



London Health Sciences Centre

2021

Annual Report

**UNBOWED
UNWAVERING
UNDETERRED
UNSTOPPABLE**

Table of Contents

Executive Messages

Page 04

Strategic Priorities

Page 08

Financials

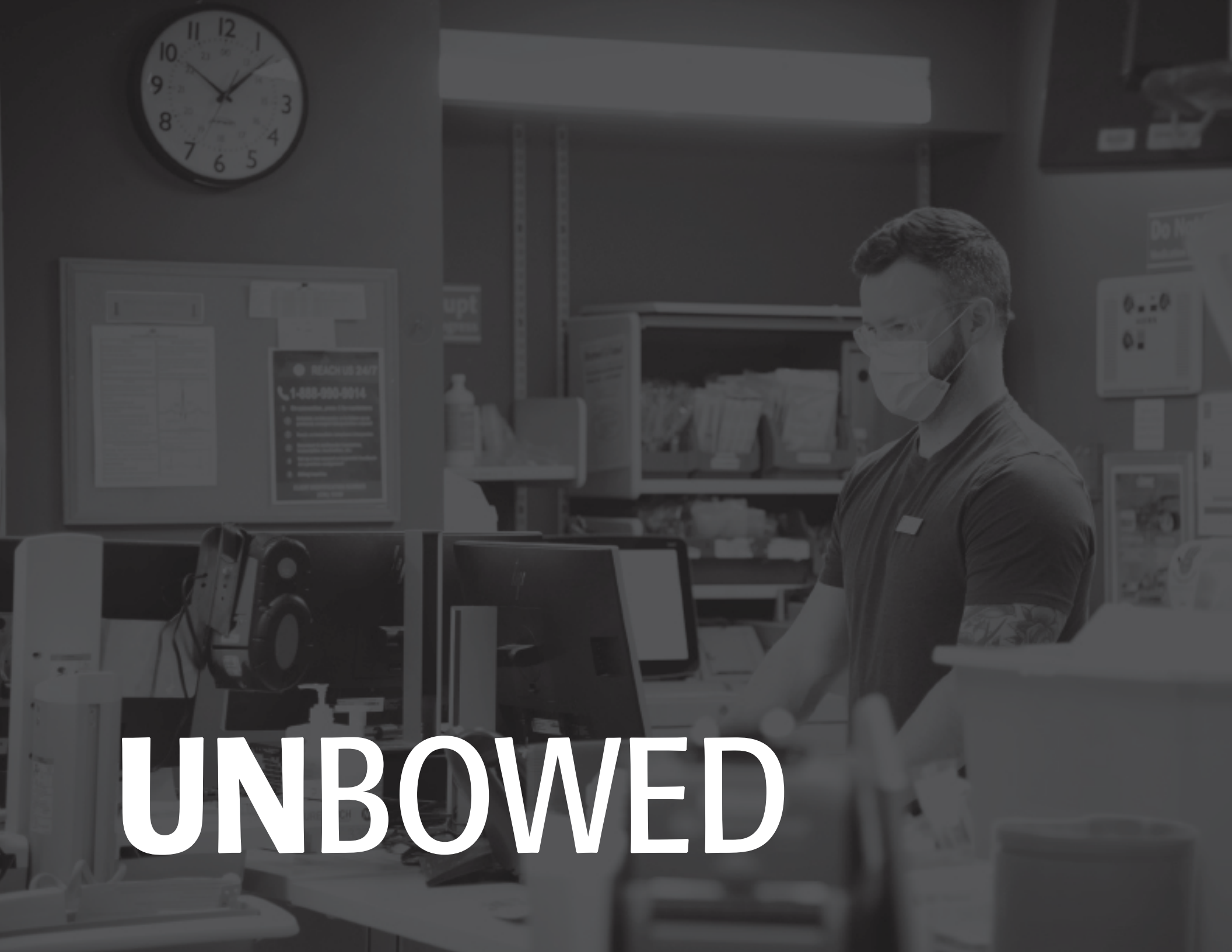
Page 09

Our Partners

Page 15

Highlights

Page 17



UNBOWED



MESSAGE FROM PHYLLIS RETTY Chair, Board of Directors

There are several words and phrases that have become synonymous with the past year and our collective experience of a global pandemic: unprecedented, quarantine, physical distancing, and “flattening the curve.” But the ones that will remain with me as I reflect on this time at London Health Sciences Centre (LHSC) are those found in the theme of this year’s report.

Unbowed. Unwavering. Undeterred. Unstoppable.

These inherently describe the people who are the heart of LHSC; the dedicated staff, physicians, learners, researchers, and volunteers whose sacrifice and courage have kept our community safe during this global health crisis. The Board of Directors has witnessed their stamina and determination in the face of relentless pressures and are inspired by their strength of character. There is no doubt that the people of LHSC have remained unwavering in their commitment to others.

While our Board’s experience of this pandemic at LHSC has been one largely observed from behind the scenes, we have remained committed to the wellbeing of its people and the stability of the organization. Quality of care has continued to be a primary accountability of the Board and we review all governance work through a quality lens with a central focus on patients. Despite pandemic challenges, LHSC has remained steadfast in its commitment to the organization’s vision, mission, and values and we appreciate the efforts of all those who continue shepherding the hospital’s strategic priorities, initiatives, and projects that will ultimately move us closer to that shared vision.

Central to the Board’s responsibilities is the recruitment of a permanent President and CEO. This is a considered process and the Board remains committed to identifying the best candidate to lead LHSC into the future. We appreciate the ongoing leadership of Dr. Jackie Schleifer Taylor whose people-first approach is ensuring a focus on the wellbeing of staff and physicians while providing stability and forward momentum.

Lastly, I would be remiss if I did not acknowledge the time, talents, and dedication of the volunteer members of LHSC’s Board of Directors, whose insights and expertise I deeply appreciate. Inspired by the resilience of LHSC’s people, we are optimistic about the future of health-care in our region. Together we will emerge from this public health crisis with a deeper sense of purpose, and a strong understanding of what matters most for ourselves, our loved ones, and our community.



MESSAGE FROM PANDEMIC RESPONSE LEADERSHIP

On behalf of the pandemic response leadership team, we appreciate this opportunity to acknowledge and highlight the extraordinary efforts of every staff member, physician, leader, learner, partner, researcher, and volunteer at London Health Sciences Centre (LHSC) with whom we have proudly worked alongside this past year.

Since the outset of the pandemic we have had the privilege of helping to guide LHSC's COVID-19 response. As leaders and care providers we have had a unique vantage point, and a detailed understanding of the burden faced by health-care workers in the middle of a global health crisis. We have been continuously inspired and energized by the curiosity and creativity our teams have displayed in finding new ways to deliver safe and effective care amidst evolving public health guidance and government directives. We also acknowledge the deep and lasting toll this year has taken on our colleagues and ask that our community continue to show their support and appreciation for these health-care heroes, particularly as we all eventually adjust to a new post-pandemic reality.

We have all learned many lessons along this journey, but what stands out most for us is the invaluable role of teamwork. From the collaborative development of innovative solutions, to the simple support of a shoulder to lean on, we have all relied on each other to carry us through. We want to extend our profound appreciation to every person involved in our fight against COVID-19; from those

within our walls at LHSC to each of our partners and collaborators – this has been a true system response and a testament to the power of partnership.

Every individual at LHSC has played a role in our organizational efforts, demonstrating formal and informal leadership as we navigated collaboratively through. And while we truly appreciate and acknowledge those individuals' efforts, we do want to acknowledge this Annual Report space would ordinarily be used to highlight the role of physician leadership through the traditional Medical Advisory Committee (MAC) Chair message, and we would be remiss not to recognize the pivotal contributions of our physician leaders who, among many other roles both internally and across the region, included medical oversight of the region's first COVID-19 vaccination centre that was developed and led by LHSC. Our Chair/Chiefs were instrumental in operational planning and adjustments to ensure continuity of essential acute care services, ensured high-quality teaching and research continued, and most importantly engaged their department members fully in the pandemic response enabling our community to receive excellent care despite COVID-19.

We have expressed our appreciation for the dedication and skill of our LHSC teams countless times throughout the pandemic and are proud to share that with our community now in this report. The impacts of this year will be far reaching both personally and professionally for the people of LHSC and we are deeply inspired and humbled by their fortitude and resilience. Thank you for your service to our community.

Carol Young-Ritchie
RN, MScN, FCAN
Co-Lead, Pandemic Response Committee
Executive Vice President and Chief Clinical Officer

Dr. Adam Dukelow
MD, FRCPC, MHSc
Co-Lead, Pandemic Response Committee
Executive Vice President and Chief Medical Officer



MESSAGE FROM JACKIE SCHLEIFER TAYLOR Interim President and Chief Executive Officer

The theme of this year's report is a deliberate reflection of the past year at London Health Sciences Centre (LHSC); a year that has been filled with an unprecedented pace and volume of change, uncertainty, evolution and innovation. The previous year has tested each of us personally and professionally in ways that will forever change us. But the heart of this organization has always lain in the strength, innovation, and resiliency of its people who prove every day that at LHSC we are unbowed, undeterred, unwavering, and unstoppable.

I invite you to read more about the creativity and determination demonstrated by the staff, physicians, students, researchers, and volunteers in the pages of this year's Annual Report. Despite the necessary focus on the pandemic response, our teams also provided continuity of essential services regardless of changes to our surgical and ambulatory volumes, and remained committed to building and strengthening our pillars of care, teaching, and research.

For many, the COVID-19 pandemic has clarified what we value most in our lives. The same is true for LHSC, as we have reaffirmed our collective belief and understanding that shaping the future of health will always be a collaborative endeavor. We are grateful to every organization and individual whose partnership allowed LHSC to help meet the evolving needs of our community, our province, and the world. We are also profoundly grateful to our those in our community who showed support to our teams in a variety of ways. Simple sidewalk chalk drawings and blue hearts in windows, donated meals and support through our Foundation partners, messages of hope and gratitude, and most importantly a commitment to following public health measures to keep us all safe. From simple acts to generous contributions, our community has rallied around our people and we are humbled by your support.

Finally, a note of acknowledgement and sincere gratitude to the people of LHSC. Thank you for your perseverance, courage, and sacrifice in a year that has brought profound fatigue, trauma, and loss. I have had the privilege of leadership for more than 20 years, but have never been more inspired by the unyielding grace and commitment I have witnessed this past year. It brings me renewed optimism for the future that will undoubtedly continue to build on LHSC's proud legacy.



UNWAVERING

Strategic Priorities

Despite a year with a laser focus on its pandemic response, London Health Sciences Centre (LHSC) has been unwavering in building on its strategic priorities that are positioning the organization to help shape the future of health. A commitment to living our corporate values every day has enabled us to continue on this path in the face of adversity and uncertainty, helping ensure our patients are at the centre of everything we do. Our forward momentum includes living our mission to:



Deliver excellent care experiences and outcomes



Educate the health-care providers of tomorrow



Advance new discoveries and innovations that optimize the health and wellbeing of those we serve

One of the key enablers to our achievements over this past year is the work to advance the Continuous Improvement of Care, a strategic initiative that is a multi-year journey to develop a culture of continuous quality improvement at LHSC. Our people are being engaged and empowered to solve problems and improve performance using standardized processes which allow them to be more proactive and collaborative in decision making, leading to sustained changes and improved patient care. LHSC has completed its second year of a five-year plan with more than 1,000 staff, physicians and leaders trained to use the methodology in their daily work.

To further enhance the integration of LHSC's clinical, research and education mandate, the Research and Education Council was created earlier this year. The council aims to advance and align the goals of LHSC's academic mandate with its partners including Western University, Fanshawe College and other education, research and industry partners around the world. This will ultimately accelerate success to advance innovation, offer cutting-edge therapies to our patients, and train the next generation of health-care providers.



MESSAGE FROM TERRY MARCUS Treasurer, Board of Directors

As we enter the 2021/22 fiscal year, the impact of the pandemic lingers. A year ago, the 2020 Treasurer's report read: "As we enter 2020/21 in what we anticipate will be a post-COVID-19 recovery phase, there will be renewed focus on reducing levels of occupancy and addressing volume pressures in many of our clinical areas, in order to provide improved access to services and to enhance patient care." The initial hope for a quick recovery has been replaced with plans for a long and steady road to recovery. Work on defining sustainable operations continues to be essential to ensuring balanced operations.

Despite the difficult and unprecedented year, our financials are on an even keel. For fiscal 2020/21, LHSC reported a modest surplus of \$0.9 million. LHSC will need to continue to be unwavering in addressing the backlog created by reduced operations in the past year, while ensuring the hospitals operate within the means provided.

This year's achievements wouldn't have been possible without the hard work of many people working in extraordinary circumstances. On behalf of the Finance and Audit Committee, I would like to thank our physicians, staff, and management for their selfless commitment to putting patients at the centre of everything we do. Furthermore, I would like to sincerely thank the volunteer members of the Committee for their dedication in serving our hospital and community.

I am pleased to report on the financial results of London Health Sciences Centre (LHSC) for the fiscal year ended March 31, 2021.

The theme of this year's Annual Report underscores the resolve of the Finance and Audit Committee with respect to their focus and stewardship of the resources entrusted to LHSC. Throughout the year, the committee supported the increased investment in capital equipment and patient care related to the COVID-19 pandemic, even in the face of fiscal uncertainty.

Financials

INDEPENDENT AUDITORS' REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of London Health Sciences Centre

OPINION

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2021, and the summary statements of operations and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of London Health Sciences Centre for the year ended March 31, 2021.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements, in accordance with the basis of presentation note.

SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated July 28, 2021.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in the basis of presentation note.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, "Engagements to Report on Summary Financial Statements."

London, Canada
August 3, 2021

(signed) Ernst & Young LLP
Chartered Professional Accountants
Licensed Public Accountants

MANAGEMENT'S SUMMARY FINANCIAL RESULTS - MARCH 31, 2021

SUMMARY STATEMENT OF FINANCIAL POSITION

London Health Sciences Centre (LHSC) struggled to maintain its strong financial position during the past fiscal year. Liquidity remained above minimum thresholds despite a challenging funding environment and the impact of the COVID-19 pandemic response. LHSC's current ratio of 1.37 continues to reflect a solid balance sheet. However, a deliberate financial strategy of sustainability, flexibility and cost containment must continue in the future. Current and long-term obligations under various debt agreements are adequately covered, based on the current cash position.

SUMMARY STATEMENT OF OPERATIONS

LHSC ended the year with a surplus of \$0.9 million. This position is mainly the result of one-time COVID-19 funding that offsets overages in compensation, medical/surgical supplies, drug costs and other costs incurred related to the COVID-19 pandemic response. Health care inflation continues to challenge the ability of LHSC to balance operations. In addition, and further compounded by the pandemic, patient demands continue to increase in most of our clinical programs and create unbudgeted cost pressures.

SUMMARY STATEMENT OF CASH FLOWS

LHSC invested \$58 million in clinical capital, building service equipment, information systems and buildings during the year. This figure includes \$11.0 million of capital related to the COVID-19 response. In addition, LHSC spent \$11.3 million in externally funded or recoverable capital projects.

Capital spending is financed through a combination of operations and deferred contributions from both levels of government, the London Health Sciences Foundation and Children's Health Foundation.

Current assets include restricted cash and portfolio investments of \$8.7 million in order to discharge certain future obligations and \$174.4 million in unrestricted cash and cash equivalents.

BASIS OF PRESENTATION

The information contained in the summary financial statements is in agreement with the related information in the complete audited financial statements. The summary financial statements contain major subtotals and totals from the complete audited financial statements. The complete audited financial statements can be obtained at <https://www.lhsc.on.ca/media/10137/download>.

Financials

SUMMARY STATEMENT OF OPERATIONS

| Year ended | March 31, 2021 | March 31, 2020 |
|---|------------------|------------------|
| | (000's) | (000's) |
| REVENUE | | |
| Ministry of Health, South West Local Health Integration Network, Cancer Care Ontario and Ontario Health | 1,183,052 | 1,051,279 |
| Other | 188,961 | 234,192 |
| | 1,372,013 | 1,285,471 |
| EXPENSES | | |
| Salaries and benefits | 867,406 | 812,213 |
| Other | 503,703 | 484,855 |
| | 1,371,109 | 1,297,068 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES | 904 | (11,597) |

SUMMARY STATEMENT OF CASH FLOWS

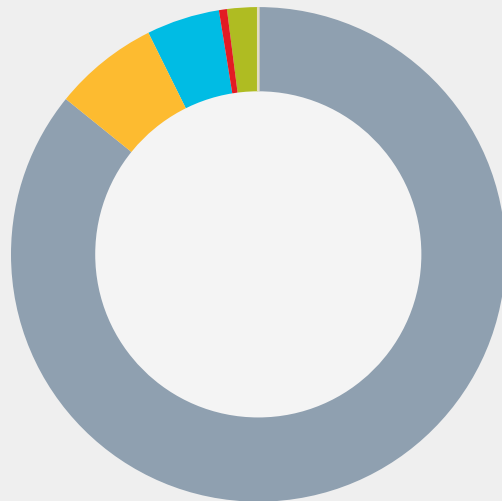
| Year ended | March 31, 2021 | March 31, 2020 |
|---|-----------------|----------------|
| | (000's) | (000's) |
| CASH PROVIDED BY (USED IN): | | |
| Operating Activities | 19,199 | 36,095 |
| Financing Activities | 30,729 | 7,981 |
| Investing Activities | 1,658 | 6,498 |
| Capital Activities | (69,268) | (51,545) |
| Net decrease in cash and cash equivalents | (17,682) | (971) |
| Cash and cash equivalents, beginning of year | 192,094 | 193,065 |
| Cash and cash equivalents, end of year | 174,412 | 192,094 |

SUMMARY STATEMENT OF FINANCIAL POSITION

| As at | March 31, 2021 | March 31, 2020 |
|--|------------------|------------------|
| | (000's) | (000's) |
| ASSETS | | |
| Current assets | 338,441 | 301,208 |
| Restricted cash and investments | 14,874 | 15,951 |
| Capital assets, net | 935,060 | 924,041 |
| | 1,288,375 | 1,241,200 |
| LIABILITIES, DEFERRED CONTRIBUTIONS, UNRESTRICTED NET ASSETS AND REMEASUREMENT LOSSES | | |
| Current liabilities | 246,548 | 195,837 |
| Long-term liabilities and deferred contributions | 751,602 | 765,981 |
| Unrestricted net assets | 300,788 | 299,884 |
| Accumulated remeasurement losses | (10,563) | (20,502) |
| | 1,288,375 | 1,241,200 |

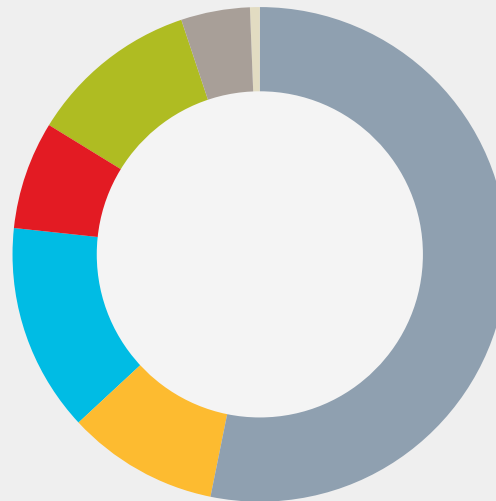
Financials

TOTAL REVENUE (%) BY TYPE
(\$1,372 MILLION)



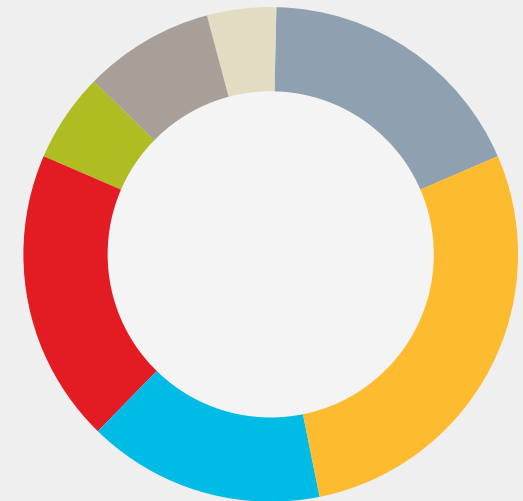
- MOH, SW-LHIN, CCO and OH 86.2%
- Non-patient 6.7%
- Patient 4.5%
- Preferred accommodation 0.5%
- Amortization of deferred capital contributions 2.0%
- Interest 0.1%

TOTAL EXPENSES (%) BY COST COMPONENT
(\$1,371 MILLION)



- Salaries and wages 53.2%
- Employee benefits 10.1%
- Supplies and other 13.5%
- Medical and surgical supplies 7.1%
- Drugs 10.9%
- Amortization of capital assets 4.5%
- Interest and other 0.7%

TOTAL EXPENSES (%) BY TYPE
(\$1,371 MILLION)



- Administration & Support 18.6%
- Inpatient Services 28.7%
- Outpatient Services 15.4%
- Diagnostic & Therapeutic 18.3%
- Other Votes 6.1%
- Undistributed 8.4%
- Amortization 4.5%



UNDETERRED

Our Partners

London Health Sciences Centre (LHSC) depends on the support of its foundation and research partners, whose employees, scientists and supporters have been undeterred in their commitment to the people and patients of LHSC throughout the pandemic. Their efforts allow our staff and physicians the opportunity to provide high-quality, compassionate, and innovative care to our patients and their families and this year, more than ever, we are grateful for their support.



London Health Sciences Foundation (LHSF) is the charitable arm of LHSC and strives to bring an unparalleled level of care for the patients at our hospital. Through the unwavering generosity of our donors, we are able to bolster the development of ground-breaking research, state-of-the-art equipment, specialized care with personalized treatment options and the education of our next generation of clinicians. The need to support our hospital has become increasingly apparent during the COVID-19 pandemic. But despite these difficult times, we have remained steadfast and undeterred in our commitment to the critical initiatives that improve the health and lives of patients at LHSC. To help support our hospital or learn more, visit www.lhsf.ca.



The past year was one of challenges and uncertainty and Children's Health Foundation is so grateful that our community was undeterred from continuing to support the urgent and emergent needs of Children's Hospital. In fact, our community allowed Children's Health Foundation to provide more than \$4.2 million to purchase life-saving equipment and fund life-enhancing programs this past year. This support ensured kids with serious health issues continued to receive the best possible care, and there was hope, relief and care for their loved ones. To learn more about how donors make a difference, visit www.childhealth.ca.



Lawson Health Research Institute is the research arm of London Health Sciences Centre and St. Joseph's Health Care London. Lawson excels in rapid response research, with discovery and innovation taking place in hospital, right where care is delivered. Researchers at Lawson have helped us to better understand the SARS-CoV-2 virus and they continue to investigate the prevention, detection and treatment of COVID-19 infection. Now, more than ever, London's hospital-based research community is undeterred in its dedication to the advancement of science, with the goal of improving health and the delivery of care for patients. For more information, visit www.lawsonresearch.com.



UNSTOPPABLE

Highlights

London Health Sciences Centre's (LHSC) legacy of compassionate care, innovation, and education remained cornerstones in our organization's pandemic response. Despite the challenges, trials, and uncertainties of the past year, the resilience and commitment of Team LHSC allowed us to push forward with determination and strength, always keeping patients at the centre of everything we do. LHSC – and the people who are its heart – are truly unstoppable in their vision of helping to shape the future of health.



Children's Hospital launches virtual emergency clinic

To address families' fears about coming to hospital, Children's Hospital at LHSC launched a virtual emergency clinic for families concerned their child may require emergency care. [Read more.](#)



Finding the positives – the race to detect COVID-19 in the community

The Pathology and Laboratory Medicine team had to quickly determine how, and at what rate, COVID-19 testing could be performed in the hospital, eventually achieving unprecedented levels of testing by increasing capacity throughout the pandemic. [Read more.](#)



Researchers first in world to profile the body's immune response to COVID-19

A team from Lawson Health Research Institute and Western University became the first in the world to profile the body's immune response to COVID-19. [Read more.](#)



LHSC's CSTAR offers virtual training simulations

LHSC's Canadian Surgical Technologies & Advanced Robotics (CSTAR) program created an innovative virtual platform to provide training simulations, enabling physicians and staff to learn and improve in a safe and risk-free environment. [Read more.](#)

Highlights



Indigenous Healing Space opens

In partnership with Atlohsa Family Healing Services, LHSC announced the opening of an Indigenous Healing Space at Victoria Hospital that seeks to improve the experience and quality of care that Indigenous patients and families receive at LHSC. [Read more.](#)



LHSC Surgi-Centre reaches milestone of 100 patients

LHSC's Surgi-Centre, a new off-site day-surgery facility across the street from Victoria Hospital, surpassed the milestone of 100 surgeries and is helping to improve the patient experience. [Read more.](#)



LHSC contributes to local COVID-19 vaccination efforts

LHSC, in partnership with Middlesex-London Health Unit, developed the region's first COVID-19 vaccination clinic at the Western Fair District Agriplex, signaling a positive turning point in our local pandemic efforts. [Read more.](#)



COVID-19: One Year On

LHSC designated March 11—the one-year anniversary of the World Health Organization declared the COVID-19 pandemic—as a Day of Reflection to acknowledge LHSC's health-care heroes, the support of our community, and moments that have changed our lives. [Read more.](#)