

# Ministry of Health

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## 2016/17 Annual Service Plan Report

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## Minister's Message and Accountability Statement



As the Minister of Health, it is my pleasure to present the *2016/17 Annual Service Plan Report* for the Ministry of Health as required under the [\*Budget Transparency and Accountability Act\*](#).

Our government is benefiting from a strong and diversified economy and prudent fiscal management. This allows us to invest in the programs and services British Columbians depend on for their health and well-being.

B.C. has some of the best health indicators in the world, and we continue to build on our success. Over the past year, the Ministry of Health has identified priorities to address the challenges of an aging population, more chronic diseases and an over-reliance on hospitals.

A key priority is to establish an effective and coordinated system of primary and community care. This will help patients to access appropriate care more quickly and efficiently, supporting them to stay healthy, and reducing the need for hospital and emergency services.

We are also focused on supporting the most vulnerable British Columbians – frail seniors and those with chronic diseases, as well as people affected by mental health and substance use issues. We will do this by integrating specialized care services with team-based primary and community care services.

Demand for surgery is growing in B.C., and the Ministry of Health is focusing on reducing wait times and developing a better, more transparent system for scheduled surgeries. Patients and families will have a better experience as we improve the entire process of surgical care across the province. Underpinning these efforts towards improving care for patients and families is a need to ensure access to consistent, high-quality health services for residents in B.C.'s rural and remote regions.

By making changes to B.C.'s health care system today, we will create a sustainable system that remains strong for our children and grandchildren.

The *Ministry of Health 2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2016/17 - 2018/19 Service Plan*. I am accountable for those results as reported.

A handwritten signature in cursive script that reads "Mary Polak". The ink is dark and the signature is fluid and legible.

Honourable Mary Polak  
Minister of Health

June 27, 2017

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## **Purpose of the Ministry**

The Ministry of Health (the Ministry) has overall responsibility for ensuring that quality, appropriate, cost-effective and timely health services are available for all British Columbians. The Ministry is responsible for provincial legislation and regulations related to health care, including the [\*Medicare Protection Act\*](#) and the [\*Health Professions Act\*](#). The Ministry also directly manages a number of provincial programs and services, including the Medical Services Plan, which covers most physician services; PharmaCare, which provides prescription drug insurance; and the BC Vital Statistics Agency, which registers and reports on vital events such as birth, death or marriage.

The province's health authorities are the organizations primarily responsible for health service delivery. Five regional health authorities deliver a full continuum of health services to meet the needs of the population within their respective geographic regions. A sixth health authority, the Provincial Health Services Authority, is responsible for managing the quality, coordination and accessibility of specialized services and province-wide health programs. The BC Clinical and Support Services Society provides the governance structure for both clinical (laboratory) and non-clinical (shared business) services in the health system. The Ministry also works in partnership with the First Nations Health Authority to improve the health status of First Nations in B.C.

## Strategic Direction and Context

The Ministry of Health receives annual strategic direction through the government strategic plan, and from the expectations set out in the Minister's [Mandate Letter](#) from the Premier. Building on that foundation, and informed by population health needs, best practices, and available resources, strategic and operational priorities for the delivery of health services across the province were identified and articulated in [Setting Priorities for the B.C. Health System](#), and in a series of subsequently released policy papers. Close collaboration with partners, including health authorities, physicians and health care providers, unions, patients and other stakeholders, is essential to successful implementation of that strategic vision. This collaborative approach aligns with the [Taxpayer Accountability Principles](#), which helps guide public sector organizations in their ethical and fiduciary accountability to the public.

British Columbians enjoy some of the world's best public health and health outcomes, owing to both the general strength of provincial systems that support the social determinants of health as well as of the health care system itself. Strong performance in acute care, critical and trauma care, cancer care, and diagnostics are important indicators of a health care system that is effective and responsive. In 2016/17, B.C. expanded efforts to reduce hepatitis C infections, and intensified the focus of services and resources to address the harmful effects of opioid misuse, including supports for emergency responders.

There remain system wide areas of focus that the Ministry of Health, in collaboration with its service delivery partners and stakeholders, aims to improve in order to best meet the health needs of patients and families. In 2016/17, efforts were focused on targeted improvements in: primary care and access to services, including emergency services and emergency response in some rural and remote areas; wait times for some specialists, diagnostic imaging, and elective surgeries; and services for those with moderate to severe mental illnesses and/or addictions, people requiring cancer care, and those requiring complex medical supports and assistance.

## Report on Performance

The goals, objectives and performance measures in the *Ministry of Health 2016/17 – 2018/19 Service Plan* reflect the strategic direction and context for the health system, with a focus on health and well-being, delivering services that are responsive to population need, and ensuring value for money. Underlying these goals is a continued emphasis on putting patients at the centre, which has continued to drive policy, accountability, service design and delivery. The Minister's [Mandate Letter](#) directs the Ministry in this work to ensure maximum value for taxpayers while providing maximum benefit to patients.

Continued progress toward implementing actions identified in the [Taxpayer Accountability Principles](#) is evident in the mature, collaborative relationship between the Ministry and health authorities, characterized by improved communication, increased engagement, and an enhanced understanding of progress of health system initiatives.

### *Goals, Objectives, Strategies and Performance Results*

## **Goal 1: Support the health and well-being of British Columbians.**

In collaboration with its health sector partners, the Ministry will promote health as a valued outcome of policies and programs in order to make long term sustainable changes for improved health across the province.

### **Objective 1.1: Targeted and effective primary disease prevention and health promotion.**

Chronic disease is the largest cause of death and disability, represents the largest proportion of the burden of disease, and drives a significant part of downstream health costs in B.C. Evidence suggests that, over time, a primary disease prevention and health promotion agenda can make progress in improving the overall health of the population.

### **Strategies**

- Work with health authorities and other partners to continue implementation of [Promote, Protect, Prevent: Our Health Begins Here. BC's Guiding Framework for Public Health](#), the provincial framework for supporting the overall health and well-being of British Columbians and a sustainable public health system.
- Work with health authorities, physicians and other partners to implement the [Healthy Families BC Policy Framework](#), improving the health of British Columbians by supporting communities, schools, workplaces and health care settings in promoting healthy lifestyles and creating healthy environments.

**Performance Measure 1: Healthy Communities**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Percent of communities that have completed healthy living strategic plans.	48%	56%	50%	59% (EXCEEDED)	58%	60%

**Data Source:** Survey, Healthy Living and Health Promotion Branch, Population and Public Health Division, Ministry of Health

**Note:** The 2017/18 Target was adjusted in the *Ministry of Health 2017/18 – 2019/20 Service Plan* to 58 per cent from 55 per cent to better reflect progress made to date.

**Discussion**

Communities that support healthy living encourage active lifestyles with a goal of decreasing the risk of injury and chronic disease among residents. Healthy living strategic plans help guide planning, policies, built environments and other mechanisms that are critical to engaging individuals where they live, work and play. Communities that completed healthy living strategic plans in 2016/17 include the municipalities of Bowen Island, Creston, Delta and Parksville. Some examples of actions include prioritizing and integrating accessibility and inclusion into the community with an Access and Inclusion Policy Project, addressing food access and availability by partnering with the regional Food Security Hub, and improving road safety and encouraging active transportation by developing and implementing a Transportation Master Plan.

**Performance Measure 2: Healthy Schools BC**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual*	2017/18 Target	2018/19 Target
The percentage of B.C. students in grades 3, 4, 7, 10 and 12 who report that at school, they are learning to stay healthy.	44%	43%	55%	DATA NOT YET AVAILABLE	60%	63%

**Data Source:** Satisfaction Survey, Knowledge Management Branch, Knowledge Management and Accountability Division, Ministry of Education

\*The Survey is conducted from January to April and survey results are released during the summer. Therefore, the 2016/17 results are not yet available.



## Discussion

Healthy Schools BC aims to improve students' knowledge of healthy lifestyles and healthy environments, as early learning about the importance of prevention and health promotion can help to improve the overall health of the population. Working with the Ministry of Education and health authorities, the Ministry focused on providing comprehensive school health resources and supports for teachers. Some of the programs supported by grants from the Healthy Schools BC initiative include enabling students to prepare healthy snacks together and providing additional gardening tools and plants for a courtyard garden. In addition, the BC School Fruit and Vegetable Nutrition Program served over 500,000 students from K-12, in nearly 90% of B.C. public and First Nations schools, improving children's exposure and willingness to try fruits and vegetables.

## **Goal 2: Deliver a system of responsive and effective health care services across British Columbia.**

In order to deliver responsive and effective health care services, the Ministry and its partners aim to shift the culture of health care from being disease-centred and provider-focused to being patient-centred. This shift requires understanding of and responsiveness to patient needs, values and preferences as the primary drivers of daily practice at all levels, in a respectful and accountable manner in alignment with the *Taxpayer Accountability Principles*.

### **Objective 2.1: A primary care model that provides comprehensive and coordinated team-based care linked to specialized services.**

B.C.'s health care system has been engaged in a collaborative process to look for ways to improve primary and community care at a community level. Numerous practice and service delivery innovations and initiatives have been introduced at all levels—practice, health authority, and provincial—with the intent of meeting the expanding demand for services due to population demographics. The roles of family physicians, primary and community care professionals and support staff are central to the effort of supporting patients suffering from frailty, chronic diseases, and mental health and substance use conditions. A focus on effective team-based practices and healthy partnerships between care providers and health care administrators will facilitate better care for all British Columbians, and particularly those who are more vulnerable, with a key objective of reducing preventable hospitalization.

## Strategies

- Support full-service family practice and establish team-based practices delivering services based on population and patient needs, including the needs of several key patient populations (patients with chronic illnesses, moderate to severe mental illnesses, and/or frailty).
- Work with the health authorities to integrate or link family practices with primary care services to create a “primary care home” for individuals and families to reduce the need for hospitalizations.
- Develop opportunities for pharmacists and physicians to work together to improve the optimal use of drugs for best patient outcomes.

**Objective 2.2: Improved patient health outcomes and reduced hospitalizations for seniors through effective community services.**

Seniors require a range of health supports to manage the challenges of increasing frailty, which is often combined with chronic diseases such as dementia that can profoundly impact their ability to maintain independence. The development of a primary care home is intended to increase access for frail elderly to coordinated primary and specialist medical care, community outreach services, assisted living and residential services, enhanced medication management, and planned access to diagnostic and hospital services.

**Strategies**

- Develop residential care models and quality standards for patients with dementia and younger populations with special needs such as chronic severe mental illness.
- Provide end-of-life care services including hospice space expansion, home-based palliative care, and clinical guidelines to support those at the end of life with greater choice and access to services.
- With the advice of B.C.’s Seniors Advocate, improve the home and community care system, including the use of technology for home health monitoring, better address the needs of B.C.’s seniors who require these services, and strengthen protections from abuse and neglect.

**Performance Measure 3: Managing Chronic Disease in the Community**

Performance Measure	2014/15 Baseline	2015/16 Actual	2016/17 Target	2016/17 Actual*	2017/18 Target	2018/19 Target
Number of people with a chronic disease admitted to hospital per 100,000 people aged 75 years and older.	3,194	3,049	3,184	2,843 (EXCEEDED)	3,063	2,942

**Data Source:** Discharge Abstract Database, Integrated Analytics: Hospital, Diagnostics and Workforce Branch, Health Sector Information, Analysis and Reporting Division, Ministry of Health

\*Data current to Quarter 3 of 2016/17

## Discussion

This performance measure, which tracks the number of people aged 75 and older with select chronic diseases such as chronic obstructive pulmonary disease, and diabetes, who are admitted to hospital, was new for 2016/17. Previously, the measure focused on a younger population, however, seniors aged 75 or older are more likely to experience chronic disease, and need the expertise and support of health care providers to help manage their disease in the community in order to maintain functioning and reduce complications. Proactive disease management in the community for those with chronic diseases, along with efforts to improve access to primary care and specific programs such as Breathe Well for patients with chronic obstructive pulmonary disease, have helped reduce unnecessary emergency department visits and avoid costly hospitalizations. The year-to-date data indicates the target is likely to be achieved.

### **Objective 2.3: Improved patient health outcomes and reduced hospitalizations for those with mental health and substance use issues through effective community services.**

While a smaller driver of overall health care costs, mental health and substance use conditions represent a high burden of disease in the population due to the early age of onset for severe mental illness and need for ongoing treatment and support across the life span. The majority of children, youth and adults with mild to moderate mental health and/or substance use issues can be effectively supported or treated through low-intensity community-based services in order to reduce hospitalizations.

## Strategies

- Renew the provincial mental health plan, *Healthy Minds, Healthy People*, to ensure a full continuum of high quality mental health and substance use services within each health authority to better integrate services within the larger care network.
- Improve access to addiction treatment, including creating additional addictions spaces by 2017.
- Work with the Ministries of Children and Family Development and Education to improve child and youth mental health services in the province.

### **Performance Measure 4: Community Mental Health Services**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual**	2017/18 Target	2018/19 Target
Percent of people admitted for mental illness and substance use who are readmitted within 30 days.	14%	14.5%	13.0%	14.7% (NOT ACHIEVED)	12.0%	12.0%

**Data Source:** Discharge Abstract Database, Integrated Analytics: Hospital, Diagnostics, and Workforce Branch, Health Sector Information, Analysis and Reporting Division, Ministry of Health

\*\*Data current to Quarter 2 of 2016/17

## Discussion

This measure contains ambitious targets that reflect the sector-wide attention on this important priority area. Though the year-to-date data indicates the target is not likely to be met, work toward achieving this measure focused on increased specialized community-based supports across the system, particularly coordinated and integrated team-based primary and community care programs to help those with mental health and/or substance use issues receive appropriate and accessible care. Furthermore, an opioid overdose strategy included additional residential substance use treatment beds to help reduce unplanned hospital admissions. In 2016/17, the provincial commitment to implement 500 additional substance use treatment and intervention beds was completed.

### **Objective 2.4: Improved access to timely and appropriate surgical treatments and procedures.**

Acute care is the largest and most expensive sector in the health care system. Within this sector, the use of hospitals is changing. Advances in technology and techniques have led to less use of inpatient beds for surgical recovery as outpatient day surgery has increased. A majority of the inpatient bed capacity in many hospitals is now used for our growing population of frail seniors, and we must ensure those services are delivered appropriately for those patients. This requires improved coordination between hospitals, primary care and other care providers in communities to develop patient pathways for frail seniors that avoid hospitalization.

There is a need and opportunity to improve provincial coordination, and ultimately improve the quality of acute hospital care services delivered to B.C. patients with respect to services offered across hospitals.

## Strategies

- Achieve significant improvement in timely access to appropriate surgical procedures through recruiting and retaining engaged, skilled health care providers.
- Use technology and financial models to support innovation, quality and coordination in the delivery of surgical services.
- Increase formal coordination, joint planning and operations between the Lower Mainland health authorities to shape service delivery and referrals to best meet patient needs.

### **Performance Measure 5: Access to Scheduled (Non-Emergency) Surgery**

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual***	2017/18 Target	2018/19 Target
Percent of scheduled surgeries completed within 26 weeks.	86%	86%	95%	86% NOT ACHIEVED	95%	95%

**Data Source:** Surgical Patient Registry, Ministry of Health. The data includes all elective adult and pediatric surgeries.

\*\*\*Data current to end of 2016/17

## Discussion

This performance measure tracks whether scheduled surgeries are completed within the established benchmark wait time of 26 weeks. Reducing wait times for surgery continued to be a health system priority in 2016/17. Funding incentives, combined with continuous efforts to foster innovation and efficiency in B.C.'s hospitals, aimed to improve the timeliness of access to an expanding range of surgical procedures. Other activities included providing better information to, and more frequent communication with, patients waiting for surgery. As a result of these efforts, the number of surgeries completed within 26 weeks increased by 2,057. Despite the increase, however, year-to-date data indicates that the 2016/17 target may not be met.

## **Objective 2.5: Sustainable and effective health services in rural and remote areas of the province, including First Nations communities.**

Individuals who reside in predominantly rural communities tend to have comparatively poorer health outcomes and socioeconomic status compared to their urban counterparts. The populations of rural B.C. are often small, dispersed, and fluctuating. Rural B.C. is home to many First Nations communities and Aboriginal peoples, and a large percentage of the rural population identifies as Aboriginal. Against this health status backdrop, three specific service challenges stand out in the context of rural and remote communities: ensuring access to quality primary care services; ensuring pathways to accessing specialized perinatal, medical, and surgical services when they are required; and how best to support aging in place. Access to specialized acute care services and access to ancillary health services is especially challenging, so residents are often required to travel for care. Through the Rural Health Strategy, the Ministry and health authorities will work with communities, including First Nations, to implement a renewed approach to providing quality health services across rural and remote areas.

## Strategies

- Develop local community plans for rural and remote communities to create environments that foster healthy behaviours to improve the health of the population.
- Improve access to services through the establishment of regional and provincial networks of specialized care teams.
- Improve timely recruitment and deployment of health professionals to rural and remote communities.

### **Goal 3: Ensure value for money.**

To achieve value for money in health care, the Ministry must ensure health system resources are used in the most efficient and effective way possible. On a strategic level, this includes not only what services and initiatives are focused on, but also how they are implemented and managed.

#### **Objective 3.1: A performance management and accountability framework that drives continuous improvement in the health system.**

An efficiently managed health system ensures resources are spent where they will have the best health outcomes. Such an approach meets the Triple Aim<sup>1</sup> goals of providing more effective care for key populations, better experience of care for patients and providers, and improved per capita cost. A focus on performance and budget management and efficiency, along with collaboration and quality improvement, must be continually pursued in partnership with health authorities and other stakeholders to ensure our publicly funded health system is effective and affordable.

#### **Strategies**

- Ensure comprehensive, consistent and standardized reporting on health system performance.
- Enable improved performance of existing services through prioritized continuous improvement activities and initiatives across the health sector.
- Drive quality, cost-effectiveness and coordinate investments in new laboratory technology through the provincial laboratory reform initiative.

#### **Objective 3.2: Evidence-informed access to clinically effective and cost-effective pharmaceuticals.**

Pharmaceuticals play an important role in B.C.'s health care system. They treat and prevent the spread of disease, control pain, and can improve quality of life for many people. Through Fair PharmaCare, government maintains continued focus on ensuring timely and evidence-informed access to pharmaceuticals that are safe, therapeutically beneficial and cost-effective. This will improve both patient care and value for money in the health system.

#### **Strategies**

- Deliver an accessible, responsive, evidence-informed, and sustainable drug program.
- Continued focus on coverage for eligible prescription drugs and designated medical supplies through the Fair PharmaCare plan.
- Leverage programs such as the Low Cost Alternative and Reference Drug Program to achieve the best therapeutic value and price for publicly funded pharmaceuticals.
- Engage in the Council of the Federation's Pan-Canadian Pricing Alliance for brand and generic drugs.

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<sup>1</sup> Institute for Healthcare Improvement. [www.IHI.org](http://www.IHI.org).

**Objective 3.3: Collaboration in the enabling areas of health human resource management, IM/IT and technology infrastructure, and approaches to funding.**

Effective health human resource management and an integrated IM/IT approach are essential for an efficiently managed health system and ensuring resources are spent where they will have the best health outcomes. Equally as important are corporate service related priorities such as competent communication, governance, management, leadership, alignment and teamwork, innovation and knowledge management, organizational infrastructure and systems (including budget assignment and management).

**Strategies**

- Enable effective health human resources management through an integrated Health Human Resource Framework.
- Implement an Academic Health Sciences Network and Centre.
- Continue to modernize the health system through the use of information management and technology, including electronic medical records, clinical decision support tools, ePrescribing, telehealth and home health monitoring.
- Ensure an integrated and cost-effective approach to information management and technology across the health system.
- Review funding models, strengthen cost management systems and build reporting capacity to ensure effective management of funds to achieve patient and service outcomes.
- Expand consolidation of corporate, purchasing and administrative functions to achieve savings and quality improvements across the province.

**Objective 3.4: Governance and accountability that aligns with the *Taxpayer Accountability Principles*.**

Monitoring progress against specified health system priorities is critical to ensuring government direction on strategic, operational and financial requirements and priorities are understood, and all levels of the health system are working toward a common goal.

**Strategies**

- Consultations and working sessions with health authority boards throughout the year led by the Minister to ensure understanding of, and alignment with, government and ministry direction on health system strategic and operational priorities.
- Engage with health authorities to set clear expectations, including monthly meetings of Leadership Council to address issues of shared interest and to review system performance and financial requirements.
- Increase collaborative processes across the health sector with key partner organizations in order to consult, communicate, and bind the efforts of the sector together.

## Financial Report

### *Discussion of Results*

The Ministry of Health 2016/17 budget was \$17.968 billion. Actual operating expenditures for the fiscal year ending March 31, 2017 were \$17.946 billion, resulting in an operating surplus of \$21.7 million or 0.1 percent of the annual budget prior to the accounting entry for adjustment of prior year's accrual.

The significant operating variances were:

**Regional Services:** The surplus is primarily due to lower than anticipated transfer payments for various Ministry supported programs as well as planned savings to off-set other Ministry budget pressures.

**Medical Services Plan (MSP):** The deficit is mainly due to higher than anticipated utilization of medical fee-for-service billings.

**Health Benefits Operations (HBO):** The deficit is mainly due to MSP Premiums & Premium Assistance (MPPA) project costs.

**PharmaCare:** The deficit is primarily due to higher than expected demand for expensive drug therapies such as biologic drugs and hepatitis C drugs.

**Stewardship and Corporate Services:** The surplus is primarily due to savings in salaries and benefits as a result of a hiring lag, offset by costs associated with the BC Services Card project.

### Financial Report Summary Table

	Estimated	Other Authorizations	Total Estimated	Actual	Variance
<b>Operating Expenses (\$000)</b>					
<b>Health Programs</b>					
<b>Regional Services</b>	12,214,219		12,214,219	12,084,022	(130,197)
<b>Medical Services Plan</b>	4,299,608		4,299,608	4,375,907	76,299
<b>PharmaCare</b>	1,174,714		1,174,714	1,202,197	27,483
<b>Health Benefits Operations</b>	44,298		44,298	52,187	7,889
<b>Vital Statistics</b>	6,390		6,390	5,180	(1,210)
<b>Sub-Total</b>	17,739,229		17,739,229	17,719,493	(19,736)
<b>Executive and Support Services</b>					
<b>Minister's Office</b>	729		729	679	(50)
<b>Stewardship and Corporate Services</b>	227,998		227,998	226,073	(1,925)



Ministry of Health

<b>Sub-Total</b>	228,727		228,727	226,752	(1,975)
<b>Recoveries – Health Special Account</b>	(147,250)		(147,250)	(147,250)	0
<b>Total Vote 28</b>	17,820,706		17,820,706	17,798,995	(21,711)
<b>Health Special Account</b>	147,250		147,250	147,250	0
<b>Sub-Total – Operating Expenses</b>	17,967,956		17,967,956	17,946,245	(21,711)
<b>Adjustment of Prior Year Accrual<sup>1</sup></b>	0		0	2,504	2,504
<b>Total – Ministry of Health</b>	17,967,956		17,967,956	17,948,749	(19,207)
<b>Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)</b>					
<b>Ministry Operations</b>					
Stewardship and Corporate Services	3,948		3,948	1,689	(2,259)
<b>Total - Ministry of Health</b>	<b>3,948</b>		<b>3,948</b>	<b>1,689</b>	<b>(2,259)</b>
<b>Consolidated Capital Plan (\$000)</b>					
Health Facilities <sup>2</sup>	505,855		505,855	356,068	(149,787)
<b>Total - Ministry of Health</b>	<b>505,855</b>		<b>505,855</b>	<b>356,068</b>	<b>(149,787)</b>

<sup>1</sup> Reversal of prior year over accruals is the total amount from the prior year's accruals. The debit does not go against ministry vote.

<sup>2</sup> Only the portion of health authority capital spending funded through restricted capital grants is included. This excludes capital funding through public private partnership debt as well as other funding sources (regional hospital districts, foundations, health authority own-source funding).

## Income Statement for Health Authorities

As required under the *Budget Transparency and Accountability Act*, British Columbia's health authorities are included in the government reporting entity. The health authorities have been primary service delivery organizations for the public health sector for several years and many of the performance measures and targets included in the Ministry's Service Plan are related to services delivered by the health authorities. The majority of the health authorities' revenues and a substantial portion of the funding for capital acquisitions are provided by the Province in the form of grants from Ministry budgets.

Description	2016/17 Budget	2016/17 Actual	Variance
<b>Health Authorities and Hospital Societies – Combined Income Statement (\$000)</b>			
<b>Total Revenue<sup>1</sup></b>	13,798,000	14,251,000	453,000
<b>Total Expense<sup>2</sup></b>	13,798,000	14,240,000	442,000
<b>Net Results<sup>3</sup></b>	<b>0</b>	<b>11,000</b>	<b>11,000</b>

**NOTES:**

<sup>1</sup> Revenues: Includes provincial revenue from the Ministry of Health, plus revenues from the federal government, co-payments (which are client contributions for accommodation in care facilities), fees and licenses and other revenues.

<sup>2</sup> Expenses: Provides for a range of health care services, including primary care and public health programs, acute care and tertiary services, mental health services, home care and home support, assisted living and residential care.

<sup>3</sup> This combined income statement is based on financial statements from six health authorities, seven hospital societies and BC Clinical and Support Services Society, including eliminating entries between these agencies. However, figures do not include the eliminating entries to consolidate these agencies with the government reporting entity.

## Major Capital Projects

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017
<p><b>Queen Charlotte/Haida Gwaii Hospital</b> The new hospital opened in November 2016 replacing an aging facility and consolidating health services into one location. The 2-storey, 5,000 square metre facility, contains 17 beds, including 8 residential care beds. The North West Regional Hospital District is contributing approximately \$19 million, with \$31 million provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="http://www.health.gov.bc.ca/library/publications/year/2012/qch-replacement-project-capital-plan.pdf">http://www.health.gov.bc.ca/library/publications/year/2012/qch-replacement-project-capital-plan.pdf</a></p>	2016	50	48
<p><b>Royal Inland Hospital (Clinical Services Building)</b> The Clinical Services Building opened in August 2016. The 6-level structure includes two levels (5,200 square metres) of clinical outpatient program space and four levels of parking with 350 stalls and connects to the main hospital via bridge link. The Thompson Regional Hospital District is contributing approximately \$25 million, with \$38 million provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="https://www.interiorhealth.ca/sites/BuildingPatientCare/RIH/Pages/default.aspx">https://www.interiorhealth.ca/sites/BuildingPatientCare/RIH/Pages/default.aspx</a></p>	2016	63	60
<p><b>North Island Hospitals</b> The North Island Hospitals Project includes a new 95-bed, 4-storey, 32,000 square metre LEED Gold facility and parking structure in Campbell River and a new 153-bed, 5-storey, 40,000 square metre LEED Gold facility and parking structure in the Comox Valley. Construction completed in spring 2017, with commissioning and patient occupancy scheduled for fall 2017. The Comox-Strathcona Regional Hospital District is contributing approximately \$238 million, with \$368 million provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="http://www.health.gov.bc.ca/library/publications/year/2012/north-island-hospitals-project-capital-plan.pdf">http://www.health.gov.bc.ca/library/publications/year/2012/north-island-hospitals-project-capital-plan.pdf</a></p>	2017	606	520

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017
<p><b>Interior Heart and Surgical Centre</b></p> <p>The Interior Heart and Surgical Centre project consists of a 4-storey, 14,000 square metre surgical facility, with 15 operating rooms and a new perinatal unit, a 3-storey 7,850 square metre clinical support building and renovations to three existing Kelowna General Hospital facilities. The surgical centre opened in September 2015 and the KGH renovations will complete in 2018. The Central Okanagan Regional Hospital District is contributing approximately \$85 million with \$296 million provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="https://www.interiorhealth.ca/sites/BuildingPatientCare/IHSC/Pages/default.aspx">https://www.interiorhealth.ca/sites/BuildingPatientCare/IHSC/Pages/default.aspx</a></p>	2018	381	285
<p><b>Vancouver General Hospital – Joseph and Rosalie Segal Family Health Centre</b></p> <p>The Joseph and Rosalie Segal Family Health Centre is a 100-bed, 8-storey, 12,250 square metre LEED Gold facility. Construction completed in spring 2017, with patient occupancy planned for summer 2017. The Vancouver General Hospital and UBC Foundation contributed \$25 million to the cost of the project, including \$12 million from the Segal family, with \$57 million of funding provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="http://www.vch.ca/about-us/development-projects/joseph-rosalie-segal-family-health-centre">http://www.vch.ca/about-us/development-projects/joseph-rosalie-segal-family-health-centre</a></p>	2017	82	71

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017
<p><b>Children’s and Women’s Hospital Redevelopment</b>                      The redevelopment of BC Children’s Hospital and BC Women’s Hospital will be completed in three phases. The first phase is now complete and included expansion of the neonatal intensive care unit (NICU) by three beds, expansion space for the UBC Faculty of Medicine, and construction of a new 2,400 square metre Clinical Support Building. The second phase of the project is currently underway and consists of the demolition of A-Wing, L-Wing and Medical Education and Research Unit building, construction of a new 49,880 square metre Teck Acute Care Centre scheduled to open in Fall 2017, and renovations to the BC Women’s Urgent Assessment Room in the 1982 Building. The third phase, planned to complete in 2019 includes a 10-bed expansion of single room maternity care, and relocation of the Sunny Hill Health Centre for Children into renovated space in the 1982 Building at the Oak Street campus. The BC Children’s Hospital Foundation is contributing \$146 million toward the capital cost of the project with \$532 million provided by the Province.</p> <p>For more information about the project, please see the website at: <a href="http://www.health.gov.bc.ca/library/publications/year/2010/BCCW-CapitalProjectPlan.pdf">http://www.health.gov.bc.ca/library/publications/year/2010/BCCW-CapitalProjectPlan.pdf</a></p>	2019	678	502
<p><b>Patient Care Tower, Penticton Regional Hospital</b>                      The Patient Care Tower project will be constructed in two phases. Phase one is construction of a new 26,155 square metre Patient Care Tower including a new surgical services centre and 84 medical/surgical inpatient beds in single patient rooms, scheduled to open in Spring 2019. Phase two, planned to complete in Spring 2021 will include renovations to vacated areas in the existing hospital to allow for the expansion of the emergency department, as well as renovations to existing support areas. The Okanagan Similkameen Regional Hospital District is contributing approximately \$117 million, the South Okanagan Similkameen Medical Foundation is contributing \$20 million, with \$175 million funded by the Province and Interior Health.</p> <p>For more information about the project, please see the website at: <a href="http://www.health.gov.bc.ca/library/publications/year/2014/capital-project-plan-penticton-regional-hospital.pdf">http://www.health.gov.bc.ca/library/publications/year/2014/capital-project-plan-penticton-regional-hospital.pdf</a></p>	2021	312	72

<b>Major Capital Projects (over \$50 million)</b>	<b>Targeted Completion Date (Year)</b>	<b>Approved Anticipated Total Cost of Project (\$ millions)</b>	<b>Project Cost to March 31, 2017</b>
<p><b>Clinical and Systems Transformation</b></p> <p>The primary purpose of the Clinical and Systems Transformation Project is to establish a common standardized, integrated, end-to-end clinical information system and environment for Provincial Health Services Authority, Vancouver Coastal Health Authority and Providence Health Care. The vision of this integrated system is “One Person. One Record. Better Health”. The most significant benefit to patients and the care delivery process is in relation to the reduction of adverse events associated with a hospital stay. The ten-year total cost of ownership (TCO) for the project is projected to be \$842 million, composed of a \$480 million capital and \$362 million operating cost component. This TCO includes expenditures on the installation and implementation of the new system and related maintenance and support costs for the ten-year period.</p> <p>For more information about the project, please see the website at:  <a href="http://www.health.gov.bc.ca/library/publications/year/2013/capital-project-plan-clinical-systems-transformation.pdf">http://www.health.gov.bc.ca/library/publications/year/2013/capital-project-plan-clinical-systems-transformation.pdf</a></p>	<p><b>2023</b></p>	<p><b>480</b></p>	<p><b>206</b></p>
<p><b>Royal Columbian Hospital</b></p> <p>Phase 1 of the Royal Columbian Hospital redevelopment consists of a 75-bed, 5-storey, approximately 13,000 square metre LEED Gold mental health and substance use building, plus four levels of parking, a new energy centre and relocation of the helipad. Construction is scheduled to complete in fall 2019, with patient occupancy planned for early 2020. The Royal Columbian Hospital Foundation is contributing \$9 million with \$250 million provided by the Province.</p> <p>For more information about the project, please see the website at:  <a href="http://www.health.gov.bc.ca/library/publications/year/2015/capital-project-plan-royal-columbian-hospital.pdf">http://www.health.gov.bc.ca/library/publications/year/2015/capital-project-plan-royal-columbian-hospital.pdf</a></p>	<p><b>2019</b></p>	<p><b>259</b></p>	<p><b>20</b></p>

## Appendix A – Ministry Contact Information

### **Ministry of Health** ([www.gov.bc.ca/health](http://www.gov.bc.ca/health))

PO Box 9639 Stn Prov Govt  
Victoria, British Columbia V8W 9P1  
Toll free in B.C.: 1-800-663-7867  
In Victoria: 250-387-6121

### **Health Insurance BC** ([www.hibc.gov.bc.ca](http://www.hibc.gov.bc.ca))

#### **Medical Services Plan**

PO Box 9035 Stn Prov Govt  
Victoria, British Columbia V8W 9E3  
Toll free in B.C.: 1-800-663-7100  
In Vancouver: 604-683-7151

### **Health Insurance BC** ([www.hibc.gov.bc.ca](http://www.hibc.gov.bc.ca))

#### **PharmaCare**

PO Box 9655 Stn Prov Govt  
Victoria, British Columbia V8W 9P2  
Toll free in B.C.: 1-800-663-7100  
In Vancouver: 604-683-7151

### **HealthLink BC** ([www.healthlinkbc.ca](http://www.healthlinkbc.ca))

By phone: 8-1-1  
For hearing-impaired assistance call 7-1-1

## **British Columbia's Health Authorities**

### **Fraser Health Authority** [www.fraserhealth.ca](http://www.fraserhealth.ca)

### **Interior Health Authority** [www.interiorhealth.ca](http://www.interiorhealth.ca)

### **Northern Health Authority** [www.northernhealth.ca](http://www.northernhealth.ca)

### **First Nations Health Authority** [www.fnha.ca](http://www.fnha.ca)

### **Ministry of Health – Seniors Advocate** ([www.seniorsadvocatebc.ca](http://www.seniorsadvocatebc.ca))

### **Ministry of Health – Healthy Families BC** ([www.healthyfamiliesbc.ca](http://www.healthyfamiliesbc.ca)) Email: [healthyfamiliesbc@gov.bc.ca](mailto:healthyfamiliesbc@gov.bc.ca)

### **Office of the Provincial Health Officer** ([www.health.gov.bc.ca/pho/](http://www.health.gov.bc.ca/pho/))

PO Box 9648 Stn Prov Govt  
Victoria, British Columbia V8W 9P4  
In Victoria: 250-952-1330

### **Patient Care Quality Review Board** ([www.patientcarequalityreviewboard.ca](http://www.patientcarequalityreviewboard.ca))

PO Box 9643 Stn Prov Govt  
Victoria, British Columbia V8W 9P1  
Toll free in B.C.: 1-866-952-2448  
Email:  
[contact@patientcarequalityreviewboard.ca](mailto:contact@patientcarequalityreviewboard.ca)

### **Vital Statistics Agency** ([www.vs.gov.bc.ca](http://www.vs.gov.bc.ca))

PO Box 9657 Stn Prov Govt  
Victoria, British Columbia V8W 9P3  
Toll free in B.C.: 1-888-876-1633  
In Victoria: 250-952-2681

### **Provincial Health Services Authority** [www.phsa.ca](http://www.phsa.ca)

### **Vancouver Coastal Health Authority** [www.vch.ca](http://www.vch.ca)

### **Vancouver Island Health Authority** [www.viha.ca](http://www.viha.ca)

## Appendix B – Minister’s Mandate and Actions Summary

In the Premier’s annual [Mandate Letter](#) to the Minister dated July 30, 2015, the Minister of Health received direction on strategic priorities for the 2016/17 fiscal year. These priorities and the Ministry’s resulting actions are summarized below:

Mandate Letter Direction	Ministry’s Action
<p>1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the Province of British Columbia.</p>	<p>Achieved the Ministry budget targets, ending the 2016/17 fiscal year with a surplus of \$21.7 million (unaudited).</p> <p>Factors that contributed to this achievement included lower than anticipated payments for various Ministry supported programs and planned savings in order to offset higher MSP fee-for-service costs and PharmaCare cost pressures created from listing new expensive drug therapies such as biologic drugs and hepatitis C drugs.</p>
<p>2. Ensure services are delivered within health authority budgets.</p>	<p>Ensured delivery of services within cumulative budget targets. Overall, health authorities have reported a combined 2016/17 surplus of approximately \$11.0 million (unaudited).</p>
<p>3. Continue our government’s change and innovation agenda within the health care sector.</p>	<p>The Innovation and Change Agenda has been fully incorporated into health sector strategy and documented in <a href="#">Setting Priorities for the B.C. Health System</a> and subsequent <a href="#">policy papers</a> that focus on delivering improved quality in a patient-centred culture across all health sector services.</p> <p>In 2016/17, efforts included engagement sessions between the Ministry and key health sector partners followed by the implementation of actions to address patient access to primary care in Kamloops, including: adding nurses and nurse practitioners to existing practices; using locums to increase capacity; placing additional qualifying physicians; and establishing specialized community care teams for the frail elderly and patients with mental health/substance use concerns.</p> <p>The Ministry has also identified additional communities in which to advance this primary and community care service delivery model, before further expansion to other areas of the province.</p>



Mandate Letter Direction	Ministry's Action
<p>4. Successfully conclude the remaining contract negotiations to be settled in the health sector within the guidelines of the economic stability mandate.</p>	<p>Collective agreements through March 31, 2019, have been achieved with all five of the health sector bargaining associations under the government's Economic Stability Mandate, including:</p> <ul style="list-style-type: none"> <li>• Health Science Professionals Bargaining Association (16,000 employees);</li> <li>• Community Bargaining Association (15,000 employees);</li> <li>• Facilities Bargaining Association (43,600 employees);</li> <li>• Professional Association of Residents (1,200 medical residents); and</li> <li>• Nurses Bargaining Association (42,000 nurses).</li> </ul> <p>The Physician Master Agreement with Doctors of BC was ratified on December 5, 2014, and is also in effect to March 31, 2019.</p>
<p>5. Ensure renewal of the balance of the provincial mental health plan, Healthy Minds, Healthy People.</p>	<p>Through the work of a cross-ministry Cabinet Working Group, a <a href="#">three year mental health and substance use strategy</a> was developed to ensure B.C.'s mental health and substance use programs work effectively together. The development of the strategy included a review of current mental health programs to address gaps and ensure individuals and families can access support services before they find themselves in crisis.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> <li>• Capital investments include the 100-bed Joseph and Rosalie Segal Family Health Centre at Vancouver General; and a 75-bed mental health and substance use facility at the Royal Columbian Hospital site.</li> <li>• The establishment of a mental health digital hub for individuals and families to navigate the mental health system in B.C. and find mental health and substance use supports near them.</li> </ul>

<b>Mandate Letter Direction</b>	<b>Ministry's Action</b>
<p>6. Work with the Ministries of Children and Family Development and Education to review and define Child and Youth Mental Health services in the province and make recommendations to Cabinet by June 30, 2016, on potential improvements.</p>	<p>Work with the Ministries of Children and Family Development and Education to review child and youth mental health services has been incorporated into the three year <a href="#"><i>Mental Health and Substance Use Strategy</i></a>.</p> <p>A major focus of the strategy is supporting the needs of children and youth and their families. Key areas for investment for children and youth mental health services have been identified, including prevention and early intervention to help ensure families have access to the help they need.</p> <p>Foundry sites, a provincial network of easily accessible youth service centres providing mental health, substance use, primary care and social services hosted by local organizations, were launched in Prince George, Kelowna, and on the North Shore.</p>
<p>7. Work with Providence Health Care on the redevelopment and revitalization of St. Paul's Hospital.</p>	<p>Providence Health Care submitted a preliminary business plan to the Ministry in January 2017. Patient and family representatives have participated in focus groups and internal planning sessions throughout major phases of planning for the new St. Paul's Hospital.</p>
<p>8. Work with Fraser Health Authority on implementing Phase One of the Royal Columbian Hospital redevelopment on time and on budget, and continue to work on the remaining phases of the project.</p>	<p>As <a href="#"><u>announced</u></a> on December 29, 2016, Bird Design-Build Construction Inc. was selected as the preferred proponent for Phase One of the Royal Columbian Hospital redevelopment. This first phase is under construction and includes a 75-bed mental health and substance use facility, which will replace the aging 30-bed Sherbrooke Centre, along with a new energy centre and four-level parkade. The project budget remains as approved at \$258.9 million with completion expected in late 2019.</p>

Mandate Letter Direction	Ministry's Action
<p>9. Provide an update for Cabinet on the status of the addiction space expansion that was committed in Strong Economy, Secure Tomorrow by December 31, 2015.</p>	<p>An additional 500 substance use treatment and intervention beds have been implemented throughout the province as follows:</p> <ul style="list-style-type: none"> <li>• Fraser Health Authority – 147</li> <li>• Interior Health Authority – 85</li> <li>• Northern Health Authority – 30</li> <li>• Provincial Health Services Authority – 14</li> <li>• Vancouver Coastal Health Authority – 131</li> <li>• Vancouver Island Health Authority – 93</li> </ul> <p>A wide range of measures have also been enacted to combat the ongoing opioid crisis, including overdose prevention sites, preparing for additional supervised consumption services, enhanced surveillance, and expanded opioid substitution treatments.</p> <p>Since December 2016, overdose prevention sites have had more than 66,000 visits and reversed more than 480 overdoses, while as of March 2017, over 30,000 naloxone kits have been distributed, with kits available at 476 locations in B.C.</p>

Mandate Letter Direction	Ministry's Action
<p>10. Work with the Doctors of BC, College of Physicians and Surgeons, College of Registered Nurses and the Association of BC Nurse Practitioners to continue to strengthen primary care access for British Columbia patients across the province including the addition of new physicians and nurse practitioners.</p>	<p>The Practice Ready Assessment-British Columbia program, which streamlines the process for internationally educated family physicians to relocate to B.C., has enabled 55 new physicians to begin practicing in rural communities.</p> <p>The Nursing Community Assessment Service, providing competency based assessments for internationally educated nurses seeking licensure, has begun assessing applicants.</p> <p>Provincial and Regional action plans have been developed to address patient access to primary health care by leveraging multiple health professional resources in a team based care environment. Initial work in Kamloops and the Central Okanagan – including the introduction of an additional 10 nurse practitioners in both existing practices and as part of new practice ready primary care clinics, as well as up to eight registered nurses and licensed practical nurses into existing family practices; additional placements for physicians from the Practice Ready Assessment program; and establishing specialized community care teams for the frail elderly and patients with mental health/substance use concerns – will later be expanded to additional communities.</p>
<p>11. Working with provincial health authorities, develop and implement a plan to reduce wait times for surgical procedures across the province.</p>	<p>The Ministry provided \$25 million in 2015/16 to health authorities to increase surgical capacity, in order to reduce the number of patients currently waiting for scheduled surgeries. The funding focuses on patient-centred quality care, and aims to provide patients who need scheduled surgical services with seamless and timely access to information and care.</p> <p>A new comprehensive surgical waitlist management policy has been developed to improve standardization, transparency, patient choice, and optimal waitlist management, including improvements to surgery scheduling, information available to patients, and patient notifications.</p>

Mandate Letter Direction	Ministry's Action
<p>12. Provide an update to Cabinet on the Strong Economy, Secure Tomorrow commitment to double the number of hospice spaces in the province by 2020.</p>	<p>To date, health authorities have submitted plans to create a further 101 hospice beds for a total increase of 158 beds, while continuing to expand plans to meet the remainder of the commitment.</p> <p>In January 2017, Government announced that \$7.125 million was provided to create new hospice beds in communities around British Columbia, make improvements to current spaces, and support best practices in the palliative approach to care as well as advance care planning.</p> <p>The Ministry collaborated with the BC Centre for Palliative Care and health authorities to study B.C.'s palliative population and determine how the funds would be allocated.</p>
<p>13. Undertake a review of dementia care and provide options to Cabinet to improve patient and health care worker safety.</p>	<p>The <i>Provincial Guide to Dementia Care in British Columbia</i> was released in May 2016, and outlines priorities for dementia care:</p> <ul style="list-style-type: none"> <li>• Increasing public awareness</li> <li>• Supporting people with dementia to live safely at home for as long as possible, including caregiver support</li> <li>• Improving quality of dementia care in residential care</li> <li>• Increasing system supports and adoption of best practices in dementia care.</li> </ul> <p>In 2016 the Ministry renewed the P.I.E.C.E.S.™ license for an additional three years. The P.I.E.C.E.S.™ training program, available across all health authorities, provides staff with strategies to manage the behavioral and psychological symptoms of dementia.</p> <p>The Ministry led consultations with health sector partners to initiate development of a provincial policy framework aimed at reducing violence across B.C.'s health care system.</p> <p>The Ministry has begun work with health sector stakeholders to implement the CSA Standard on Psychological Health and Safety in the Workplace.</p>

Mandate Letter Direction	Ministry's Action
<p>14. Work with Parliamentary Secretary Darryl Plecas and the Seniors Advocate to provide an update to Cabinet on senior's care improvement in the province by December 31, 2015.</p>	<p>Parliamentary Secretary Darryl Plecas, working with the Seniors Advocate and Ministry of Health staff, examined the current state of residential care service delivery in B.C., with a focus on quality of care, staffing levels and funding. In March 2017, the <a href="#"><i>Residential Care Staffing Review</i></a> was released.</p> <p>Additionally, the Ministry released <a href="#"><i>An Action Plan to Strengthen Home and Community Care for Seniors</i></a>, which addresses the needs of those seniors who experience increasingly complex medical health care needs and or frailty.</p>