
Financial statements of
North East Local Health
Integration Network

March 31, 2019

Independent Auditor's Report	1-2
Statement of financial position	3
Statement of operations	4
Statement of changes in net assets	5
Statement of cash flows	6
Notes to the financial statements	7-15

Independent Auditor's Report

To the Board of Directors of
North East Local Health Integration Network

Audit Opinion

We have audited the accompanying financial statements of North East Local Health Integration Network (the "LHIN"), which comprise the statement of financial position as at March 31, 2019 and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements"). We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the LHIN as at March 31, 2019, and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the LHIN in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the LHIN's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the LHIN or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the LHIN's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 LHIN's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LHIN's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LHIN to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The image shows a handwritten signature in cursive that reads "Deloitte LLP". The signature is written in black ink and is positioned above the printed text of the firm's name and date.

Chartered Professional Accountants
Licensed Public Accountants
June 14, 2019

North East Local Health Integration Network

Statement of financial position

As at March 31, 2019

	Notes	2019 \$	2018 \$
Assets			
Current assets			
Cash		19,906,902	18,364,763
Due from Ministry of Health and Long-Term Care ("MOHLTC") (Transfer payments)	13	2,675,961	5,907,319
Accounts receivable		920,845	684,387
Prepaid expenses		218,592	222,123
		23,722,300	25,178,592
Capital assets	6	958,839	1,103,200
		24,681,139	26,281,792
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		20,269,974	16,865,328
Due to Health Service Providers ("HSPs")	13	2,675,961	5,907,319
Due to Ministry of Health and Long-Term Care ("MOHLTC")	3	757,472	2,370,614
Deferred contributions		2,715	19,153
		23,706,122	25,162,414
Employee Future Benefits	7	4,562,014	4,502,210
Deferred capital contributions	8	958,839	1,103,200
		29,226,975	30,767,824
Commitments	9		
Net liabilities		(4,545,836)	(4,486,032)
		24,681,139	26,281,792

The accompanying notes are an integral part of the financial statements.

Approved by the Board



William Hatanaka, Board Chair



Garry Foster, Audit Committee Chair

North East Local Health Integration Network
Statement of operations
Year ended March 31, 2019

	Notes	2019 \$	2018 \$
Revenue			
MOHLTC funding - transfer payments	13	1,442,229,069	1,406,271,882
MOHLTC funding - operations and initiatives		159,048,294	132,700,585
Interest income		—	183,676
Amortization of deferred capital contributions		329,484	400,743
Other revenue		2,045,152	1,384,648
		161,422,930	134,669,652
Total revenue		1,603,651,999	1,540,941,534
Expenses			
HSP transfer payments	13	1,442,229,069	1,406,271,882
Operations and Initiatives			
Contracted out			
In-home/clinic services		68,365,984	57,886,886
School services		2,303,838	2,387,248
Hospice services		4,855,640	4,282,850
Salaries and benefits		66,838,445	53,288,127
Medical supplies		5,925,199	4,950,939
Medical equipment rental		2,703,158	1,765,467
Supplies and sundry		7,752,586	6,494,446
Building and ground		2,251,708	2,184,701
Amortization		329,484	400,743
Repairs and maintenance		96,888	94,914
Employee Future Benefits		59,804	211,871
		161,482,734	133,948,192
Total expenses		1,603,711,803	1,540,220,074
Excess of (expenses over revenue) revenue over expenses before the undernoted		(59,804)	721,460
Net liabilities assumed on transition		—	(5,207,492)
Excess of expenses over revenue		(59,804)	(4,486,032)

The accompanying notes are an integral part of the financial statements.

North East Local Health Integration Network
Statement of changes in net financial assets
Year ended March 31, 2019

	Unrestricted	Employee	Internally	2019	2018
	\$	benefits	restricted	Total	Actual
	\$	\$	\$	\$	\$
Net assets, beginning of year	—	(4,502,210)	16,178	(4,486,032)	—
Excess of revenue over expenses before the undernoted	—	(59,804)	—	(59,804)	721,460
Net liabilities assumed on transition	—	—	—	—	(5,207,492)
Net assets, end of year	—	(4,562,014)	16,178	(4,545,836)	(4,486,032)

The accompanying notes are an integral part of the financial statements.

North East Local Health Integration Network

Statement of cash flows

Year ended March 31, 2019

	Notes	2019 \$	2018 \$
Operating activities			
Excess of expenses over revenue		(59,804)	(4,486,032)
Cash Received on transition		—	11,230,772
Net liabilities assumed on transition		—	5,207,492
Less amounts not affecting cash			
Amortization of capital assets		329,484	400,743
Amortization of deferred capital contributions		(329,484)	(400,743)
		(59,804)	11,952,232
Change in non-cash working capital items	11	1,601,943	5,847,496
		1,542,139	17,799,728
Investing activity			
Purchase of capital assets		(185,122)	(54,065)
Financing activity			
Increase in deferred contributions		185,122	54,065
Net change in cash		1,542,139	17,799,728
Cash, beginning of year		18,364,763	565,035
Cash, end of year		19,906,902	18,364,763

The accompanying notes are an integral part of the financial statements.

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

1. Description of business

The North East Local Health Integration Network was incorporated by Letters Patent on June 2, 2005 as a corporation without share capital. Following Royal Assent to Bill 36 on March 28, 2006, it was continued under the Local Health System Integration Act, 2006 (the "Act") as the North East Local Health Integration Network (the "LHIN") and its Letters Patent were extinguished. As an agent of the Crown, the LHIN is not subject to income taxation.

The LHIN is, and exercises its powers only as, an agent of the Crown. Limits on the LHIN's ability to undertake certain activities are set out in the Act.

The mandate of the LHIN is as follows:

(a) Plan, fund and integrate the local health system within its geographic area.

The LHIN spans carefully defined geographical areas and allows for local communities and health care providers within the geographical area to work together to identify local priorities, plan health services and deliver them in a more coordinated fashion. The LHIN covers most of the North East. The LHIN enters into service accountability agreements with health service providers.

The LHIN has also entered into an accountability agreement with the Ministry of Health and Long Term Care ("MOHLTC"), which provides the framework for LHIN accountabilities and activities.

All funding payments to LHIN managed Health Service Providers are flowed through the LHIN's financial statements. Funding payments authorized by the LHIN to Health Service Providers, are recorded in the LHIN's Financial Statements as revenue from the MOHLTC and as transfer payment expenses to Health Service Providers.

(b) The delivery of home and community care services

These services include health and related social services, medical supplies and equipment for the care of persons in home and community settings and to provide goods and services to assist caregivers in the provision of care for such persons, to manage the placement of persons into long-term care homes, supportive housing programs, chronic care and rehabilitation beds in hospitals, and to provide information to the public about, and make referrals to, health and social services.

2. Significant accounting policies

The financial statements of the LHIN are the representations of management, prepared in accordance with Canadian public sector accounting standards including the 4200 series for government not-for-profit organizations, as issued by the Public Sector Accounting Board. Significant accounting policies adopted by the LHIN are as follows:

Revenue recognition

The LHIN follows the deferral method of accounting for contributions. Contributions from the MOHLTC represent externally restricted contributions which must be spent within the fiscal year provided. Unspent contributions from the MOHLTC are set up as repayable to the MOHLTC at the end of the year. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collected is reasonably assured.

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

2. Significant accounting policies (continued)

Ministry of Health and Long-Term Care Funding

The LHIN is funded by the Province of Ontario in accordance with the Ministry-LHIN Accountability Agreement ("MLAA"), which describes budgetary arrangements established by the MOHLTC. The Financial Statements reflect funding arrangements approved by the MOHLTC. The LHIN cannot authorize payments in excess of the budgetary allocation set by the MOHLTC. Due to the nature of the Accountability Agreement, the LHIN is economically dependent on the MOHLTC.

Transfer payment amounts to Health Service Providers are based on the terms of the Health Service Provider Accountability Agreements with the LHIN, including any amendments made throughout the year. During the year, the LHIN authorizes the transfer of cash to the Health Service Providers. The cash associated with the transfer payment flows directly from the MOHLTC and does not flow through the LHIN bank account.

LHIN Financial Statements do not include transfer payment funds not included in the Ministry-LHIN Accountability Agreement.

Capital assets

Purchased capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments, which extend the estimated life of an asset, are capitalized.

Capital assets are amortized on a straight-line basis based on their estimated useful life as follows:

Furniture and equipment	5 years
Computer and communications equipment	3 years
Leasehold improvement	Over the lease term

For assets acquired or brought into use, during the year, amortization is provided for a half year.

Deferred capital contributions

Contributions received for the purchase of capital assets are deferred and amortized to income at the same rate as the corresponding capital asset.

Financial instruments

Financial assets and liabilities are measured at amortized cost, with the exception of cash that is measured at fair value. Financial instruments measured at amortized cost are initially recognized at cost, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

2. Significant accounting policies (continued)

Employee future benefits

The LHIN accrues its obligations for sick leave and post-employment benefit plans as the employees render the services necessary to earn the benefits. The actuarial determination of the accrued benefit obligations uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). Under this method, the benefit costs are recognized over the expected average service life of the employee group.

Actuarial gains and losses on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the future actuarial gains and losses will be amortized over the estimated average remaining service life of the employees (7.5 to 11.6 years). The most recent actuarial valuation of the sick leave plan and the benefit plan was as of March 31, 2018.

Substantially all of the employees of the LHIN are eligible to be members of the Health Care of Ontario Pension Plan ("HOOPP"), which is a multi-employer, defined benefit, final average earnings and contributory pension plan. Defined contribution plan accounting is applied to HOOPP as the LHIN has insufficient information to apply defined benefit accounting.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 reporting period. Significant estimates include depreciation rates for capital assets and certain accruals. Actual results could differ from those estimates.

3. Funding repayable to the MOHLTC

In accordance with the MLAA, the LHIN is required to be in a balanced position at year end. Thus, any funding received in excess of expenses incurred, is required to be returned to the MOHLTC.

The amount due to the MOHLTC at March 31 is made up as follows:

	2019	2018
	\$	\$
Due from MOHLTC, beginning of year	2,370,614	—
Due from MOHLTC, transferred from NE CCAC	—	(439,490)
Funding received from MOHLTC	—	439,490
Funding repaid to MOHLTC	(2,370,614)	—
Funding repayable to the MOHLTC related to current year activities	757,472	2,370,614
Due to MOHLTC, end of year	757,472	2,370,614

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

4. Enabling Technologies for Integration Project Management Office

Effective Fiscal 2016 the LHIN entered into an agreement with South East, North West, and Champlain LHIN's (the "Cluster") in order to enable the effective and efficient delivery of e-health programs and initiatives within the geographic area of the Cluster. Under the agreement, decisions related to the financial and operating activities of the Enabling Technologies for Integration Project Management Office are shared. No LHIN is in a position to exercise unilateral control.

The LHIN's financial statement reflects its share of the MOHLTC funding for Enabling Technologies for Integration Project Management Offices for its Cluster and related expenses. During the year, the LHIN received funding from Champlain LHIN of \$510,000 (\$510,000 in 2018).

5. Related party transactions

Health Shared Services Ontario (HSSO)

HSSO is a provincial agency established January 1, 2017 by O. Reg. 456/16 made under LHSIA with objects to provide shared services to LHINs in areas that include human resources management, logistics, finance and administration and procurement. HSSO as a provincial agency is subject to legislation, policies and directives of the Government of Ontario and the Memorandum of Understanding between HSSO and the Minister of Health and Long-Term Care.

6. Capital assets

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
	\$	\$	\$	\$
Furniture and equipment	1,077,866	973,837	104,029	94,664
Computer equipment	1,476,624	1,358,271	118,353	53,530
Leasehold improvements	4,429,598	3,693,141	736,457	955,006
	6,984,088	6,025,249	958,839	1,103,200

7. Employee future benefits

The North East Local Health Integration Network provides for the reimbursement of medical and some life insurance expenses to certain retired employees provided that specified conditions are met. The LHIN provides 50% of accumulated sick leave entitlement not taken by certain employees, on their departure, provided certain conditions are met. The LHIN provided for a non-vesting benefit where it accrues to employees. An actuarial calculation of the future liabilities thereof has been made and forms the basis for the liability reported in these financial statements.

North East Local Health Integration Network
Notes to the financial statements
 March 31, 2019

7. Employee future benefits (continued)

The significant assumptions used are as follows (weighted-average):

	Vested and non-vested sick leave	Post-employment benefit obligation
Discount rate	3.18%	3.18%
Rate of compensation increases	4%	4%
Health care costs trend rate	—	6.5% trending to 4% over a 10 year period

Information about the LHIN's benefit plans in aggregate is as follows:

	Vested and non-vested sick leave	Other employee future benefits	Total
	\$	\$	\$
Balance, beginning of year	2,593,725	1,908,485	4,502,210
Benefit cost	150,317	60,490	210,807
Interest cost	81,115	40,335	121,450
Benefits paid	(128,192)	(41,455)	(169,647)
Amortization of actuarial gains	(17,229)	(85,577)	(102,806)
Employee future benefit liability, March 31, 2019	2,679,736	1,882,278	4,562,014
Obligation	2,534,096	1,269,576	3,803,672
Unamortized net actuarial gains	145,640	612,702	758,342
Employee future benefit liability, March 31, 2019	2,679,736	1,882,278	4,562,014

Employee future benefits expense

	Vested and non-vested sick leave	Other employee future benefits	Total
	\$	\$	\$
Benefit cost	150,317	60,490	210,807
Interest on accrued benefit obligation	81,115	40,335	121,450
Amortization charges	(17,229)	(85,577)	(102,806)
Employee future benefits expense	214,203	15,248	229,451

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

7. Employee future benefits (continued)

Employee future benefits expense (continued)

A total expense of \$59,704 is included in salaries in wages in the statement of operations. The Ministry does not fund the full actuarial expense, but rather the actual payments made during the year. The funded portion of the overall expense is reported through the unrestricted fund, the unfunded portion is reported in the employment benefit fund as follows:

	Vested and non-vested sick leave	Other future benefits	Total
	\$	\$	\$
Benefit expense	214,203	15,248	229,451
Funded portion of expense	(128,192)	(41,555)	(169,747)
Unfunded portion of expense	86,011	(26,307)	59,704

8. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. Deferred capital contributions are amortized to income at the same rate as the corresponding capital asset. The changes in the deferred capital contributions balance are as follows:

	2019	2018
	\$	\$
Balance, beginning of year	1,103,200	155,347
Capital contributions received during the year	185,123	54,065
Capital contributions transferred from NE CCAC		1,294,531
Amortization for the year	(329,484)	(400,743)
Balance, end of year	958,839	1,103,200

9. Commitments

The LHIN has commitments under various operating leases as follows:

	\$
2020	1,989,381
2021	1,566,713
2022	1,425,456
2023	1,111,288
Thereafter	284,803

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

10. Contingencies

The LHIN enters into accountability agreements with Health Service Providers which include planned funding targets. The actual funding provided by the LHIN is contingent on the MOHLTC providing the funding.

The LHIN has been named as defendants in various claims. Based on the opinion of legal counsel as to the realistic estimates of the merits of these actions and the LHINs potential liability, management believes any liability resulting from these actions would be adequately covered by existing liability insurance.

11. Change in non-cash working capital balance

	2019	2018
	\$	\$
Due from MOHLTC	3,231,358	9,850,380
Accounts Receivable	(236,458)	791,420
Prepaid expenses	3,531	808,733
Accounts payable and accrued liabilities	3,404,646	2,095,411
Due to Health Service Providers	(3,231,358)	(9,850,380)
Due to MOHLTC	(1,613,142)	2,370,614
Deferred revenue	(16,438)	(430,553)
Employee Future benefits	59,804	211,871
	1,601,943	5,847,496

12. Pension Plan

The LHIN contributes to the Healthcare of Ontario Pension Plan ("HOOPP"), which is a multi-employer plan, on behalf of approximately 725 members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay. The amount contributed to HOOPP for fiscal 2019 was \$4,845,083 (\$3,976,864 in 2018) for current service costs and is included as an expense in the 2019 Statement of Financial Operations. The last actuarial valuation was completed for the plan as of December 31, 2018. At that time, the plan was fully funded.

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

13. Transfer payment to HSPs

The LHIN has authorization to allocate funding of \$1,442,229,069 to various HSPs in its geographic area. The LHIN approved transfer payments to various sectors in 2019 as follows:

	2019	2018
	\$	\$
Operations of hospitals	1,008,095,806	972,977,062
Grants to Compensate for		
Municipal Taxation – Public Hospitals	211,725	211,725
Long-Term Care Homes	238,001,117	230,103,100
Community Care Access Centers	—	23,787,521
Community Support Services	44,315,999	40,708,612
Acquired Brain Injury	3,845,583	3,779,279
Assisted Living Services in Supportive Housing	25,044,847	24,297,247
Community Health Centers	24,168,612	20,081,307
Community Mental Health	71,025,764	65,033,349
Substance Abuse and Gambling Problem	27,519,616	25,292,679
	1,442,229,069	1,406,271,881

The LHIN receives funding from the MOHLTC and in turn allocates it to the HSPs. As at March 31, 2019, an amount of \$2,675,961 (\$5,907,319 in 2018) was receivable from the MOHLTC, and was payable to HSPs. These amounts have been reflected as revenue and expenses in the Statement of operations and are included in the table above.

Effective May 31, 2017 the LHIN assumed the assets, liabilities, rights and obligations of the Central West Community Care Access Centre (CCAC). The 2018 comparative amount reported in respect of the CCAC in the table above represents funding provided to the CCAC up to the date of transfer.

14. Board expenses

The following provides the details of Board expenses reported in the Statement of operations:

	2019	2018
	\$	\$
Board Chair per diem expenses	57,987	63,600
Other Board members' per diem expenses	70,998	65,165
Other governance and travel	45,619	58,784
	174,604	187,549

15. Financial risk

The LHIN through its exposure to financial assets and liabilities, has exposure to credit risk and liquidity risk as follows:

Credit risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and incur a financial loss. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. Credit risk is mitigated through collection practices and the diverse nature of amounts with accounts receivable.

Liquidity risk is the risk that the LHIN will not be able to meet all cash flow obligations as they come due. The LHIN mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis.

North East Local Health Integration Network

Notes to the financial statements

March 31, 2019

16. Accumulated non-vesting sick pay

The accumulated non-vesting sick pay comprises the sick pay benefits that accumulated but do not vest. These adjustments are not funded by the Ontario Ministry of Health and Long-Term Care.

17. Guarantees

The LHIN is subject to the provisions of the Financial Administration Act. As a result, in the normal course of business, the LHIN may not enter into agreements that include indemnities in favor of third parties, except in accordance with the Financial Administration Act and the related Indemnification Directive.

An indemnity of the Chief Executive Officer was provided directly by the LHIN pursuant to the terms of the Local Health System Integration Act, 2006 and in accordance with s.28 of the Financial Administration Act.

18. The People's Health Care Act

On April 18, 2019, *The People's Health Care Act* (the "Act") received Royal Assent. This legislation is a key component of the government's plan to build a modern, sustainable and integrated health care system. The Act grants the Minister of Health and Long-Term Care (the "Minister") the power to transfer assets, liabilities, rights, obligations and employees of certain government organizations, including the LHIN, into Ontario Health (a new Crown Agency created by the Act), a health service provider, or an integrated care delivery system. The Act also grants the Minister the power to dissolve these organizations.

On March 8, 2019, the members of the board of directors of Ontario Health were appointed to also constitute the board of the LHIN. The board of directors of Ontario Health is tasked with overseeing the transition process of transferring multiple provincial agencies into Ontario Health. Following the transfer the LHIN would be dissolved.

The transition process is expected to occur over a number of years. A potential transfer and dissolution date is currently unknown. In the meantime, the LHIN continues to operate as required under the Local Health System Integration Act, 2006 and in accordance with its accountability agreement with the Minister.