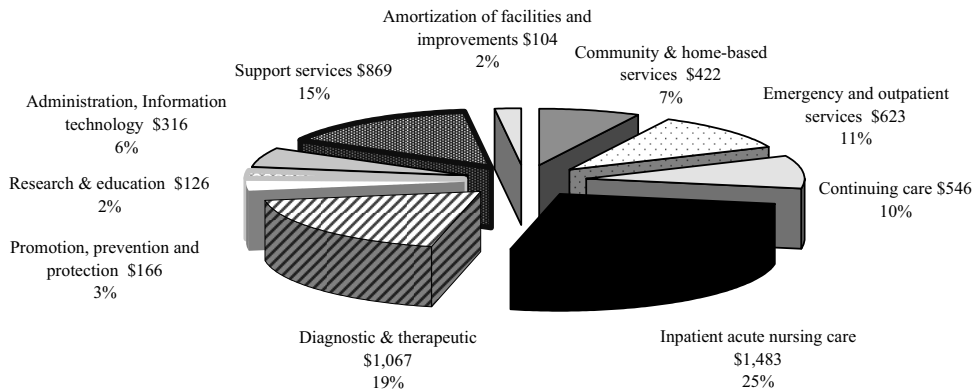
Chart I



TOTAL \$5,582

**HEALTH AUTHORITIES
2003/2004 ACTUAL EXPENSES
(\$ millions)**

Chart II

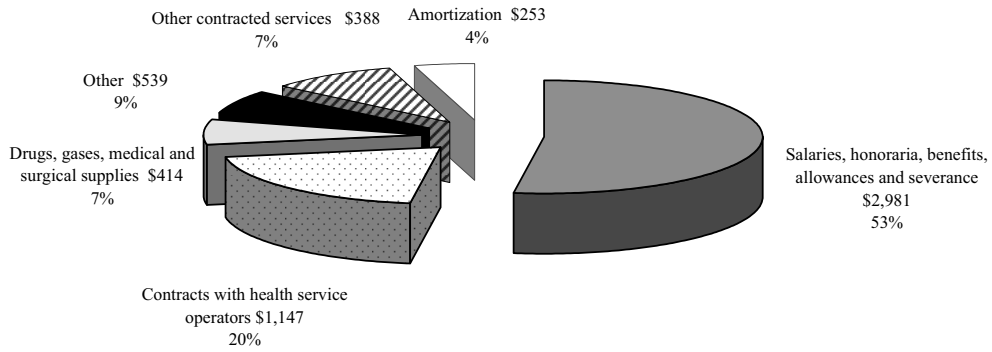


TOTAL \$5,722



**HEALTH AUTHORITIES
2003/2004 ACTUAL EXPENSES BY OBJECT
(\$ millions)**

Chart III



TOTAL \$5,722





**HEALTH AUTHORITY SUMMARY
ANALYSIS OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

TABLE I

Alberta Ministry of Health and Wellness Annual Report 2003/2004

	2003/04 BUDGET	2003/04 ACTUAL	% OF TOTAL	2002/03 ACTUAL (Restated)	% OF TOTAL
REVENUE					
Alberta Health and Wellness contributions	4,700,799	4,701,050	84.3%	4,466,278	85.0%
Other government contributions	73,422	90,584	1.6%	79,582	1.5%
Fees and charges	361,144	373,110	6.7%	330,895	6.3%
Ancillary operations, net	17,313	10,184	0.2%	14,145	0.3%
Donations	16,551	13,502	0.2%	22,509	0.4%
Investment and other income	206,689	219,484	3.9%	179,220	3.4%
Amortized external capital contributions	167,183	173,694	3.1%	161,284	3.1%
TOTAL REVENUE	5,543,101	5,581,608	100.0%	5,253,913	100.0%
EXPENSE					
Facility-based inpatient acute nursing care services	1,469,684	1,483,044	25.9%	1,386,870	26.1%
Facility-based emergency and outpatient services	609,624	622,487	10.9%	541,123	10.2%
Facility-based continuing care services	545,314	546,187	9.5%	522,416	9.8%
Community & home-based services	424,979	421,595	7.4%	396,871	7.5%
Diagnostic & therapeutic services	1,061,248	1,067,340	18.7%	989,554	18.6%
Promotion, prevention and protection services	168,740	165,966	2.9%	156,838	2.9%
Research & education	126,521	126,351	2.2%	109,189	2.1%
Administration	195,996	187,380	3.3%	186,363	3.5%
Information technology	123,867	128,381	2.2%	109,865	2.1%
Support services	865,245	868,860	15.2%	820,504	15.4%
Amortization of facilities and improvements	101,003	102,165	1.8%	95,106	1.8%
Capital assets write down	-	-	0.0%	5,594	0.1%
TOTAL EXPENSE before extraordinary item	5,692,221	5,719,756	100.0%	5,320,293	100.0%
Extraordinary Item - Restructuring/Legal costs AMHB	2,375	2,079		5,403	
TOTAL EXPENSE	5,694,596	5,721,835	7.4%	5,325,696	
Excess (deficiency) of revenue over expense	(151,495)	(140,227)		(71,783)	

CHANGES FROM 2002/03	%
\$	
234,772	5.3%
11,002	13.8%
42,215	12.8%
(3,961)	(28.0%)
(9,007)	(40.0%)
40,264	22.5%
12,410	7.7%
327,695	6.2%
96,174	6.9%
81,364	15.0%
23,771	4.6%
24,724	6.2%
77,786	7.9%
9,128	5.8%
17,162	15.7%
1,017	0.5%
18,516	16.9%
48,356	5.9%
7,059	7.4%
(5,594)	0.0%
399,463	7.5%
(3,324)	
396,139	7.4%
(68,444)	

TABLE II

**HEALTH AUTHORITY
FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	CHINOOK REGIONAL HEALTH AUTHORITY		PALLISER HEALTH REGION		CALGARY HEALTH REGION			DAVID THOMPSON REGIONAL HEALTH AUTHORITY		
	2003/04 BUDGET	2003/04 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)
REVENUE										
Alberta Health and Wellness contributions	216,582	216,851	121,809	121,809	1,557,244	1,554,320	1,464,125	400,212	387,597	372,862
Other government contributions	2,614	3,661	3,550	3,550	22,061	22,709	20,270	5,400	12,759	10,402
Fees and charges	14,065	16,436	13,711	14,443	122,633	123,150	107,595	29,265	27,690	22,982
Ancillary operations, net	491	208	199	254	9,857	10,069	7,627	400	440	322
Donations	239	391	300	264	8,646	6,170	14,271	900	752	1,123
Investment and other income	4,429	5,208	2,507	2,584	73,948	71,586	64,207	7,674	10,088	7,995
Amortized external capital contributions	9,919	9,876	4,984	5,290	48,542	49,544	43,142	14,700	16,351	14,214
TOTAL REVENUE	248,339	252,631	147,060	148,194	1,842,931	1,837,548	1,721,237	458,551	455,677	429,900
EXPENSE										
Facility-based inpatient acute nursing care services	62,068	63,560	36,813	37,869	524,834	541,420	497,291	129,720	123,990	116,888
Facility-based emergency and outpatient services	15,296	16,302	6,813	7,291	231,176	238,818	205,313	38,520	39,660	33,595
Facility-based continuing care services	33,539	34,449	20,368	20,442	152,301	152,615	147,663	53,774	54,230	51,237
Community & home-based services	27,143	26,025	13,167	12,959	143,972	142,828	131,951	23,296	20,806	21,186
Diagnostic & therapeutic services	44,293	43,860	25,307	26,089	369,062	370,981	343,369	77,913	77,890	77,711
Promotion, prevention and protection services	10,027	10,207	4,333	4,078	46,844	46,337	41,216	15,228	16,068	15,413
Research & education	-	-	-	-	22,778	22,271	18,897	-	289	15
Administration	10,695	10,955	6,232	5,908	58,377	54,117	49,934	21,625	20,785	20,447
Information technology	5,621	6,222	2,311	2,120	39,658	40,455	39,494	8,707	9,584	6,870
Support services	41,705	44,532	29,993	29,751	251,883	252,503	231,740	99,887	98,825	93,483
Amortization of facilities and improvements	7,210	6,940	3,200	3,239	27,046	26,059	22,956	9,969	11,627	10,675
Capital assets write down	-	-	-	-	-	-	-	-	-	597
TOTAL EXPENSE before extraordinary item	257,597	263,052	148,537	149,746	1,867,931	1,888,404	1,729,824	478,639	473,754	448,117
Extraordinary Item - Restructuring/Legal costs AMHB	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSE	257,597	263,052	148,537	149,746	1,867,931	1,888,404	1,729,824	478,639	473,754	448,117
Excess (deficiency) of revenue over expense	(9,258)	(10,421)	(1,477)	(1,552)	(25,000)	(50,856)	(8,587)	(20,088)	(18,077)	(18,217)



TABLE II

**HEALTH AUTHORITY
FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	EAST CENTRAL HEALTH			CAPITAL HEALTH			ASPEN REGIONAL HEALTH AUTHORITY			PEACE COUNTRY HEALTH		
	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
REVENUE												
Alberta Health and Wellness contributions	154,301	154,810	149,475	1,658,382	1,672,222	1,588,805	174,585	174,585	169,527	157,298	156,670	149,034
Other government contributions	2,928	3,888	4,251	29,770	36,884	24,603	3,333	3,677	6,814	1,732	1,682	2,005
Fees and charges	16,681	17,977	15,866	126,869	134,630	123,030	16,923	17,521	15,064	13,569	12,981	11,924
Ancillary operations, net	12	61	19	5,284	(2,206)	4,723	62	191	(21)	336	731	378
Donations	-	332	314	-	-	-	400	262	539	290	540	446
Investment and other income	1,560	3,312	1,393	84,751	87,698	69,832	4,008	4,708	4,880	2,956	4,402	4,551
Amortized external capital contributions	4,389	4,512	4,768	53,500	56,326	48,787	7,694	7,273	8,369	8,404	8,418	10,546
TOTAL REVENUE	179,871	184,892	176,086	1,958,556	1,985,554	1,859,780	207,005	208,217	205,172	184,585	185,424	178,884
EXPENSE												
Facility-based inpatient acute nursing care services	33,083	31,211	30,523	568,300	568,304	531,936	32,420	31,443	31,046	42,186	43,588	42,020
Facility-based emergency and outpatient services	5,082	8,181	6,586	210,801	210,487	186,239	16,562	17,276	15,610	15,695	15,757	13,016
Facility-based continuing care services	37,331	36,525	34,999	196,925	197,476	186,903	30,027	28,265	27,984	17,722	18,782	17,038
Community & home-based services	22,391	23,270	18,606	129,587	131,252	122,423	23,307	22,286	24,319	15,732	15,753	15,350
Diagnostic & therapeutic services	27,137	26,266	25,103	379,952	381,693	347,250	37,183	36,122	34,740	33,552	33,542	31,067
Promotion, prevention and protection services	4,867	5,383	5,572	49,617	49,696	43,842	9,751	8,421	11,821	9,365	8,312	8,588
Research & education	60	63	60	77,757	78,483	68,074	-	-	9	-	33	89
Administration	12,754	11,959	11,132	50,392	50,711	49,691	7,891	8,279	10,761	10,438	10,438	10,766
Information technology	2,263	3,599	2,355	50,258	50,599	37,689	2,919	1,903	2,326	3,765	4,111	3,771
Support services	43,371	43,621	40,040	274,123	275,298	262,425	47,761	49,080	49,344	37,153	37,757	37,750
Amortization of facilities and improvements	3,300	3,264	3,933	31,723	32,634	28,651	5,850	5,239	5,627	6,081	6,308	5,613
Capital assets write down	-	-	-	-	-	595	-	-	1,914	-	-	2,402
TOTAL EXPENSE before extraordinary item	191,639	193,342	178,909	2,019,435	2,026,633	1,865,718	213,671	208,314	215,501	191,689	194,381	187,470
Extraordinary Item - Restructuring/Legal costs AMHB												
TOTAL EXPENSE	191,639	193,342	178,909	2,019,435	2,026,633	1,865,718	213,671	208,314	215,501	191,689	194,381	187,470
Excess (deficiency) of revenue over expense	(11,768)	(8,450)	(2,823)	(60,879)	(41,079)	(5,938)	(6,666)	(97)	(10,329)	(7,104)	(8,957)	(8,586)



TABLE II

**HEALTH AUTHORITY
FINANCIAL SUMMARY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	NORTHERN LIGHTS HEALTH REGION			ALBERTA MENTAL HEALTH BOARD			ALBERTA CANCER BOARD			HEALTH AUTHORITY TOTAL		
	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03	2003/04	2003/04	2002/03
	BUDGET	ACTUAL	ACTUAL (Restated)	BUDGET	ACTUAL	ACTUAL (Restated)	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL (Restated)
REVENUE												
Alberta Health and Wellness contributions	61,156	60,355	55,320	35,476	34,918	36,028	163,754	166,913	156,825	4,700,799	4,701,050	4,466,278
Other government contributions	859	723	1,853	134	390	2,119	1,041	661	1,005	73,422	90,584	79,582
Fees and charges	3,628	3,782	3,853	-	-	-	3,800	4,500	4,035	361,144	373,110	330,895
Ancillary operations, net	45	15	(52)	-	-	-	627	421	487	17,313	10,184	14,145
Donations	-	224	199	26	50	-	5,750	4,517	4,751	16,551	13,502	22,509
Investment and other income	622	1,217	847	698	930	772	23,536	27,751	18,043	206,689	219,484	179,220
Amortized external capital contributions	3,713	3,673	3,713	338	376	985	11,000	12,055	11,125	167,183	173,694	161,284
TOTAL REVENUE	70,023	69,989	65,733	36,672	36,664	39,904	209,508	216,818	196,271	5,543,101	5,581,608	5,253,913
EXPENSE												
Facility-based inpatient acute nursing care services	16,161	16,880	16,116	11,863	11,952	11,498	12,236	12,827	11,371	1,469,684	1,483,044	1,386,870
Facility-based emergency and outpatient services	4,578	5,050	4,429	5,240	4,906	5,160	59,861	58,759	49,698	609,624	622,487	541,123
Facility-based continuing care services	3,327	3,403	3,376	-	-	-	-	-	-	545,314	546,187	522,416
Community & home-based services	4,165	4,049	5,088	442	446	3,471	21,777	21,921	18,882	424,979	421,595	396,871
Diagnostic & therapeutic services	12,551	12,374	11,646	4,242	4,274	4,240	50,056	54,249	47,856	1,061,248	1,067,340	989,554
Promotion, prevention and protection services	5,879	4,904	5,264	3,500	3,407	3,554	3,329	9,153	8,343	168,740	165,966	156,838
Research & education	-	-	132	1,165	926	1,122	24,761	24,286	20,791	126,521	126,351	109,189
Administration	4,033	3,859	4,574	6,943	4,557	7,732	6,616	5,812	5,218	195,996	187,380	186,363
Information technology	1,385	1,693	1,296	448	962	2,602	6,532	7,133	7,118	123,867	128,381	109,865
Support services	13,321	13,115	12,610	3,279	3,345	5,015	22,769	21,033	19,520	865,245	868,860	820,504
Amortization of facilities and improvements	2,333	2,360	2,344	-	-	-	4,291	4,495	4,202	101,003	102,165	95,106
Capital assets write down	-	-	86	-	-	-	-	-	-	-	-	5,594
TOTAL EXPENSE before extraordinary item	67,733	67,687	66,961	37,122	34,775	44,394	218,228	219,668	192,999	5,692,221	5,719,756	5,320,293
Extraordinary Item - Restructuring/Legal costs AMHB				2,375	2,079	5,403				2,375	2,079	5,403
TOTAL EXPENSE	67,733	67,687	66,961	39,497	36,854	49,797	218,228	219,668	192,999	5,694,596	5,721,835	5,325,696
Excess (deficiency) of revenue over expense	2,290	2,302	(1,228)	(2,825)	(190)	(9,893)	(8,720)	(2,850)	3,272	(151,495)	(140,227)	(71,783)



TABLE III

**HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	CHINOOK	PALLISER	CALGARY	DAVID THOMPSON	EAST CENTRAL	CAPITAL HEALTH	ASPEN
ASSETS							
Cash and temporary investments	7,513	5,531	173,260	59,356	13,015	150,500	23,477
Accounts receivable	4,498	3,261	38,983	7,217	3,242	44,747	5,853
Contributions receivable from Alberta Health and Wellness	830	464	13,306	1,400	1,196	14,165	2,115
Inventories	2,112	858	19,003	5,247	521	10,289	1,489
Prepaid expenses	1,593	308	3,098	1,413	-	40,490	864
Current Assets	16,546	10,422	247,650	74,633	17,974	260,191	33,798
Non-current cash and investments	19,458	24,431	87,523	25,631	12,057	203,738	14,450
Capital assets	175,775	71,188	802,763	380,174	82,966	844,934	127,971
Other assets	7,967	6,390	12,017	21,652	-	28,392	2,629
TOTAL ASSETS	219,746	112,431	1,149,953	502,090	112,997	1,337,255	178,848
LIABILITIES, NET ASSETS AND ENDOWMENTS							
Accounts payable and accrued liabilities	22,615	10,768	157,093	55,301	16,720	153,284	16,912
Accrued vacation pay	9,559	5,893	67,884	18,020	5,032	64,825	8,463
Deferred contributions	4,036	5,396	29,948	14,518	3,227	84,135	7,272
Current portion of long term debt	71	-	204	612	-	378	-
Current Liabilities	36,281	22,057	255,129	88,451	24,979	302,622	32,647
Deferred contributions	3,869	6,390	30,336	22,334	872	53,366	2,629
Deferred capital contributions	10,444	-	60,739	24,536	11,185	168,152	5,599
Long-term debt	233	-	16,927	-	-	8,054	-
Unamortized external capital contributions	162,904	64,676	703,641	349,793	77,730	721,458	117,153
Other liabilities	68	-	16,625	-	-	14,492	-
TOTAL LIABILITIES	213,799	93,123	1,083,397	485,114	114,766	1,268,144	158,028
NET ASSETS AND ENDOWMENTS							
Accumulated surplus/(deficit)	(6,771)	12,796	(24,002)	(12,368)	(7,005)	(32,010)	10,002
Investment in capital assets	12,568	6,512	90,558	29,344	5,236	101,121	10,818
Endowments	150	-	-	-	-	-	-
TOTAL NET ASSETS AND ENDOWMENTS	5,947	19,308	66,556	16,976	(1,769)	69,111	20,820
TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS	219,746	112,431	1,149,953	502,090	112,997	1,337,255	178,848

(23)	1,474	12,577	(22,935)	(148)	51,684	6,735
(13,706)	(6,164)	(90,319)	(49,960)	(5,540)	(126,402)	(9,504)
9,128	2,681	104,753	62,357	4,093	84,178	9,131
(4,601)	(2,009)	27,011	(10,538)	(1,595)	(10,540)	6,362
12,114	7,540	146,249	69,894	14,610	161,040	17,115
7,513	5,531	173,260	59,356	13,015	150,500	23,477
19,458	24,431	87,523	25,631	12,057	203,738	14,450
26,971	29,962	260,783	84,987	25,072	354,238	37,927

CASH FLOWS

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

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



TABLE III

**HEALTH AUTHORITY SUMMARY
STATEMENT OF FINANCIAL POSITION AND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	PEACE	NORTHERN LIGHTS	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	HEALTH AUTHORITY TOTAL 2004	HEALTH AUTHORITY TOTAL 2003 (Restated)
ASSETS						
Cash and temporary investments	4,955	13,112	7,716	8,489	466,924	475,643
Accounts receivable	4,886	1,433	162	9,003	123,285	124,039
Contributions receivable from Alberta Health and Wellness	5,861	865	745	2,060	70,917	70,917
Inventories	963	555	-	4,508	45,545	44,641
Prepaid expenses	927	636	687	594	50,610	53,185
Current Assets	17,592	16,601	9,310	24,654	729,371	768,425
Non-current cash and investments	6,076	4,201	523	33,301	431,389	507,150
Capital assets	189,268	80,266	433	134,761	2,890,499	2,759,486
Other assets	1,734	907	-	-	81,688	47,061
TOTAL ASSETS	214,670	101,975	10,266	192,716	4,132,947	4,082,122
LIABILITIES, NET ASSETS AND ENDOWMENTS						
Accounts payable and accrued liabilities	18,886	9,691	1,952	26,042	489,264	440,037
Accrued vacation pay	7,952	2,369	175	4,736	194,908	182,098
Deferred contributions	1,606	1,544	464	14,507	166,653	149,049
Current portion of long term debt	-	480	-	-	1,745	2,464
Current Liabilities	28,444	14,084	2,591	45,285	852,570	773,648
Deferred contributions	-	5	-	-	119,801	128,974
Deferred capital contributions	6,743	5,103	-	4,212	296,713	317,662
Long-term debt	-	-	-	-	25,214	25,861
Unamortized external capital contributions	178,135	76,429	327	119,693	2,571,939	2,429,862
Other liabilities	-	-	-	-	31,185	30,414
TOTAL LIABILITIES	213,322	95,621	2,918	169,190	3,897,422	3,706,421
NET ASSETS AND ENDOWMENTS						
Accumulated surplus/(deficit)	(9,785)	2,517	7,242	8,458	(50,926)	87,986
Investment in capital assets	11,133	3,837	106	15,068	286,301	287,565
Endowments	-	-	-	-	150	150
TOTAL NET ASSETS AND ENDOWMENTS	1,348	6,354	7,348	23,526	235,525	375,701
TOTAL LIABILITIES, NET ASSETS, ENDOWMENTS	214,670	101,975	10,266	192,716	4,132,947	4,082,122
CASH FLOWS						
Cash generated from (used by) operating activities	(4,631)	7,323	(16,020)	8,074	24,110	50,199
Cash used by investing activities	(9,174)	(12,064)	527	(17,184)	(339,490)	(335,573)
Cash generated from financing activities	7,059	11,774	13	11,494	306,661	288,174
Increase (decrease) in cash and cash equivalent	(6,746)	7,033	(15,480)	2,384	(8,719)	2,800
Cash and cash equivalent, beginning of year	11,701	6,079	23,196	6,105	475,643	472,843
Cash and cash equivalent, end of year	4,955	13,112	7,716	8,489	466,924	475,643
Non-current cash and investments, end of year	6,076	4,201	523	33,301	431,389	507,150
Total cash, cash equivalent and non-current investments, end of year	11,031	17,313	8,239	41,790	898,313	982,793



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	CHINOOK			PALLISER			CALGARY			DAVID THOMPSON		
	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL (Restated)
Salaries, honoraria, benefits, allowances and severance	147,830	151,796	144,642	86,616	87,334	83,629	978,943	985,924	897,240	337,431	322,291	300,492
Contracts with health service operators	40,501	42,860	38,080	25,383	24,583	22,742	360,258	358,072	330,191	18,944	21,881	17,930
Contracts under the Health Care Protection Act	-	-	-	-	-	6,139	6,036	5,998	-	-	-	-
Drugs, gases, medical and surgical supplies	10,201	10,821	10,235	6,650	6,940	6,330	152,525	154,797	139,418	16,163	20,347	19,576
Other contracted services	18,980	16,167	16,898	7,360	7,694	7,154	171,959	158,851	144,690	24,383	24,437	26,357
Interest on long-term debt	52	16	59	-	-	-	-	-	-	35	31	37
Other	28,728	29,762	27,509	17,144	17,403	16,289	146,735	173,461	166,377	67,551	68,842	69,882
Amortization:												
Capital equipment - internally funded	2,577	3,012	2,207	1,400	1,442	1,066	14,508	14,986	14,762	2,432	3,738	3,362
Capital equipment - externally funded	2,906	3,101	2,761	1,500	1,767	1,590	25,268	26,905	23,082	4,731	4,724	3,975
Facilities and Improvements	7,248	6,984	6,944	3,484	3,552	4,519	27,046	26,911	23,706	9,969	11,627	10,675
Capital assets write down - equipment	-	-	16	-	-	-	-	-	-	-	-	597
Capital assets write down - facilities and improvements	-	-	-	-	-	-	-	-	-	-	-	-
	259,023	264,519	249,351	149,537	150,715	143,319	1,883,278	1,905,905	1,745,605	481,639	477,918	452,883
Less amounts reported in ancillary operations	(1,426)	(1,467)	(1,311)	(1,000)	(969)	(959)	(15,347)	(17,501)	(15,781)	(3,000)	(4,164)	(4,766)
TOTAL EXPENSES	257,597	263,052	248,040	148,537	149,746	142,360	1,867,931	1,888,404	1,729,824	478,639	473,754	448,117



TABLE IV

**HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	EAST CENTRAL			CAPITAL HEALTH			ASPEN			PEACE		
	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL <i>(Restated)</i>	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL <i>(Restated)</i>	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL <i>(Restated)</i>	2003/04 BUDGET	2003/04 ACTUAL	2002/03 ACTUAL <i>(Restated)</i>
Salaries, honoraria, benefits, allowances and severance	70,840	73,600	68,042	972,819	974,170	885,002	128,938	125,268	129,398	128,695	128,254	119,044
Contracts with health service operators	91,816	85,875	77,888	540,053	540,164	504,055	26,285	26,681	22,728	5,079	5,527	5,336
Contracts under the Health Care Protection Act	-	-	-	3,768	3,270	3,220	-	-	-	-	-	-
Drugs, gases, medical and surgical supplies	2,328	2,731	2,630	152,461	150,352	138,384	6,424	6,594	6,862	7,469	7,892	7,683
Other contracted services	7,315	8,842	6,973	112,510	116,974	111,514	10,007	10,174	10,326	12,379	12,422	13,109
Interest on long-term debt	-	-	-	682	497	584	-	-	2	-	-	-
Other	15,861	17,785	18,149	185,587	183,700	181,955	33,076	31,375	36,794	27,847	30,996	31,120
Amortization:												
Capital equipment - internally funded	402	644	677	20,000	27,699	18,851	2,385	1,880	2,273	2,000	1,138	1,918
Capital equipment - externally funded	744	1,266	1,247	30,445	31,978	22,848	1,794	2,151	1,984	2,324	2,576	2,606
Facilities and Improvements	3,244	3,264	3,933	33,055	34,489	29,543	5,918	5,285	5,281	6,081	6,291	5,626
Capital assets write down - equipment	-	-	-	-	5,784	848	-	-	1,761	-	13	(35)
Capital assets write down - facilities and improvements	-	-	-	-	-	-	-	-	190	-	-	2,420
	192,550	194,007	179,539	2,051,380	2,069,077	1,896,804	214,827	209,408	217,599	191,874	195,109	188,827
Less amounts reported in ancillary operations	(911)	(665)	(630)	(31,945)	(42,444)	(31,086)	(1,156)	(1,094)	(2,098)	(185)	(728)	(1,357)
TOTAL EXPENSES	191,639	193,342	178,909	2,019,435	2,026,633	1,865,718	213,671	208,314	215,501	191,689	194,381	187,470

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

Less amounts reported in ancillary operations

TOTAL EXPENSES



TABLE IV

HEALTH AUTHORITY FINANCIAL SUMMARY
SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)

	NORTHERN LIGHTS			ALBERTA MENTAL HEALTH BOARD			ALBERTA CANCER BOARD			HEALTH AUTHORITY TOTAL		
	2003/04		2002/03	2003/04		2002/03	2003/04		2002/03	2003/04		2002/03
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
			(Restated)			(Restated)						(Restated)
Salaries, honoraria, benefits, allowances and severance	44,837	43,269	42,250	3,138	3,716	28,298	84,090	84,928	74,800	2,984,177	2,980,550	2,772,837
Contracts with health service operators	3,387	3,627	3,644	29,270	28,454	9,082	-	-	-	1,140,976	1,137,724	1,031,676
Contracts under the Health Care Protection Act	-	-	-	-	-	-	-	-	-	9,804	9,268	9,359
Drugs, gases, medical and surgical supplies	-	2,250	2,256	-	-	636	49,769	51,529	42,900	403,990	414,253	376,910
Other contracted services	-	2,891	3,817	2,364	1,745	3,233	26,369	27,317	25,048	393,626	387,514	369,119
Interest on long-term debt	-	-	-	-	-	-	-	-	-	769	544	682
Other	15,521	12,235	11,528	4,365	2,516	5,758	47,244	45,341	40,303	589,659	613,416	605,664
Amortization:												
Capital equipment - internally funded	395	471	488	22	47	472	3,200	3,067	2,894	49,321	58,124	48,970
Capital equipment - externally funded	1,410	1,353	1,478	338	376	985	6,899	7,574	6,939	78,359	83,771	69,495
Facilities and Improvements	2,333	2,529	2,343	-	-	-	4,480	4,671	4,379	102,858	105,603	96,949
Capital assets write down - equipment	-	-	-	-	-	1,333	-	-	-	-	5,797	4,520
Capital assets write down - facilities and improvements	-	-	86	-	-	-	-	-	-	-	-	2,696
	67,883	68,625	67,890	39,497	36,854	49,797	222,051	224,427	197,263	5,753,539	5,796,564	5,388,877
Less amounts reported in ancillary operations	(150)	(938)	(929)	-	-	-	(3,823)	(4,759)	(4,264)	(58,943)	(74,729)	(63,181)
TOTAL EXPENSES	67,733	67,687	66,961	39,497	36,854	49,797	218,228	219,668	192,999	5,694,596	5,721,835	5,325,696



TABLE V

HEALTH AUTHORITY SUMMARY OF
OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)

	CHINOOK	PALLISER	CALGARY	DAVID THOMPSON	EAST CENTRAL	CAPITAL HEALTH	ASPEN
I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE	(4.12%)	(1.05%)	(2.77%)	(3.97%)	(4.57%)	(2.07%)	(0.05%)
II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES	4.2%	3.9%	2.9%	4.4%	6.2%	2.5%	4.0%
III. WORKING CAPITAL							
Current Assets	16,546	10,422	247,650	74,633	17,974	260,191	33,798
Current Liabilities	36,281	22,057	255,129	88,451	24,979	302,622	32,647
WORKING CAPITAL RATIO	0.46	0.47	0.97	0.84	0.72	0.86	1.04
IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO <i>excludes extraordinary items</i>	82.4%	81.3%	82.3%	81.8%	80.1%	82.5%	83.8%
V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS	3.2	3.8	3.3	4.8	4.1	1.8	3.7
VI. CAPITAL INVESTMENTS DURING THE YEAR							
Funded from Internal Resources							
Equipment	3,329	3,554	10,934	4,707	1,544	42,420	2,041
Facilities and Improvements	-	-	2,190	-	-	-	250
Funded by External Parties	3,329	3,554	13,124	4,707	1,544	42,420	2,291
Equipment	4,145	2,131	45,206	4,309	1,381	19,765	2,994
Facilities and Improvements	2,435	550	99,418	40,944	6,437	47,834	2,613
Total capital investments during the year	6,580	2,681	144,624	45,253	7,818	67,599	5,607
	9,909	6,235	157,748	49,960	9,362	110,019	7,898
VII. TOTAL FTEs (excludes Board)	2,462	1,468	15,588	5,743	1,348	15,079	2,296



TABLE V

HEALTH AUTHORITY SUMMARY OF OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)

	PEACE	NORTHERN LIGHTS	ALBERTA MENTAL HEALTH BOARD	ALBERTA CANCER BOARD	HEALTH AUTHORITY TOTAL 2004	HEALTH AUTHORITY TOTAL 2003 (Revised)
	(4.83%)	3.29%	(0.52%)	(1.31%)	(2.51%)	(1.37%)
I. SURPLUS/(DEFICIT) AS A % OF TOTAL REVENUE						
	5.4%	5.7%	13.1%	2.6%	3.3%	3.5%
II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES						
III. WORKING CAPITAL						
Current Assets	17,592	16,601	9,310	24,654	729,371	768,425
Current Liabilities	28,444	14,084	2,591	45,285	852,570	773,648
WORKING CAPITAL RATIO	0.62	1.18	3.59	0.54	0.86	0.99
IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO						
<i>excludes extraordinary items</i>	80.6%	89.2%	100.4%	76.0%	82.2%	83.9%
V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS						
	5.1	3.4	1.0	4.8	3.0	3.7
VI. CAPITAL INVESTMENTS DURING THE YEAR						
Funded from Internal Resources						
Equipment	124	326	53	3,357	72,389	62,277
Facilities and Improvements	1,376	-	-	-	3,816	26,415
Funded by External Parties						
Equipment	1,500	326	53	3,357	76,205	88,692
Facilities and Improvements	1,618	720	16	11,291	93,576	77,490
	6,082	19,170	-	1,385	226,868	211,580
	7,700	19,890	16	12,676	320,444	289,070
Total capital investments during the year	9,200	20,216	69	16,033	396,649	377,762
VII. TOTAL FTEs (excludes Board)	1,977	729	36	1,309	48,035	

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

II. ADMINISTRATION COST AS A % OF TOTAL EXPENSES

III. WORKING CAPITAL

Current Assets
Current Liabilities

WORKING CAPITAL RATIO

IV. ALBERTA HEALTH AND WELLNESS FUNDING COVERAGE RATIO

excludes extraordinary items

V. AVERAGE REMAINING USEFUL LIFE OF CAPITAL EQUIPMENT IN YEARS

VI. CAPITAL INVESTMENTS DURING THE YEAR

Funded from Internal Resources

Equipment
Facilities and Improvements

Funded by External Parties

Equipment
Facilities and Improvements

Total capital investments during the year

VII. TOTAL FTEs (excludes Board)



TABLE VI

**HEALTH AUTHORITY SUMMARY OF
FEDERAL DIAGNOSTIC/MEDICAL
EQUIPMENT FUND
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	CHINOOK REGIONAL HEALTH AUTHORITY			PALLISER HEALTH REGION			CALGARY HEALTH REGION			DAVID THOMPSON REGIONAL HEALTH AUTHORITY		
	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE
Diagnostic Imaging	1,596	1,596	-	876	874	2	12,121	12,858	(737)	310	1,048	(738)
Laboratory	271	264	7	188	175	13	101	-	101	269	261	8
Medical	370	349	21	123	133	(10)	2,405	2,277	128	1,324	56	1,268
Surgical	75	78	(3)	70	70	-	1,633	980	653	1,304	1,100	204
Rehabilitation	48	29	19	-	-	-	44	-	44	55	22	33
Patient Care/Support	20	64	(44)	72	77	(5)	456	645	(189)	503	722	(219)
Total Expenditures	\$ 2,380	\$ 2,380	\$ -	\$ 1,329	\$ 1,329	\$ -	\$ 16,760	\$ 16,760	\$ -	\$ 3,765	\$ 3,209	\$ 556



TABLE VI

**HEALTH AUTHORITY SUMMARY OF
FEDERAL DIAGNOSTIC/MEDICAL
EQUIPMENT FUND
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	EAST CENTRAL HEALTH			CAPITAL HEALTH			ASPEN REGIONAL HEALTH AUTHORITY			PEACE COUNTRY HEALTH		
	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	UNSPENT BALANCE
Diagnostic Imaging	1,179	265	914	3,535	4,445	(910)	1,298	1,353	(55)	792	249	543
Laboratory	176	181	(5)	1,530	1,503	27	308	317	(9)	254	177	77
Medical	45	131	(86)	3,530	2,777	753	139	115	24	221	139	82
Surgical	316	32	284	3,125	2,206	919	75	70	5	297	202	95
Rehabilitation	-	-	-	-	-	-	19	7	12	-	-	-
Patient Care/Support	-	-	-	5,809	6,598	(789)	51	28	23	147	38	109
Total Expenditures	\$ 1,716	\$ 609	\$ 1,107	\$ 17,529	\$ 17,529	\$ -	\$ 1,890	\$ 1,890	\$ -	\$ 1,711	\$ 805	\$ 906



TABLE VI

**HEALTH AUTHORITY SUMMARY OF
FEDERAL DIAGNOSTIC/MEDICAL
EQUIPMENT FUND
FOR THE YEAR ENDED MARCH 31, 2004
(Thousands of dollars)**

	NORTHERN LIGHTS HEALTH REGION			ALBERTA CANCER BOARD			TOTAL			
	2003/04 PLANNED	2003/04 ACTUAL	2003/04 UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	2003/04 UNSPENT BALANCE	2003/04 PLANNED	2003/04 ACTUAL	2003/04 UNSPENT BALANCE	2003/04 UNSPENT %
Diagnostic Imaging	655	655	-	-	-	-	22,362	23,343	(981)	(4.4%)
Laboratory	-	-	-	-	-	-	3,097	2,878	219	7.1%
Medical	-	-	-	1,865	1,865	-	10,022	7,842	2,180	21.8%
Surgical	-	-	-	-	-	-	6,895	4,738	2,157	31.3%
Rehabilitation	-	-	-	-	-	-	166	58	108	65.1%
Patient Care/Support	-	-	-	-	-	-	7,058	8,172	(1,114)	(15.8%)
Total Expenditures	\$ 655	\$ 655	\$ -	\$ 1,865	\$ 1,865	\$ -	\$ 49,600	\$ 47,031	\$ 2,569	5.2%





Alphabetical List of Government Entities' Financial Statements in Ministry 2003/2004 Annual Reports

ENTITIES INCLUDED IN THE CONSOLIDATED GOVERNMENT REPORTING ENTITY

Ministry, Department, Fund or Agency

Agriculture Financial Services Corporation¹
 Alberta Alcohol and Drug Abuse Commission
 Alberta Capital Finance Authority
 Alberta Dairy Control Board²
 Alberta Energy and Utilities Board
 Alberta Foundation for the Arts
 Alberta Gaming and Liquor Commission
 Alberta Government Telephones Commission
 Alberta Heritage Foundation for Medical Research Endowment Fund
 Alberta Heritage Savings Trust Fund
 Alberta Heritage Scholarship Fund
 Alberta Heritage Science and Engineering Research Endowment Fund
 Alberta Historical Resources Foundation
 Alberta Insurance Council
 Alberta Pensions Administration Corporation
 Alberta Petroleum Marketing Commission
 Alberta Research Council Inc.
 Alberta Risk Management Fund
 Alberta School Foundation Fund
 Alberta Science and Research Authority
 Alberta Securities Commission
 Alberta Social Housing Corporation
 Alberta Sport, Recreation, Parks and Wildlife Foundation
 Alberta Treasury Branches
 ATB Investment Services Inc.
 Child and Family Services Authorities:
 Calgary and Area Child and Family Services Authority
 Central Alberta Child and Family Services Authority
 East Central Alberta Child and Family Services Authority
 Edmonton and Area Child and Family Services Authority
 North Central Alberta Child and Family Services Authority
 Northeast Alberta Child and Family Services Authority
 Northwest Alberta Child and Family Services Authority
 Southeast Alberta Child and Family Services Authority
 Southwest Alberta Child and Family Services Authority
 Metis Settlements Child and Family Services Authority

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

¹The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

²Dissolved August 1, 2003.



Ministry, Department, Fund or Agency

Credit Union Deposit Guarantee Corporation
 Crop Reinsurance Fund of Alberta¹
 Department of Agriculture, Food and Rural Development
 Department of Children's Services
 Department of Community Development
 Department of Energy
 Department of Finance
 Department of Gaming
 Department of Health and Wellness
 Department of Innovation and Science
 Department of Learning
 Department of Revenue
 Ministry, Department, Fund or Agency
 Department of Seniors
 Department of Solicitor General
 Department of Sustainable Resource Development
 Environmental Protection and Enhancement Fund
 Gainers Inc.
 Government House Foundation
 Historic Resources Fund
 Human Rights, Citizenship and Multiculturalism Education Fund
 iCORE Inc.
 Lottery Fund
 Ministry of Aboriginal Affairs and Northern Development³
 Ministry of Agriculture, Food and Rural Development
 Ministry of Children's Services
 Ministry of Community Development
 Ministry of Economic Development³
 Ministry of Energy
 Ministry of Environment³
 Ministry of Finance
 Ministry of Executive Council³
 Ministry of Gaming
 Ministry of Government Services³
 Ministry of Health and Wellness
 Ministry of Human Resources and Employment³
 Ministry of Infrastructure³
 Ministry of Innovation and Science

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¹ The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

³ Ministry includes only the department so separate department financial statements are not necessary.



Ministry, Department, Fund or Agency

Ministry of International and Intergovernmental Relations³
 Ministry of Justice³
 Ministry of Learning
 Ministry of Municipal Affairs³
 Ministry of Revenue
 Ministry of Seniors
 Ministry of Solicitor General
 Ministry of Sustainable Resource Development
 Ministry of Transportation³
 N.A. Properties (1994) Ltd.
 Natural Resources Conservation Board
 Persons with Developmental Disabilities Boards:
 Calgary Region Community Board
 Central Region Community Board
 Edmonton Region Community Board
 Northeast Region Community Board
 Northwest Region Community Board
 Provincial Board
 South Region Community Board
 Provincial Judges and Masters in Chambers Reserve Fund
 Supplementary Retirement Plan Reserve Fund
 Victims of Crime Fund
 Wild Rose Foundation

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 Finance
 Finance
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 Community Development

³Ministry includes only the department so separate department financial statements are not necessary.



ENTITIES NOT INCLUDED IN THE CONSOLIDATED GOVERNMENT
REPORTING ENTITY

Fund or Agency

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

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 Innovation and Science
 Innovation and Science
 Innovation and Science
 Health and Wellness
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 Human Resources and Employment

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