



President's Quarterly Report and Review of Financial Statements

As at June 30, 2023



Canadian Institute
for Health Information

Institut canadien
d'information sur la santé

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Introduction

This document includes the following sections:

- President's update: Key activities in progress and accomplishments under CIHI's strategic plan for the first quarter of 2023–2024 (i.e., April 1 to June 30, 2023)
- CIHI's public releases from April 1 to June 30, 2023
- Financial highlights and statements: CIHI's financial situation as at June 30, 2023

President's update

Key initiatives in progress

- CIHI has been engaging with stakeholders to identify areas that require oversight and guidance by the new Health Human Resources (HHR) Centre of Excellence. Since April 2023, CIHI has engaged with provincial/territorial ministry leaders in health workforce planning, health professional associations, Indigenous professional associations, pan-Canadian health organizations, researchers and international HHR organizations. This work will facilitate a common understanding of the needs and areas to focus on for improvement in the HHR space.
- CIHI is collaborating with Canada Health Infoway to advance interoperability in Canada. The Shared Pan-Canadian Interoperability Roadmap outlines the scope of work required to achieve seamless health data flow. CIHI is leading the development of the Pan-Canadian Health Data Content Framework to lay the foundation for interoperability across health systems in Canada, beginning with primary health care. Targeted stakeholder consultations are ongoing to inform the development of the framework and its deliverables.
- CIHI is developing its artificial intelligence (AI) strategy and multi-year roadmap regarding the use of AI within our business operations to achieve our strategic goals of advancing Canada's health system data, analytics and information to support health system decision-making. The purpose of the strategy will be to help understand the health care AI landscape; to articulate important use cases for AI as it relates to standardized data collection, aggregation and use; and to advise on the appropriate controls, governance and technology that would allow CIHI to safely leverage the opportunities that AI can offer to effectively accomplish our mandate.

Strategic activities and outcomes

The following are key accomplishments for the first quarter of 2023–2024 that align with each of CIHI's strategic goals for 2022 to 2027.

1 A comprehensive and integrated approach to Canada's health system

Collaborate with partners to continuously advance the creation, validation and accessibility of health system data.

Key accomplishments

- In April 2023, the Organ Donation and Transplantation (ODT) Project confirmed 3 new patient partners to plan and facilitate a Patient, Family and Donor focus group for ODT public reporting, and hosted its first planning meeting in June. In May, CIHI sent out a survey to ODT stakeholders to seek input on naming CIHI's new data system and is pleased to introduce the Canadian Organ Donation and Transplantation Data System (CanODT), which will have its first release on deceased donation in fall 2023.
- CIHI completed an evaluation of Kingston, Frontenac and Lennox & Addington (KFL&A) Public Health's pilot data that represented 7 years of near real-time data on inpatient admissions and emergency department (ED) visits across Ontario hospitals. The purpose was to evaluate comparability of this near real-time data with CIHI's Discharge Abstract Database (DAD) and National Ambulatory Care Reporting System (NACRS) data, which is received 2 to 3 months later. The evaluation highlighted specific data-reporting opportunities associated with using real-time data, such as timelier hospital indicators for readmissions, hospital inflow/outflow patterns and public health concerns (e.g., outbreaks).
- CIHI, in partnership with Statistics Canada, is designated as a Collaborating Centre for the World Health Organization Family of International Classifications (WHO-FIC). WHO-FIC is a collaborative network of countries and organizations that work together to develop and maintain the *International Classification of Diseases, Eleventh Revision* (ICD-11) and other health-related classifications. CIHI has a leadership role in the WHO-FIC Network and actively participated in the network's mid-year working meetings, held in Sydney, Australia, May 8–11, 2023. Through these meetings, the network ensures that international health classifications are relevant and robust, while CIHI's involvement ensures that they will meet the needs of Canada's health systems.
- With more hip and knee replacements being done as day surgeries (a four-fold increase from 2019–2020 to 2020–2021), it is important to capture prosthesis data for all replacements performed in Canada. Accordingly, new Canadian Joint Replacement Registry (CJRR) elements were added to NACRS. As of May 31, 2023, more than 6,500 day surgery records with prosthesis data were submitted to NACRS in this first

year. With this data from day surgeries, CJRR prosthesis coverage for Ontario improves to at least 92%, up from 85% in 2021–2022. The more complete the registry is, the more useful it will be for informing health system performance and health care decisions regarding medical device recalls and research.

- In May 2023, CIHI participated in the Technologies in Emergency Care conference in Vancouver, British Columbia. CIHI co-presented with Drs. Ewan Affleck and Maureen O'Donnell on the topic “What do we need now to enable digital health across Canada?”. It included a robust discussion on priority areas for CIHI such as the Pan-Canadian Health Data Strategy, collective impact models, the Shared Pan-Canadian Interoperability Roadmap, and CIHI's leadership on standards, measurement and reporting on virtual care.
- In June 2023, CIHI participated in a stakeholder forum, Race-Based Health Data Initiative Meeting, organized by the Wellesley Institute. This forum aimed to capitalize on progress made coast-to-coast-to-coast in the collection, analysis and use of race-based data for health during the COVID-19 pandemic. Jurisdictions are taking a variety of approaches to collecting race-based data, such as including identifiers on health cards, conducting large-scale surveys and collecting data at the point of care. Moreover, plans for making this data accessible, as well as for analysis, use and governance of the data, are similarly diverse. A select group of strategic stakeholders — including the Wellesley Institute, CIHI, ICES, Ontario Health, Nova Scotia Department of Health and Manitoba Public Health — hope to work collaboratively to ensure comparability and interoperability of race-based data across Canada.

2 An expanded offering of analytics, indicators, and tools to support health system decision-making

Provide the insight needed to drive better health outcomes across Canada's health systems.

Key accomplishments

- In April 2023, CIHI began monthly data deliveries to Health Canada's Office of Drug Research and Surveillance on hospitalizations for harms caused by substance use, which is provided in briefings to the federal minister of mental health and addictions. The data is used to assess and understand hospital stays for harm caused by substance use in Canada and how they differ by substance type, location and patient characteristics. The analyses inform policy-makers about the target population and the geographic areas with a high risk of exposure to certain substances, and how these may change over time. Positive feedback was received after the first ministerial briefing and Health Canada indicated strong interest in continuing to receive the data.
- On June 29, 2023, a bilingual version of the Physician Resource Planning (PRP) Tool was launched with refreshed data. All federal/provincial/territorial (FPT) stakeholders are invited to access the tool. Tool users were identified by members of the Committee on Health Workforce. The PRP Tool allows FPT stakeholders to create their own projection scenarios to help with physician resource planning.

3

Health information users who are better equipped and enabled to do their jobs

Help build users' capacity by equipping them to make the best use of data, and by convening forums where they can explore solutions together and share best practices.

Key accomplishments

- On April 26, 2023, CIHI partnered with the Canadian Centre on Substance Use and Addiction (CCSA) to co-host a webinar focused on substance use data in context. The webinar builds on our continued effort to work closely with other pan-Canadian health organizations and leveraged both recent CIHI indicator data on hospital stays caused by substance use and CCSA data related to updated substance use costs and harms. The data was the starting point for an engaging panel discussion on areas such as strategies to address harms in younger Canadians, and harm reduction and safe consumption strategies. The event was well attended and positions CIHI data at the centre of important policy and health system debates.
- CIHI presented the keynote panel presentation at the Choosing Wisely Canada (CWC) National Meeting (May 11 and 12, 2023) to disseminate the findings from the CIHI-CWC 2022 report *Overuse of Tests and Treatments in Canada*. Since 2015, CIHI and CWC have collaborated to provide actionable information to jurisdictions in order to reduce the overuse of selected tests, treatments and procedures.
- On May 23, 2023, CIHI and the Cultural Safety Measurement Collaborative (CSMC) — a group of First Nations, Inuit and Métis experts and health leaders — came together to advance the co-development of national cultural safety indicators to help assess and track progress across health systems. To date, the CSMC has completed important foundational work, including the establishment of terms of reference. The CSMC will gather in person in October to accelerate its work to help address anti-Indigenous racism in health systems and improve outcomes.
- CIHI continues to execute patient-reported experience measures (PREMs) knowledge transfer activities. These activities build the capacity of stakeholders to understand how patient experience data can be leveraged for quality improvement initiatives:
 - On June 2, 2023, CIHI presented its PREMs and patient experience surveys at a conference for auditors hosted by AuraSanté, an acute care hospital in France.
 - CIHI was invited to join an international group for PREMs that is being coordinated by a group conducting PREMs in Ireland.
 - On June 16, 2023, CIHI presented on PREMs and the Canadian Patient Experiences Survey — Inpatient Care (CPES-IC) Modernization initiative at the Utilization Managers' Network of Ontario (UMNO).

- CIHI produced 6 new episodes (3 English and 3 French) of the Canadian Health Information Podcast in the first quarter, focusing on virtual care, palliative care and health care funding. The podcast episode on palliative care accompanied the release of the report *Access to Palliative Care in Canada, 2023*. Guests spoke about the importance of palliative care and health system improvements that have been made since CIHI's last report 5 years ago.
- In the first quarter, CIHI hosted several strategic meetings with senior health system leaders and analytic leaders from the Atlantic and Western jurisdictions:
 - Both the Atlantic Strategic Advisory Collaborative and Western Strategic Advisory Collaborative meetings were held in April 2023. Topics discussed included CIHI's role in advancing a modernized health data system, and updates on jurisdictional priorities and initiatives.
 - CIHI and Healthcare Excellence Canada (HEC) co-hosted the Sparsely Populated Regions Advisory Group (SPRAG) meeting held June 6 and 7, 2023. It brought together participants of HEC's Canadian Northern and Rural Health Network and new invitees from rural areas of Quebec, Ontario and the Atlantic provinces. The purpose of the meeting was to discuss issues in rural health care, gather information on key priorities across the country, present recent work from CIHI and HEC, and explore an ongoing joint group with pan-Canadian membership.

Corporate foundations

Maintaining a strong foundation includes caring for our people, continuously investing in our information technology, remaining committed to managing privacy and security risks, and meaningfully engaging with stakeholders and partners.

- As part of CIHI's ongoing commitment to cultural safety and humility, CIHI hosts sharing circles where staff come together in a safe space to discuss topics related to Indigenous Peoples. On April 4, 2023, Dr. Marcia Anderson, Vice-Dean, Indigenous Health, Social Justice and Anti-Racism, Rady Faculty of Health Sciences at the University of Manitoba, gave a presentation titled *Indigenous Data Sovereignty as a Starting Point for Culturally Safe Measurement and Cultural Safety Measurement*, which reinforced cultural safety as a foundational element in the understanding and dismantling of power relationships within health care. Dr. Anderson's presentation inspired meaningful conversations about the critical nature of cultural safety in all aspects of engagement with Indigenous Peoples.

CIHI's public releases from April 1 to June 30, 2023

[Access to Palliative Care in Canada, 2023](#): This report presents the latest information on access to palliative care in Canada and how it has changed since CIHI's 2018 report. It outlines where Canadians are receiving palliative care and who is facing barriers to care, and provides contextual information on caregiver and provider experiences.

[Hospital Beds Staffed and In Operation, 2021–2022](#): These figures represent the beds and cribs available and staffed to provide services to inpatients at the required type and level of service during or at the beginning of the fiscal year.

[Your Health System web tool update](#): 8 indicators and 7 contextual measures were updated with the most recent year of data. This included a refresh of Patient Experience and Financial indicators with the latest year of data.

[How Canada Compares: Results From the Commonwealth Fund's 2022 International Health Policy Survey of Primary Care Physicians in 10 Countries](#): The Commonwealth Fund's International Health Policy surveys fill important information gaps by polling patients and providers in a number of developed countries. The 2022 edition of this survey focused on the experiences of primary care physicians in 10 countries. CIHI's related products highlight the perspective of Canadian family doctors and examine how their experiences differ in the areas of physician workload, access to care, care coordination and management, and the use of information technology.

[The Expansion of Virtual Care in Canada: New Data and Information](#): This report presents provincial/territorial case studies and 2022 Commonwealth Fund survey data that show how Canada responded to the rise in demand for virtual care.

[Recommendations for Advancing Pan-Canadian Data Capture for Personal Support Workers](#): This report provides a pan-Canadian picture of PSWs, including high-level findings on the training they receive, their roles and responsibilities, insights on data availability, a use case from Alberta with key findings, and 5 recommendations to promote the creation of data and information on PSWs.

[Measuring Cultural Safety in Health Systems: Lessons Learned From Providence Health Care in British Columbia](#): Developed in collaboration with Harmony Johnson (Vice President, Indigenous Wellness & Reconciliation at Providence Healthcare), the report is intended to support other health service organizations working to eliminate anti-Indigenous racism in health care.

[Patient Experience Survey and Measurement Resource Toolkit](#): This toolkit provides a suite of resources related to CIHI's patient experience survey and measures, their importance and how survey data can be leveraged for quality improvement initiatives.

Financial highlights and statements

In March 2023, CIHI's Board of Directors approved *CIHI's Operational Plan and Budget, 2023–2024* for up to \$139.2 million.

Management is currently implementing key initiatives to achieve the strategic goals outlined in *CIHI's Strategic Plan, 2022 to 2027* while continuing to provide important services and make improvements in CIHI's core program of work.

Known financial variances to the approved budget

The following represents the significant known annual financial variances to the approved budget based on the current review and first-quarter results:

- The Board-approved budget includes an annual funding allocation of up to \$111.6 million from Health Canada. The anticipated carryforward amount of \$10.0 million was subsequently increased to \$10.6 million, bringing the revised Health Canada funding for 2023–2024 to \$112.2 million. The carryforward funds are being used to
 - Offset expenses related to delays in some projects;
 - Cover pressure points for delivering on existing work and unanticipated expenses related to significant migration of code to open-source tools; and
 - Shore up support areas and retain critical talent in anticipation of growth.
- In March 2023, an amendment to our existing Health Canada agreement was signed to include the following additional funding, bringing the total funding allocation to \$118.3 million:
 - \$3.2 million to support the continued implementation of the Pharmaceuticals Data and Information Roadmap (bringing the total for this initiative to \$3.7 million);
 - \$1.7 million to advance new priority data work on the Drugs for Rare Diseases strategy; and
 - \$1.2 million to conduct a 1-year Data Pathways for Public Health data pilot project.
- Budgeted interest income has increased by \$200,000 due to current and projected increases in interest rates.
- In addition, the first-quarter review has flagged an annual underspending in compensation, mainly due to an increase in our planned vacancy rate caused by current market conditions.
- Plans are being reviewed, and savings flagged during the first-quarter review will be reallocated as needed to support other areas of the organization to deliver on our initiatives.

Known year-to-date financial variances

- Although the actual results for the 3-month period ended June 30, 2023, are different from the approved budget, the variances can largely be attributed to the items noted above, in addition to delays in spending. Otherwise, the annual results are expected to be relatively in line with the budget.
- Management will continue to monitor the budget to ensure that resources are best allocated to meet CIHI's deliverables and commitments in the current fiscal year, as well as to achieve notable progress toward CIHI's strategic goals. We will prepare a thorough year-end projection as part of the mid-year review exercise.

Financial statements

- Financial statements included in the following section present CIHI's financial position as at June 30, 2023, with detailed results of operations for the first 3 months of the fiscal year.
- Notes to the financial statements provide details related to specific lines of each statement.
- The closing balances of the balance sheet accounts in the following section are reasonably in line with the organization's operating cycle.

Balance sheet (\$000) as at June 30, 2023

Balance sheet	June 30, 2023 \$	March 31, 2023 (audited) \$
Assets		
Current assets		
Cash and short-term investments <i>(note 1)</i>	17,962	18,403
Accounts receivable <i>(note 2)</i>	2,748	5,279
Prepaid expenses <i>(note 3)</i>	6,090	5,001
Total current assets	26,800	28,683
Long-term assets		
Capital assets <i>(note 4)</i>	1,568	1,698
Total long-term assets	1,568	1,698
Total assets	28,368	30,381
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities <i>(note 5)</i>	7,957	6,485
Unearned revenue <i>(note 6)</i>	2,143	1,296
Deferred contributions — Health Information Initiative <i>(note 7)</i>	9,799	14,017
Total current liabilities	19,899	21,798
Long-term liabilities		
Deferred contributions — expenses of future periods <i>(note 8)</i>	126	126
Deferred contributions — capital assets <i>(note 9)</i>	771	812
Lease inducements <i>(note 10)</i>	969	1,042
Total long-term liabilities	1,866	1,980
Net assets	6,603	6,603
Total liabilities and net assets	28,368	30,381

Notes to balance sheet as at June 30, 2023

1. **Cash and short-term investments:** Presented net of outstanding cheques as at June 30, 2023. Current short-term investments include \$9.0 million in term deposits, which will yield 4.94% and mature within 80 days.
2. **Accounts receivable:** Relates to the sale of products and services. Also composed of \$350,000 from the Ontario government related to contributions for specific programs and projects, \$111,000 from the University of British Columbia for the Strategy for Patient-Oriented Research Initiative, as well as \$952,000 related to the provision of the Core Plan through provincial and territorial agreements.
3. **Prepaid expenses:** Represents payments that have yet to be recognized as expenses, consisting of software and maintenance, rent to landlords for office space and other expenses.
4. **Capital assets:** Presented net of accumulated amortization, including computers and telecommunications equipment, furniture and leasehold improvements. The capital assets are amortized over their estimated useful lives using the straight-line method: 5 years for computer hardware/software and office/telecommunications equipment; 10 years for furniture; and lease term for leasehold improvements. Assets acquired during the year are amortized beginning in the month of acquisition.
5. **Accounts payable and accrued liabilities:** Operational in nature. The accounts payable is mostly current (less than 30 days). The accrued liabilities represent goods received and services rendered up to the end of the quarter (e.g., external and professional services) as well as payroll and benefit accruals.
6. **Unearned revenue:** Includes contributions received for which expenses have yet to be incurred. The balance includes \$1.5 million in Core Plan billings related to future quarters and \$524,000 in funding contributions received from the British Columbia Ministry of Health for special projects. The contributions are recognized as revenue in the same period as the related expenses are incurred.
7. **Deferred contributions — Health Information Initiative:** Related to contributions received from Health Canada but not yet recognized as revenue. The contributions are recognized as revenue in the same period as the related expenses are incurred.
8. **Deferred contributions — expenses of future periods:** Represents long-term unspent restricted contributions. The funding is recognized as income to match the occurrence of specific expenditures for projects and activities.
9. **Deferred contributions — capital assets:** Represents contributions provided for the purpose of capital assets acquisitions. The deferred contributions are recognized as revenue on the same basis as the amortization of the related capital assets.
10. **Lease inducements:** Represents leasehold improvement allowances, other inducements and free rent received/provided over the years for the Montréal, Victoria, Toronto and Ottawa offices. The inducements are amortized over the period of their respective leases.

Operating budget (\$000) for the 3-month period ended June 30, 2023

Operating budget	Actual year to date \$	Approved budget year to date \$	Variance \$	Approved budget (12 months) \$
Revenue				
Sales (note 1)	595	576	19	2,449
Core Plan (note 2)	5,121	5,121	—	20,485
Health Information Initiative (note 3)	27,263	29,488	(2,225)	111,742
Funding — other (note 4)	938	1,025	(87)	4,118
Other revenue (note 5)	263	146	117	400
Total revenue	34,180	36,356	(2,176)	139,194
Expenses				
Compensation (note 6)	26,418	27,516	1,098	104,309
External and professional services (note 7)	2,840	3,101	261	12,745
Travel and advisory committee (note 8)	536	958	422	2,631
Office supplies and services (note 9)	132	343	211	620
Computer and telecommunications (note 10)	2,269	2,417	148	9,757
Occupancy (note 11)	1,985	2,021	36	8,132
Corporate provision (note 12)	—	—	—	1,000
Total expenses	34,180	36,356	2,176	139,194
Excess of revenue over expenses	—	—	—	—

Notes to operating budget for the 3-month period ended June 30, 2023

1. **Sales:** Includes CIHI's products and services over and above those sold as part of the Core Plan (e.g., on a fee-for-service basis).
2. **Core Plan:** Represents subscription revenue from the bilateral agreements with provincial and territorial governments.
3. **Health Information Initiative:** Represents Health Canada's funding allocation recognized as revenue to match the operating expenses incurred. As well, it includes deferred contributions received in prior years recognized as revenue to match the capital assets amortization.
4. **Funding — other:** Represents contributions from provincial and territorial governments and from other agencies for special projects or specific programs (e.g., Ontario Patient-Reported Outcome Measures, National Ambulatory Care Reporting System, Strategy for Patient-Oriented Research, Ontario Mental Health Reporting System, Ontario Trauma Registry, Ontario Health Based Allocation Model, Ontario Opioid Overdose Surveillance System, National Dementia Strategy). The funding is recognized as revenue in the same period as the related expenses are incurred.
5. **Other revenue:** Includes interest income generated from the bank accounts and short-term investments, as well as miscellaneous income.
6. **Compensation:** Includes salaries, benefits and pension expense for both full-time employees and agency/contract staff.
7. **External and professional services:** Includes accruals for services rendered to date. At the end of June, the unrecorded contractual commitments pertaining to this fiscal year are in the order of \$8.3 million.
8. **Travel and advisory committee:** Includes travel expenses for staff and for members of the Board of Directors and of advisory committees, as well as facility costs relating to CIHI's education sessions and externally hosted meetings.
9. **Office supplies and services:** Includes printing, postage/courier/distribution, office equipment and supplies, insurance costs, and equipment, furniture and leasehold improvements of a capital nature under \$5,000.
10. **Computer and telecommunications:** Includes supplies, software/hardware support and maintenance, minor software costs and upgrades, telecommunications line charges and long-distance charges, cloud computing costs, capital purchases under \$5,000, as well as depreciation of computers and telecommunication assets.
11. **Occupancy:** Includes rent, facility maintenance and depreciation of furniture and leasehold improvements.
12. **Corporate provision:** Set aside by management; essentially a contingency for emerging issues and year-end adjustments.



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