



2016-17 Annual Report

HealthForceOntario Marketing
and Recruitment Agency



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Letter from the Chair and Executive Director

Welcome to the HealthForceOntario Marketing and Recruitment Agency (HFO MRA) Annual Report. The 2016-17 report tells a story about the agency's continued commitment to advance implementation of the ministry's *Patients First: Action Plan for Health Care*.

A description of our programs and services, highlights of agency activity, performance results, and an operational analysis – all included in the report – demonstrate our work during the past year.

Also worth noting, the strengthened partnerships we developed with the Local Health Integration Networks (LHINs) this past year is instrumental in supporting the LHIN agenda to implement *Patients First*. The agency has developed a LHIN strategy that focuses on the key areas of: knowledge sharing, supporting provider engagement, planning tools and analytics, using developed local relationships to collect local health workforce data, and delivering health workforce solutions. These strengthened partnerships contribute to agency and system success.

We invite you to review our Annual Report to learn how we are delivering on our commitment to help improve access to care across the province.

Best regards,

Peter Wells, MD, CCFP, FCFP, FRRMS
Chair

Roz Smith, MHSc, CAE
Executive Director

Mandate, Vision, Mission, and Values



Mandate

HealthForceOntario Marketing and Recruitment Agency (HFO MRA/ the agency) supports the government's health workforce objectives and contributes to the planning, recruitment, retention, transition, and distribution of health practitioners in Ontario.



Vision

Bringing health human resources to life.



Mission

We inspire, develop, and drive health human resources solutions.



Values

HFO MRA has adopted values as a guide in the delivery of all agency programs and services:

- **Client Centredness**
- **High-Quality Outcomes**
- **Best Possible Return on Public Investment.**



The Access Centre for Internationally Educated Health Professionals

The agency's Access Centre for Internationally Educated Health Professionals (IEHPs) provides programs and services to IEHPs to help them integrate into the Ontario health-care system with the primary goal of helping them become trained, licensed, and employed in their profession or an alternative career. Supports include a variety of workshops, information sessions, advisory services and online resources delivered in a client-centred case management framework.



Clerkship Travel Program

The Clerkship Travel Program (CTP) covers select travel and accommodation expenses for eligible medical students (clerks) in the final two years of their program who are accepted for a clinical rotation. The program helps improve the distribution of physicians across Ontario by giving undergraduate medical students exposure to alternative practice settings.



HFOJobs

HFOJobs is an online job board connecting candidates with health-care organizations, communities, and employers that have opportunities for physicians, nurses, and allied health professionals. HFOJobs staff work with employer and community recruiters from across the province to assist them with their postings.



Locum Programs

Emergency Department Locum Program

The Emergency Department Locum Program (EDLP) assists hospitals to avert closure of an emergency department due to physician unavailability. EDLP provides urgent locum coverage as an interim measure of last resort to designated hospitals facing significant challenges covering emergency department shifts. At any given time, approximately 20 hospitals – those that have been assessed as most in need of staffing assistance – access the EDLP. Additionally, more than two-thirds of the hospitals in Ontario have received EDLP advice regarding emergency department staffing, recruitment and retention, and sharing of best practices.

General Practitioner Vacancy Locum Coverage Arrangements

The General Practitioner Vacancy Locum Coverage Arrangements (GPVLCAs) provides vacancy locum coverage for high-need communities in Northern Ontario while they recruit additional family medicine physicians. Thirteen communities receive varying levels of vacancy support from the GPVLCAs.

Northern Specialist Locum Programs

The Northern Specialist Locum Programs (NSLP) consist of two programs that support patient access to hospital-based specialist services in Northern Ontario. Northern Ontario communities with eligible specialist physician vacancies access the Urgent Locum Tenens Program to provide temporary specialist locum coverage while they recruit a permanent physician. For Northern Ontario communities that have a small group of specialist physicians at full complement, the Respite Locum Tenens Program provides temporary specialist locum coverage for eligible specialties/communities while local physicians are on vacation, continuing medical education, or leave.



Locum Programs cont'd

Rural Family Medicine Locum Program

The Rural Family Medicine Locum Program (RFMLP) maintains primary care in eligible communities by providing temporary short-term replacement coverage for eligible rural family medicine physicians.



Nursing Graduate Guarantee Program Support

Centralized Information Desk staff respond to queries and provide guidance to newly graduated nurses, newly registered internationally educated nurses, and employers as part of the Nursing Graduate Guarantee Program (NGG). The NGG connects new graduate nurses in Ontario with temporary full-time employment to support their successful transition to practice and to permanent, full-time employment.



Physician Assistant Career Start Program

The Physician Assistant (PA) Career Start Program facilitates the transition of Ontario PA graduates into the health-care system, thereby helping to address patient care needs. The program supports employment of graduates in priority clinical and geographic areas. In addition, the agency supports existing and prospective employers across the province in their ongoing PA recruitment and retention efforts.



Regional Advisors

Regional Advisors (RAs) are located across the province and provide various services:

Health Workforce Planning

Regional Advisors work closely with LHIN planning staff, Physician Leads, and local and regional clinical champions to facilitate effective physician health workforce planning at both the local and regional levels. Specifically, Regional Advisors provide recruitment and retention resources, on-the-ground intelligence (identifying emerging trends, such as physician job market changes and physician retirement patterns), and best practices.

Physician Recruitment Support for Communities

The agency assists health-care providers and organizations with their community-based health workforce initiatives. Regional Advisors work to connect communities with resources and partners; share best practices; and assist with physician recruitment and retention.

Practice Ontario

Practice Ontario is a service that helps Ontario post-graduate medical residents with their transition to practice across the province. Regional Advisors, in conjunction with all six Ontario medical schools, provide career counselling to medical residents that includes: assistance in identifying practice opportunities in high-need areas; support in understanding return of service (ROS) obligations; and information on resources and incentives to practise in Ontario. Practice Ontario supports the retention and distribution of medical residents who trained in Ontario.

Transition out of Practice

The agency offers physician transition out of practice services to physicians in partnership with the Canadian Medical Association and Ontario Medical Association. The Regional Advisors meet with physicians who are considering retirement to discuss physician succession planning and transition out of practice. Organizations can also access the agency's online suite of educational resources, *Recruitment Essentials*, for details surrounding succession planning.



Highlights of Agency Activity

The following is a sample of the many activities the agency carried out in 2016-17 to support *Patients First: Action Plan for Health Care* through advancing health workforce solutions that increase access to care.



LHIN Support

HFO was a key contributor to the fall 2016 South West LHIN Primary Health Care Capacity Report. The agency played an important role in developing recommendations to improve equitable access to primary care and is identified as a partner to implement several of the recommendations, including assisting with the orientation of new primary care physicians who are recruited to the region, and working with local primary care leaders to develop physician recruitment strategies.



Data Sharing Agreement

In January 2017, the agency signed a data sharing agreement with the CPSO. Access to CPSO data will allow for more accurate and timely reporting and new reporting options, including an improved ability to share health workforce data with the Local Health Integration Networks (LHINs).



Comprehensive Community Support

During 2016-17, the agency provided a community in need with strategic guidance, recruitment support, and locums to mitigate the physician coverage shortage in the emergency department and inpatient units at the community's hospital. The agency was also working with local leadership and the ministry on an Alternative Funding Agreement designed to bring full-time internists to the community.



A Northern Ontario Hospital Develops a Recruitment Plan and Gains an Internist

A hospital in Northern Ontario had relied heavily on Northern Specialist Locum Programs (NSLP) support for general internal medicine for many years. During 2016, NSLP engaged with hospital leadership to develop a comprehensive staffing model and recruitment plan for internal medicine. The plan was approved by the CEO in mid-2016 and by early 2017, a former NSLP locum physician signed on as a permanent recruit—the first general internist to be recruited to the community in more than 20 years.



Out-of-Province Recruitment Support to Communities in Need

In December 2016 and January 2017, the agency assisted a number of communities in need with their recruitment efforts of practice-ready physicians outside of Ontario by offering advice and leading practices on immigration and licensing. Successes include:

- Two psychiatrists recruited to Sault Ste. Marie and Peterborough, filling long-standing physician vacancies.
 - Two hospitalists recruited to Campbellford to stabilize their hospitalist program.
 - A physician recruited to a Community Health Centre in St. Thomas to support primary care access for high-need populations.
-



Physician Recruiter Forum in North Simcoe Muskoka

In January 2017, the agency hosted a regional physician recruiter forum in the North Simcoe Muskoka LHIN, which provided neighboring community recruitment representatives with a chance to connect and share challenges and leading practices. The need for community-based psychiatric services, general internal medicine, and regional health workforce planning were discussed.



Maintaining Clinical Care at a Northern Ontario Hospital and the Surrounding First Nations Communities

A physician group at a Northern hospital provides ED coverage at the hospital and fly-in services to surrounding First Nations communities. Due to a significant staffing shortage within the physician group, fly-in services to surrounding First Nations communities were at risk of being suspended to maintain 24-hour ED coverage at the hospital. EDLP worked with its locum pool to identify physicians who could take on long assignments in the community, providing telephone consultations to remote nursing stations and covering 30 inpatient beds overnight. EDLP support is stabilizing hospital coverage and enabling the site to plan primary care for the coastal communities.



ED Holiday Season Coverage

The Emergency Department Locum Program (EDLP) covered 90 shifts (almost 1,200 hours) across 17 sites during the 2016 holiday season— the highest amount of support provided over the holidays since program inception in 2006. More than one-third of the coverage was provided in Northern Ontario. Additionally, EDLP was involved in averting four closures between Christmas and New Year's. Two of the four shifts were filled within 24 hours of the beginning of the open shift.



HIRE

Project funding for HIRE-IEHP (Health Integration, Research and Education for Internationally Educated Health Professionals) ended March 2017. The project provided the agency with the opportunity to develop a range of innovative new resources that enable the agency to better support IEHPs' career exploration and career transition. The agency HIRE team supported University of Toronto's development of three series of online modules designed to help IEHPs overcome challenges adapting to Canadian workplace culture and communication. The modules are available at www.hireiehps.com.



Accelerated Bridging Program for Internationally Educated Health Professionals

During 2016-17, the agency collaborated with Seneca College's Continuing Education unit on a pilot three-month accelerated short-term education program in the Medical Devices Reprocessing (MDR) field. The accelerated version allowed IEHP clients to use prior health-care knowledge to complete the program and start applying the knowledge in practice at their respective work placements. Due to the positive feedback and a number of graduates securing employment, a second MDR pilot cohort is planned, and Seneca is looking at the potential for accelerated programs in related health fields.



PA Career Start Program

The 2016 Career Start Program launched in July 2016 and received 74 applications including 20 from organizations in RIO 40+ designated communities. The agency promoted the PA Career Start opportunity through its Regional Advisors, targeting organizations where a PA might assist communities in need. A significant number of applications were the result of direct RA interaction with the applicant, including 11 from Northern Ontario. A total of 69 applications were approved to participate.



ED Survey

During 2016-17, the EDLP Team completed an analysis of the 2015 ED Physician Resource Survey. The results show an increased need since 2013: provincial vacancy rate has increased to 10.8% in 2015, up from 8% in 2013. The data also allowed EDLP to estimate the different types of physicians providing ED coverage:

- "Certified" ED physicians: ~51%
- FRCP(EM) physicians: ~15%
- CCFP(EM) physicians: ~37%
- All other physicians (majority CCFP): ~49%

This data was shared with the ministry to inform the ongoing need for training and support to broad-spectrum family physicians working in the community and the hospital.



Health Workforce Planning Performance

HFO MRA established performance indicators to measure both program effectiveness and success in advancing the agency's strategic priorities. The agency met 90% of its 2016-17 targets, confirming that HFO MRA is a key contributor to health workforce solutions in Ontario and that it is committed to operational excellence.



0 unplanned closures of an emergency department due to physician unavailability



TARGET:

0



WHAT IT MEANS:

Ontarians can access emergency care 24/7 in their own communities.



11% decrease in Northern Specialist Locum Programs vacancy utilization. (5,078 days, down from 5,709 days)



TARGET:

Reduction year over year.



WHAT IT MEANS:

Success in transitioning hospital departments from vacancy to respite based usage.



13% increase in Emergency Department Locum Program activity. (22,935.5 hours, up from 20,305 hours)



TARGET:

Reduction year over year.



WHAT IT MEANS:

In the North, retiring rural generalists covering ED were not being replaced by new rural generalists or full-time emergency department physicians. Also coverage gaps in other hospital departments, such as internal medicine, diverted the remaining general practitioner capacity covering EDs.



100% of locum hospitals provided advice on how to become self-sufficient. (100 hospitals)



TARGET:

More than 75%



WHAT IT MEANS:

The Ontario Physician Locum Programs reinforce a culture in which hospitals work towards self-sufficient staffing.



75.6% of medical resident clients placed in a high-need community or specialty. (375 of 496 clients)



TARGET:

More than 75%



WHAT IT MEANS:

Contributes to a balanced distribution of physicians in Ontario.



64% of active and employment-ready internationally educated health professional clients become registered to practice or enter an alternative health career. (526 of 821 clients)



TARGET:

More than 60%



WHAT IT MEANS:

Internationally educated health professionals contribute to Ontario's health workforce planning needs.



Provided Clerkship Travel Program information to medical clerks at all Ontario medical schools



TARGET:

All medical schools visited.



WHAT IT MEANS:

Allows exposure to a variety of practice settings to improve physician distribution.



Agency Performance



100% unqualified third-party audit opinion



TARGET:

100% unqualified opinion.



WHAT IT MEANS:

Financial accountability and confidence in the agency's financial position validated.



No internal control deficiencies



TARGET:

External auditors do not identify control deficiencies or identified control deficiencies are appropriately resolved.



WHAT IT MEANS:

Internal agency controls provide appropriate monitoring and oversight.



Quarterly financial reports delivered on time



TARGET:

Delivered on time.



WHAT IT MEANS:

The agency can forecast and prudently manage its finances.



1 program evaluated



TARGET:

Evaluate or contribute to the evaluation of at least 1 program or service.



WHAT IT MEANS:

Programs and services are refined to better serve clients and improve program outcomes.



Achieved 2 process improvement initiatives



TARGET:

Undertake at least 2 process improvement initiatives.



WHAT IT MEANS:

Delivering agency programs better, faster, and at less cost.



Developed 1 strategic partnership



TARGET:

Develop 1 strategic partnership.



WHAT IT MEANS:

Partners leverage each other's expertise and resources to achieve system improvements.

Board Performance



Renewed board succession plan



TARGET:

Renew board succession plan.



WHAT IT MEANS:

Board refresh balanced with governance memory.



Board attestation regarding compliance with policies and directives except the application of FAA S.28 to the agency's facility lease¹



TARGET:

100% compliance.



WHAT IT MEANS:

The agency adheres to policies and directive requirements.

¹ A number of the Ministry of Health and Long-Term Care's (MOHLTC) agencies (including HFO MRA) are in a similar situation regarding their leases and accommodations compliance with the MBC Realty Directive and Financial Administration Act (FAA), Section 28, which occurred when they renewed their leases. The HFO MRA lease extension was signed on August 12, 2012, prior to the effective date of the change.

Performance Measures source: Transfer Payment Agreement – Reporting Summary (2016)



Board Member Biographies

Dr. Peter Wells, Chair

Dr. Wells is the Founder and Executive Director of the Rural Ontario Medical Program, as well as a Collingwood-based family medicine physician and Regional Coroner. In 2012, the College of Family Physicians of Canada named Dr. Wells Ontario's Family Physician of the Year.

Appointed: June 2007
Appointed as Vice-Chair: June 2011
Reappointed: July 2012
Appointed as Chair: July 2012
Reappointed: July 2015
Term Expires: July 2018

Ms. Cynthia Desormiers

Ms. Desormiers is President and CEO of the West Nipissing General Hospital, with 28 years of health-care experience. She is currently the chair of the Nipissing East Parry Sound Health Links and a member of the OHA Small Rural Hospital Committee and the Northern Teaching Hospital Council. Ms. Desormiers holds a Bachelor of Science in Nursing and a Master's in Health Care Administration.

Appointed: January 2017
Term Expires: January 2020

Mr. Ray Hunt

Mr. Hunt is Chief Administrative Officer of the Northern Ontario School of Medicine, where he manages the non-academic administrative functions of the school. Prior, Mr. Hunt held leadership positions as CEO of the Espanola Regional Health Centre and in the Ministries of: Health and Long-Term Care, Municipal Affairs and Housing, Northern Development and Mines.

Appointed: May 2015
Term Expires: May 2018

Mr. Arthur J.M. Lamarche

Mr. Lamarche is an Executive Management/Financial Consultant and a Fellow of the Institute of Canadian Bankers. Currently retired from the federal government, he has held many executive positions in the House of Commons, Veterans Review and Appeal Board of Canada, and Member/Chair Federal Judicial Appointment Committee.

Appointed: January 2014
Reappointed: January 2017
Term Expires: January 2020

Mr. Arun K. Mathur

Mr. Mathur, CPA, CA, is partner in charge of Gerald Duthie and Co LLP's Toronto office. He has more than three decades auditing and consulting experience in the public, not-for-profit, and corporate sectors. He serves on public sector and not-for-profit boards. As Executive Director of UltimQuest Knowledge Inc., Mr. Mathur delivers training on internal control and governance for CPA Institutes in Canada and Bermuda.

Appointed: May 2011
Reappointed: May 2014
Reappointed: May 2017
Term Expires: May 2020

Dr. Richard K. Reznick

Dr. Reznick is Dean, Faculty of Health Sciences at Queen's University, and Chief Executive Officer of the Southeastern Ontario Academic Medical Organization (SEAMO). Prior, Dr. Reznick served as the R.S. McLaughlin Professor and Chairman of the Department of Surgery at the University of Toronto. Dr. Reznick has received numerous awards, including McGill University's Medicine Alumni Global Award for Lifetime Achievement in 2015.

Appointed: July 2016
Term Expires: July 2019



Satisfaction Performance

Clients and stakeholders rate agency programs/services as satisfactory or higher:



medical resident clients



(95 of 98 survey respondents)



stakeholders*



(108 of 117 survey respondents)



HF0Jobs clients



(91 of 96 survey respondents)



Internationally educated health professional clients



(533 of 586 survey respondents)



medical resident clients with a Return of Service



(28 of 30 survey respondents)



medical clerks



(85 of 100 survey respondents)

* communities, LHINs, medical schools.



TARGET:

More than 75%



WHAT IT MEANS:

Clients and stakeholders continue to use agency programs/ services, maximizing the positive impact on the system.



Analysis of Operations

With the goal of achieving operational excellence, the agency continuously looks for ways embrace process improvement and increase the effective delivery of programs and services.

Information Technology

The PA Program manual administrative functions were time-consuming and burdensome. A cross-agency team was assembled to develop and implement a custom-built IT solution to automate these functions. The new solution included an innovative QR code feature (the first of its kind in the agency), which allows for quicker, automated data entry of financial information. The solution was delivered in time for the 2016 cohort of program recipients. The outcome is increased accuracy, increased efficiency in submitting program and reporting documentation, and reduced workload for the Operations and Finance units within the agency.

New Process

In December 2016, the agency launched the *Physician Relocation Guide*, intended to assist physicians who are considering or are in the process of relocating to Ontario. Modules include information about CPSO policy, certification requirements, immigration and job-search information. This resource is linked to an online expression of interest registration form that allows the agency to maintain a database of physicians outside of the province who are interested in practising in Ontario. In the event of a physician coverage crisis, the agency will contact these out-of-province license-eligible physicians.

Human Resources

In February 2017, HFO MRA conducted its second Employee Engagement Survey to assist the agency in continuing to provide a positive work experience for employees. Survey topics included: employee satisfaction, workplace culture, talent capacity, and leadership. The response to the anonymous survey showed the majority of staff:

- Are proud to work at the agency
- Have positive working relationships with co-workers
- Are aware of the expectations of the person to whom they report.

Employees expressed an interest in improved communication within work units and across the agency. Small group meetings have been conducted to gather ideas regarding how to enhance communication, and the agency looks forward to implementing the ideas over the coming year.

Government Directives



The agency complies with directives and policies issued by the government and other government authoritative bodies relevant to the agency. This is a requirement of the Memorandum of Understanding between the province and the agency.

The total per diem in 2016-17 for all board members was \$11,900.

Analysis of 2016-17 Financial Position



- The audited financial statements, included in this Annual Report, confirm expenditures were within budget.
- The external auditors, KPMG, issued an unqualified opinion stating the financial statements present fairly, in all material respects, the financial position of HFO MRA as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.
- Unspent funds are presented on the Statement of Operations and Repatriation of Contributions as an expense item, as required by Generally Accepted Accounting Principles. Unspent funds are calculated by reconciliation between the ministry and the agency. On a regular basis, the ministry receives unspent funds to ensure they are returned in an appropriate timeframe. Further information is provided in the Notes to the Financial Statements (Note 4).
- Ontario Physician Locum Program physician payments continue to be paid directly to the recipient physicians by the ministry. The physician payments made by the ministry are recorded in the Notes to the Financial Statements (Note 3).
- The agency continued to provide facility and information technology support for two health regulatory colleges on a no-cost basis. Actual costs are reflected in the agency's Statement of Operations and Repatriations of Contributions.
- The external auditors did not identify any control deficiencies that they determined to be significant deficiencies. Nor were there critical accounting estimates, or identification of any issues or concerns regarding management override of controls.
- To support the board's renewal of the agency's strategic directions, an external vendor was procured to facilitate board discussion, engage with key stakeholders and develop a report with recommendations. The cost of this process is included in the Statement of Operations and Repatriation of Contributions under Expenses for the Board of Directors. A similar activity and expense did not occur the previous fiscal year.



Financial Statements of

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Year ended March 31, 2017



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of HealthForceOntario Marketing
and Recruitment Agency

We have audited the accompanying financial statements of HealthForceOntario Marketing and Recruitment Agency, which comprise the statement of financial position as at March 31, 2017, the statements of operations and repatriation of contributions, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of HealthForceOntario Marketing and Recruitment Agency as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

June 21, 2017
Vaughan, Canada

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Statement of Financial Position

March 31, 2017, with comparative information for 2016

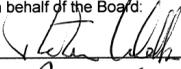
	2017	2016
Assets		
Current assets:		
Cash	\$ 1,595,361	\$ 2,347,107
Prepaid expenses	219,390	153,867
	<u>1,814,751</u>	<u>2,500,974</u>
Capital assets (note 2)	23,973	47,343
	<u>\$ 1,838,724</u>	<u>\$ 2,548,317</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 2,148,788	\$ 2,835,011
Net assets:		
Unrestricted deficiency	(334,037)	(334,037)
Invested in capital assets	23,973	47,343
	<u>(310,064)</u>	<u>(286,694)</u>
Commitments and contingencies (note 6)		
Economic dependence (note 7)		
	<u>\$ 1,838,724</u>	<u>\$ 2,548,317</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Statement of Operations and Repatriation of Contributions

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Ministry of Health and Long-Term Care - Component	\$ 9,472,100	\$ 10,822,100
Ministry of Health and Long-Term Care Physician Assistant Grant Program	2,732,000	4,085,400
Ministry of Health and Long-Term Care - Health Integration Resources and Education	1,983,825	1,714,759
	<u>14,187,925</u>	<u>16,622,259</u>
Expenses:		
Salaries and benefits	8,157,436	8,774,702
Base:		
Physician Assistant Grant Program	2,163,855	2,865,207
Corporate Support	1,585,885	1,687,886
Clerkship Travel Program	531,618	453,766
Regional Advisor Program	88,632	150,580
Board of Directors	57,961	9,771
Access Centre	49,921	63,143
Amortization	23,370	44,008
Ontario Physician Locum Programs (note 3)	14,195	58,792
Communications	7,600	20,761
Website	3,253	3,361
Transition and distributions services	163	9,682
HFOJobs	-	310
One-time:		
Health Integration Resources and Education	232,534	177,811
Physician Assistant Grant Program - one time	-	751,746
	<u>12,916,423</u>	<u>15,071,526</u>
Excess of revenue over expenses before repatriation of contributions	1,271,502	1,550,733
Ministry of Health and Long-Term Care repatriation of contributions (note 4)	(1,294,872)	(1,574,076)
Deficiency of revenue over expenses after repatriation of contributions	<u>\$ (23,370)</u>	<u>\$ (23,343)</u>

See accompanying notes to financial statements.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative information for 2016

	2017			2016
	Invested in capital assets	Unrestricted	Total	Total
Balance, beginning of year	\$ 47,343	\$ (334,037)	\$ (286,694)	\$ (263,351)
Excess (deficiency) of revenue over expenses before repatriation of contributions	(23,370)	1,294,872	1,271,502	1,550,733
Ministry of Health and Long-Term Care repatriation of contributions (note 4)	–	(1,294,872)	(1,294,872)	(1,574,076)
Balance, end of year	\$ 23,973	\$ (334,037)	\$ (310,064)	\$ (286,694)

See accompanying notes to financial statements.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses after repatriation of contributions	\$ (23,370)	\$ (23,343)
Amortization of capital assets which does not involve cash	23,370	44,008
Change in non-cash operating working capital:		
Prepaid expenses	(65,523)	26,976
Accounts payable and accrued liabilities	(686,223)	1,253,420
	(751,746)	1,301,061
Investing activities:		
Acquisition of capital assets	-	(20,665)
Increase (decrease) in cash	(751,746)	1,280,396
Cash, beginning of year	2,347,107	1,066,711
Cash, end of year	\$ 1,595,361	\$ 2,347,107

See accompanying notes to financial statements.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements

Year ended March 31, 2017

HealthForceOntario Marketing and Recruitment Agency (the "Agency") is a board-governed agency of the Ministry of Health and Long-Term Care (the "Ministry"). The Agency was incorporated without share capital under the Development Corporations Act, Regulation 249/07, as at June 6, 2007. As part of the Regulation, the Agency is only allowed to receive money or assets from The Crown in Right of Ontario.

The creation of the Agency arose out of the government's health human resource strategy. The Agency is dedicated to making Ontario the "employer of choice" in health care, and to ensure Ontarians have access to the right number and mix of qualified health care providers, when and where they are needed, now and in the future. The Agency's programs and services can be grouped in two categories:

1. Retention and distribution of Ontario's health professionals;
2. Recruitment of and outreach to:
 - (a) Internationally educated health professionals living in Ontario;
 - (b) Ontario's recruitment community; and
 - (c) Practice-ready physicians in high-need specialties outside of Ontario.

Consistent with the 2012/2013 Transfer Payment Agreement ("TPA"), Schedule A, the Memorandum of Understanding, and the Development Corporations Act, the Agency executes programs and services as follows:

- Outreach to physicians from outside Ontario;
- Internationally Educated Health Professionals Advisory Services;
- Ontario physician retention/Practice Ontario/Return of Service;
- HealthForceOntario.ca and HFOJobs.ca;
- Regional Advisors;
- Emergency Department Locum Program;

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

- Rural Family Medicine Locum Program;
- Northern Specialist Locum Programs;
- General Practitioner Vacancy Locum Coverage Arrangements;
- Corporate Affairs;
- Physician Assistant Grants;
- Clerkship Travel Program;
- Facilities Services to a maximum of two regulatory health professional colleges;
- Client support for the Nursing Graduate Guarantee Initiative ("NGG"); and
- Health Integration Resources and Education ("HIRE") project.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, including the 4200 standards for government not-for-profit organizations.

(a) Revenue recognition:

The Agency is funded through three TPAs with the Ministry. The principal TPA provides funding for the majority of the Agency's expenses, including salaries and benefits, base and one-time funding. A secondary TPA provides funding for the Physician Assistant Grant Program which the Agency administers on behalf of the Ministry. A third TPA provides funding for the HIRE project.

The Agency follows the deferral method of accounting for contributions, which include government grants.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

1. Significant accounting policies (continued):

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Agency does not receive externally restricted contributions as all funding must be received from the Ministry.

(b) Expenses:

The Agency divides its expenditures into two categories: Base and One-time. Base expenses include funds expended by the Agency to provide ongoing programs and services to clients and stakeholders, and corporate services to the Agency. One-time expenses relate to programs and services to clients and stakeholders which may be limited to the current fiscal year.

(c) Allocation of expenses:

The Agency records a number of its expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

Administration and corporate governance are not allocated.

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated lives of the assets or over the lease term, as appropriate. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Agency's ability to provide services, its carrying amount is written down to its residual value.

Works of art, historical treasures and intangible assets are not recognized in these financial statements.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

1. Significant accounting policies (continued):

Capital assets are amortized on a straight-line basis using the following annual rates:

Furniture and fixtures	20%
Computer hardware	33%
Computer software	33% - 100%
Leasehold improvements	Lease term

(e) Employee future benefits:

The costs of multi-employer defined contribution pension plan benefits, such as the Public Service Pension Plan ("PSPP"), are the employer's contributions due to the plan in the year.

(f) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and obligations related to employee future benefits. Actual results could differ from those estimates.

2. Capital assets:

			2017	2016
	Cost	Accumulated amortization	Net book value	Net book value
Furniture and fixtures	\$ 103,365	\$ 88,319	\$ 15,046	\$ 29,488
Computer hardware	353,501	353,501	–	–
Computer software	222,226	222,226	–	–
Leasehold improvements	261,675	252,748	8,927	17,855
	<u>\$ 940,767</u>	<u>\$ 916,794</u>	<u>\$ 23,973</u>	<u>\$ 47,343</u>

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

2. Capital assets (continued):

The Agency has full use and enjoyment of assets paid for by the Government of Ontario; as such, the historical cost of these assets is not recorded in the Agency's books. Assets paid for by the Government of Ontario include leasehold improvements, computer hardware and furniture and fixtures.

3. Ontario Physician Locum Programs ("OPLP"):

The OPLP provides centralized and coordinated locum physician assistance for hospitals, communities and physicians across the Province of Ontario. The Ministry makes the payments directly to the physicians for the locum services provided. The Agency administers the programs and records as expenses the general operating costs and salaries and benefits.

During the year, OPLP physician payments requests totalling \$23,346,280 (2016 - \$23,620,157) were sent by the Agency to the Ministry for making the payment. The OPLP physician payments issued by the Ministry directly to physicians are not presented on the statement of operations. Funds flowing through the Agency are for the purpose of OPLP administration only. No funds flow to the Agency for physician payments.

4. Ministry of Health and Long-Term Care repatriation of contributions:

The Agency returns to the Ministry surplus amounts based on a reconciliation process with the Ministry. The amounts noted as estimated are management's best estimates; actual results could differ from those estimates. As at March 31, 2017, the Agency has accrued \$1,294,872 (2016 - \$1,574,076) as a payable to the Ministry for fiscal year 2016 - 2017.

5. Employee future benefits:

The Agency makes contributions to the PSPP, which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

5. Employee future benefits (continued):

Contributions for employees with a normal retirement age of 65 were being made at a rate of 6.4% for earnings up to the yearly maximum pensionable earnings of \$55,300 (2016 - \$54,900) and at a rate of 9.5% for earnings greater than the yearly maximum pensionable earnings. The amount contributed to the PSPP for 2017 was \$484,556 (2016 - \$496,584) for current service and is included as an expense on the statement of operations. Employees' contribution via payroll deductions to the PSPP in 2017 was \$470,219 (2016 - \$497,692).

6. Commitments and contingencies:

(a) The Agency has operating lease commitments for its premises and equipment as follows:

2018	\$ 489,000
2019	166,500
2020	5,200
2021	4,800
	<hr/>
	\$ 665,500

(b) Indemnity insurance has been provided to all directors and officers of the Agency for various items including, but not limited to, all costs to settle suits or actions due to association with the Agency, subject to certain restrictions. The Agency has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a director or officer of the Agency. The maximum amount of any potential future payment cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Agency from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties.

7. Economic dependence:

The Agency is economically dependent upon the continued financial support of the Ministry.

HEALTHFORCEONTARIO MARKETING AND RECRUITMENT AGENCY

Notes to Financial Statements (continued)

Year ended March 31, 2017

8. HealthForceOntario Marketing and Recruitment Agency:

	Actual	Budget
Revenue:		
Component	\$ 9,472,100	\$ 10,322,100
Physician Assistant Program	2,732,000	3,732,000
HIRE	1,983,825	2,390,120
	<u>14,187,925</u>	<u>16,444,220</u>
Expenses:		
Base components:		
Agency operations	8,543,577	8,636,110
Clerkship travel program	531,618	1,530,000
NGG	199,767	200,000
	<u>9,274,962</u>	<u>10,366,110</u>
Physician Assistant Program:		
Salaries and benefits	139,967	139,999
General operating	2,163,855	3,592,000
	<u>2,303,822</u>	<u>3,731,999</u>
Base components total	11,578,784	14,098,109
One-Time components:		
HIRE:		
Salaries and benefits	1,105,105	1,329,868
General operating	232,534	1,060,252
	<u>1,337,639</u>	<u>2,390,120</u>
Total expenses	12,916,423	16,488,229
Excess (deficiency) of revenue over expenses	1,271,502	(44,008)



Find out more about HealthForceOntario
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Available in accessible format upon request: www.HealthForceOntario.ca/acs