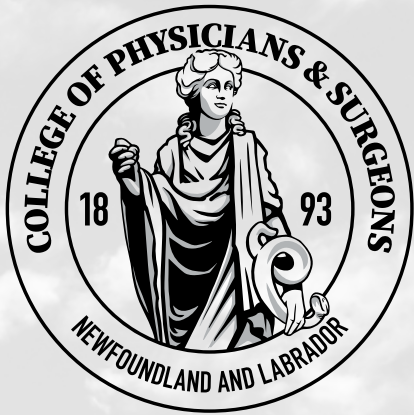


2019 ANNUAL REPORT



COLLEGE OF
PHYSICIANS & SURGEONS
OF NEWFOUNDLAND AND LABRADOR

SPRING 2020



**Trusted quality
medical care
in the public interest
through the
effective regulation
of medical doctors.**

MANDATE

Section 8

(1) The college is authorized to regulate the practice of medicine and the medical profession in the public interest.

(2) The objects of the college include

(a) the promotion of

(i) high standards of practice

and

(ii) continuing competence and quality improvement through continuing medical education;

(b) the administration of a quality assurance program; and

(c) the enforcement of standards of conduct.

As established by
the *Medical Act, 2011*

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2019 HIGHLIGHTS

1,406

MEDICAL
LICENCES
RENEWED

150

NEW MEDICAL
LICENCES
ISSUED

592

LOCUM
LICENCES
ISSUED

COMMUNICATING

- The College began work with the St. John's firm Upstream to improve and update cpsnl.ca
- The College held a conference with stakeholders to explain our licensing processes
- We began implementing the recommendations of a special report on the College's communications with members
- Improved how—and how often—we reported to physicians and others involved in a complaints process

QUALITY MEDICAL CARE

- The College introduced the Practice Ready Assessment (PRA) component of Memorial University's new Physician Assessment, Training, and Oversight (PATO) program
- We readied our new Physician Peer Review Newfoundland and Labrador (PPR-NL) program for planned pilot testing in Winter 2020
- We adopted a more strategic, data-driven approach to our quality assurance and quality improvement programs



90

COMPLAINTS
CLOSED

74

COMPLAINT
DECISIONS

WORKING EFFICIENTLY

- Ongoing review and revision of licensing procedures
- Many Information Management tasks necessary for the College's shift to electronic records and documents were accomplished
- We undertook leasehold improvements, achieving reconfigured College workspaces to improve efficiency and support College finances

IN THE PUBLIC INTEREST

- Based on survey input and to improve College efficiency and effectiveness, we adapted our process for handling complaints about physicians
- We established a new Public Engagement Committee of Council
- With MUN, we continued to develop a new program for Indigenous cultural awareness

A MESSAGE FROM THE COLLEGE

The College of Physicians and Surgeons of Newfoundland and Labrador is responsible for providing trusted medical care in the public interest through the regulation of medical doctors in this province. The primary activities of “regulation” include licensing qualified physicians, creating programs that will help ensure they practise to the highest standards possible, and dealing with complaints when issues about physician behaviour or performance arise. This report outlines the College’s activities in 2019, as we strove to meet our important responsibilities.

Licensing and registering physicians continued to consume about a third of College time. Licensing processes must be efficient, effective, consistent, and transparent. It is, perhaps, the most important function among the mandates for medical regulatory authorities.

To ensure that licensed physicians practise well throughout their careers, medical regulators must be aware of doctors’ knowledge, skills, experiences, attitudes, values, and behaviours. This awareness allows us to identify, assess, and proactively

A FEW WORDS ABOUT GOVERNANCE

The medical profession in Newfoundland and Labrador, as elsewhere in Canada, is self-regulating. The *Medical Act, 2011* spells out the duties expected of the College and, in tandem with the related Medical Regulations, gives direction on how we should deliver on our mandate.

We are well aware that professional self-regulation is a privilege, one that is under close scrutiny nationally and beyond our borders. This is why the College continues to devote considerable resources to determine how best to assure Newfoundlanders and Labradorians that we attend to our College values of fairness, quality of service, social responsibility, transparency, innovation, inclusivity and diversity.

To these ends, the College *Governance Manual* undergoes continual review and revision. The College also established, in December 2019, a Public Engagement Committee of Council tasked with determining how the College can better incorporate meaningful public engagement in its work.

remediate physicians' actions that do not meet professional standards.

In 2019, we worked hard to develop new quality assurance programs that will help NL physicians improve professional competencies through feedback and self-correction. Our new approach relies on evidence-based standards, which are gaining momentum nationally and internationally in the regulatory community. It has the potential to move us toward a more preventive system of regulation—where competency and adverse practice issues are detected and corrected before they require disciplinary action.

Dealing with complaints and discipline remains a prime responsibility, however. A commitment to fair and equitable resolution for both complainants and physicians is an important College strategy and objective. We are pleased to report that the efficiency of the College's discipline processes continues to improve.

In 2019, we once again identified the work we must do through regularly scheduled reviews of the College's strategic plan and our guiding principles/values, as well as

Ms. Gail Hamilton
CPSNL COUNCIL CHAIR



Dr. Linda Inkpen
CPSNL REGISTRAR



during the updating of our operations plan and budget. Input from the College Council, our members, and the public also informed our actions.

In addition, we kept an eye on developing issues that could influence new work we may want or need to take on. Streamlining licensing across Canada, for example, continues to receive our time and attention, and we continued working with others to harmonize certain medical regulatory processes in Atlantic Canada in 2019.

The College uses solid processes, but our rapidly changing and complex world always provides new challenges and work. We note that, in the Canadian context, our College is small—we cannot benefit from economies of scale that larger Colleges can. Our work is supported by fees collected from a relatively small number of physicians—who have their own real challenges to meet.

We are very aware that we must manage the resources we do have wisely and with solid financial stewardship, in our efforts to meet national standards and deliver effective programs.

2019 COLLEGE COUNCIL



1 / PUBLIC



2 / PUBLIC



4 / NLMA



5 / NLMA

APPOINTED MEMBERS

1. Ms. Gail Hamilton (CHAIR)
2. Mr. Allan Bradley
3. Mr. Dave Dove
4. Dr. Tony Gabriel (JOINED AUGUST 2019)
5. Dr. Susan MacDonald
6. Mr. Morgan Cooper (RESIGNED JUNE 2019)

PHOTO
UNAVAILABLE

3 / PUBLIC

PHOTO
UNAVAILABLE

6 / MUN

ELECTED MEMBERS

1. Dr. Elizabeth Bannister (VICE-CHAIR)
2. Dr. Robert Forsey
3. Dr. Amir Gammal
4. Dr. Kevin Hogan
5. Dr. Rebecca Rudofsky
6. Dr. Carl Sparrow
7. Dr. Tracey Wentzel



1 / St. J/MOUNT PEARL



2 / REST OF NL



4 / St. J/MOUNT PEARL



5 / St. J/MOUNT PEARL

NON-VOTING MEMBERS

Dr. Linda Inkpen
(CPSNL REGISTRAR)



Dr. Oscar Howell
(CPSNL DEPUTY REGISTRAR)



PHOTO
UNAVAILABLE

3 / ST. J/MOUNT PEARL



6 / REST OF NL



7 / REST OF NL

THE CPSNL COUNCIL

The College of Physicians and Surgeons of Newfoundland and Labrador is governed by a 15-person Council, whose members include physicians (elected and appointed) and representatives of the public from across the province.

Council members are elected or appointed on a regular schedule. Dr. Tony Gabriel was the only member to join the Council in 2019.

COUNCIL COMMITTEES, 2019

QAC – QUALITY ASSURANCE

Elizabeth Bannister (CHAIR)

Morgan Cooper*

Dave Dove

Amir Gammal

Susan MacDonald

Carl Sparrow

Tracey Wentzell

LICENSING

Gail Hamilton (CHAIR)

Elizabeth Bannister

Amir Gammal

Susan MacDonald

Carl Sparrow

GOVERNANCE

Gail Hamilton (CHAIR)

Allan Bradley

Robert Forsey

Kevin Hogan

CAC – COMPLAINTS AUTHORIZATION

Oscar Howell (CHAIR)

Allan Bradley (VICE-CHAIR)

Robert Forsey

Tony Gabriel

Amir Gammal

Gail Hamilton

Kevin Hogan

Rebecca Rudofsky

FINANCE & COMPENSATION

Gail Hamilton (CHAIR)

Kevin Hogan

Susan MacDonald

Tracey Wentzell

PUBLIC ENGAGEMENT

Allan Bradley (CHAIR)

Dave Dove

Gail Hamilton

Rebecca Rudofsky

Tracey Wentzell

*Morgan Cooper left Council in June 2019

COLLEGE STAFF



MANAGEMENT TEAM

CLOCKWISE FROM TOP LEFT

Linda Inkpen (REGISTRAR)

Oscar Howell (DEPUTY REGISTRAR)

Elyse Bruce (CORPORATE COUNSEL, COMPLAINTS DIRECTOR)

Jamie Osmond (ASSOCIATE REGISTRAR, OPERATIONS DIRECTOR)

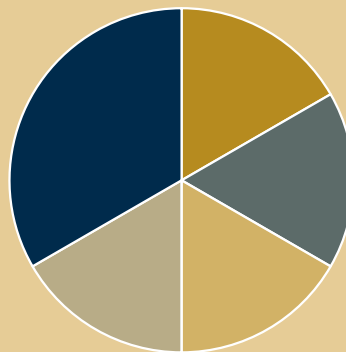
AUDITORS

Noseworthy
Chapman

ADMINISTRATIVE ASSISTANT TO COUNCIL

Lorraine Phillips

COLLEGE STAFF BY DEPARTMENT



4 LICENSING

2 FINANCE

2 COMPLAINTS

2 QUALITY ASSURANCE

2 ADMINISTRATION

*Not all positions are full time. Some staff members are assigned to more than one department.

COMMUNICATIONS & TRANSPARENCY

Communication and transparency are two of the seven guiding principles officially espoused by the College of Physicians and Surgeons NL. These principles direct us to assess and implement opportunities for communication plans in all our work, and embrace principles of transparency in all we do, while balancing our commitment to share information with the need for protection and privacy.

4 REGISTRAR UPDATES

23 NOTICES TO COLLEGE MEMBERS

1 COMPLAINTS BULLETIN

Communications and transparency are critical to establishing, building, and safeguarding public trust in the work that the College is mandated to do.

In 2019, our communication and transparency efforts included:

- Beginning a major update of our website, to improve both its behind-the-scenes functionality and its user friendliness
- Maintaining our regular communications outreach (outlined at left) to provide members with timely information requiring their attention
- Working with a consultant to survey members about our regular communications efforts and identify areas for improvement
- Improving the clarity and frequency of our communications with those involved in our licensing and complaints work
- Creating a Public Engagement Committee of Council, to seek new ways to involve and inform the public about the regulatory work we do on its behalf

STANDARDS & GUIDELINES

Trusted quality medical care
in the public interest through the effective
regulation of medical doctors.

1 NEW STANDARD OF PRACTICE

1 UPDATED PRACTICE GUIDELINE

CONSENT TO TREATMENT

The College introduced a **new Standard of Practice** for obtaining patient consent for treatment in June 2019.

Physicians have an ethical—and a legal—obligation to make sure their patients understand proposed treatments. Patients must provide their consent before these treatments are provided.

INDEPENDENT MEDICAL EXAMS (IMEs)

The **Practice Guideline updated in 2019** provides guidance to physicians who perform IMEs. It outlines the College's expectation of physicians conducting an IME (or preparing an IME report): they should adhere to the same standards of practice and professionalism as physicians who provide patient care.

One of the important ways that the College promotes high standards of medical practice in this province is by creating Standards of Practice that licensed physicians *must* follow, and Practice Guidelines outlining recommended practices they *should* adopt.

All Standards and Guidelines are reviewed on a five-year cycle of examination and, when needed, updated and renewed after their review.

Over time, new Standards and Guidelines are added. The College chooses which areas of medical practice require a new Standard or Guideline by doing gap analyses and jurisdictional reviews. For example, we determine which new standards and guidelines other Canadian Colleges are finding necessary. Often, input from College members on specific topics is solicited.

Members can also suggest areas that require guidance. Needs may become clear through the College's complaints work, as well.

All Standards and Guidelines are posted on cpsnl.ca, the College's website.

QUALITY ASSURANCE

Quality
Assurance
Committee
(QAC)

Trusted quality medical care
in the public interest through
the effective regulation of medical doctors.

The College's quality assurance efforts support the province's physicians in providing quality care throughout their careers.

The College administers programs that help physicians remain competent and up-to-date in their practices. We also support them in their ability to fulfill the duties and obligations outlined in the College's Code of Ethics, as well as its Standards of Practice and Practice Guidelines. In order to be of the greatest benefit to both physicians and patients, the College's approach to quality assurance is both collaborative and remedial.

In 2019, the College made significant efforts in several program areas to adopt a more strategic, data-driven approach to providing support to physicians. This work—overseen by the College's Quality Assurance Committee (QAC)—was aimed at ensuring that physicians in Newfoundland and Labrador are able to deliver the best possible care to patients.

PEER REVIEW: PPR-NL

The College's mandate includes administering a program of physician peer assessment. In 2019, we began to develop a new peer-review program: Physician Peer Review Newfoundland and Labrador (PPR-NL).

PPR-NL was designed to identify physicians' practice-improvement needs, then focus efforts to address them in ways that can be tailored to individual circumstances. Significantly, the PPR-NL peer-review process will enable the College to connect with more physicians, more regularly. Its goal is to create the most favourable program conditions for ensuring success at all stages of their careers.

Under the new program, peer reviewers will assess physicians' practices—including chart reviews and practice visits—to ensure that they adhere to established standards. Peer reviewers will also help physicians reflect on their own practices so that they can identify their own learning needs and opportunities.

“The College’s quality assurance programs help physicians remain competent and up-to-date in their practices.”

WHAT DO WE MEAN BY “QUALITY”?

The goal of peer assessment is both to ensure physicians meet a standard level of practice (“quality assurance” or QA) and to identify potential areas for improving practices already meeting or exceeding standards (“quality improvement” or QI).

- **Quality assurance** involves objective, systematic processes (such as physician peer assessments) to ensure that predefined standards are being met
- **Quality improvement** involves understanding current level of quality, identifying gaps between actual and expected quality, and introducing changes in practice for measurable results

Quality assurance and improvement efforts are mutually reinforcing.

WHAT DOES THE QAC DO?

The College’s Quality Assurance Committee performs several regulatory functions, with an explicit focus on patient safety and the equitable treatment of licensed physicians in Newfoundland and Labrador. Specifically, the QAC will:

- Conduct quality assurance reviews in response to concerns about licensed physicians
- Provide oversight when a physical or mental health disorder may be impairing the ability of a physician to practise safely and effectively
- Design and administer policies and programs that support the College’s quality assurance responsibilities

**“Our programs help ensure
that physicians in this province are able
to deliver the best possible care to patients.”**



Brian Bennett
(DIRECTOR OF QUALITY)

6 QAC MEETINGS IN 2019

**6 PPR-NL STEERING COMMITTEE
MEETINGS IN 2019**

Additionally, reviewers will provide specific, structured feedback that will support physicians’ continuing professional development efforts.

The PPR-NL project began a piloting phase in early 2020; a launch of the program is anticipated in 2021.

NEW TRAINING & OVERSIGHT EFFORTS

Quality assurance also involves ensuring that physicians new to the province or returning to work have skills that meet current standards. In 2019, the College continued its work with Memorial University’s Faculty of Medicine to establish programs that will help these physicians update their knowledge and performance, as needed. A period of oversight is required for all physicians granted provisional licences by the College—and this, too, can identify training needs.

In 2019, the College worked with the regional health authorities and Memorial University to establish a new protocol for administering both of these responsibilities, with first training modules scheduled for 2020.

Complaints
Authorization
Committee
(CAC)
Discipline
Panel

COMPLAINTS & DISCIPLINE

Trusted quality medical care
in the public interest
through the effective regulation
of medical doctors.

- 90 COMPLAINTS CLOSED, 2019
- 77 COMPLAINTS RECEIVED, 2019
- 94 COMPLAINTS RECEIVED, 2018
- 16 RESOLVED at INITIAL STAGE
- 14 MEDIAN # MONTHS TO RESOLUTION
- 12 CAC MEETINGS, 2019

COMPLAINTS RECEIVED IN 2019, by TYPE

- 30 COMPETENCE
- 45 PROFESSIONALISM
- 2 BOUNDARY VIOLATION

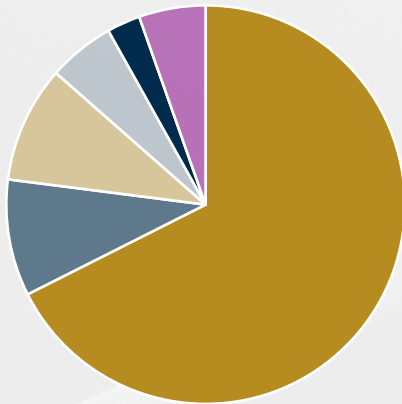
As the body that licenses physicians in this province, the College must also receive complaints raised about doctors practising here. Our goal is to resolve all complaints we receive as fairly, professionally, and efficiently as possible.

In 2019, 77 complaints were brought to our attention by members of the public and the medical community, more than a dozen fewer than in 2018. Some were resolved soon after they were received. The rest were channelled into the College's complaints and discipline processes.

IMPROVING A DIFFICULT PROCESS

Pursuing a complaint is a serious matter for both complainant and physician. Knowing this, the College is always searching for ways to make the process easier for all. To this end, in 2019, we hired Rebecca Lethbridge as a full-time investigator/paralegal. Her work allows us to process files more quickly. In addition, when participants agree, we now communicate electronically, which is much faster than using registered mail. We also

74 COMPLAINT RESOLUTIONS, 2019, by TYPE



50 DISMISSED

7 DISMISSED WITH DIRECTION

7 CAUTION OR COUNSEL

4 REFERRED TO TRIBUNAL

2 REFERRED TO ALTERNATIVE DISPUTE RESOLUTION

4 OTHER

Elyse Bruce
(CORPORATE COUNSEL)



Rebecca Lethbridge
(INVESTIGATOR /
PARALEGAL)



Darlene Manning
(COMPLAINTS
COORDINATOR)



schedule regular updates for all complaints, so those involved have a clearer idea of where they are in the process.

UPDATING OUR CODE OF ETHICS

The College's By-Law 5: Code of Ethics was updated in 2019. It defines such key terms as "professional misconduct," "professional incompetence," and "conduct unbecoming a medical practitioner"—matters critical to evaluating complaints. It also defines specific actions and behaviours that contravene the Code of Ethics.

By-Law 5 also advises physicians of their responsibility to follow the Canadian Medical Association (CMA) Code of Ethics and Professionalism, to which the College adheres. The CMA Code provides a common ethical framework for all physicians in Canada.

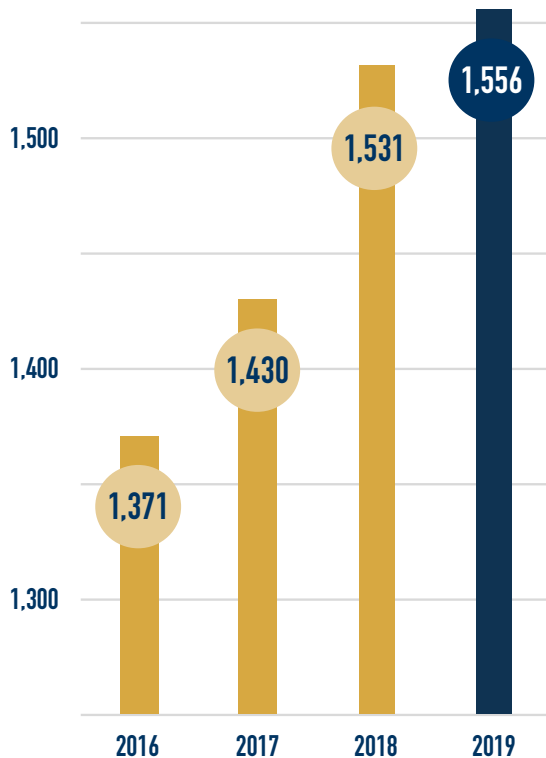
All By-Laws, Standards, and Guidelines are posted on cpsnl.ca, the College's website.

Licensing
Committee

LICENSING

Trusted quality medical care
in the public interest through
the effective regulation of medical doctors.

LICENCES ISSUED: 4-YEAR TREND*



*New and renewed full and provisional licences, but not licences for locums.

Licensing physicians to practise in this province involves several comprehensive tasks. They include reviewing the credentials and experience of physicians, assessing them for compliance with provincial and national standards and guidelines, verifying their references, and performing criminal record and vulnerable sector checks. These steps are major tasks that the College performs to fulfill our responsibility to regulate who practises medicine in Newfoundland and Labrador, and to ensure that the medical care they deliver can be trusted to meet professional expectations.

PROVISIONAL LICENSING CHANGES

The College issues full and provisional licences, as well as licences to physicians providing locum services in the province. Provisional licences come with limits and conditions on a physician's practice.

In 2019, the College made changes to the criteria for issuing provisional licences to practise Family Medicine in the province. The changes, which took effect on July 1,

Jamie Osmond
(ASSOCIATE REGISTRAR)



Tanya Drover
(LICENSING OFFICER)



added a new requirement: Family Medicine applicants must now undertake and pass a formal Practice Ready Assessment (PRA-NL). The PRA requirement applies to all international medical graduates (IMGs) except those who are eligible for, and later receive, CCFP designation (Certification in the College of Family Physicians) recognizing training and certification received outside Canada. As outlined on page 14, the PRA-NL program is a new program being delivered through the Faculty of Medicine at Memorial University of Newfoundland (MUN).

CONSULTING ABOUT LICENSING WITH HEALTH CARE PARTNERS

Many people are affected by licensing decisions, from the individual members of the public seeking medical care, to applying physicians and the Regional Health Authorities (RHAs). The College must always respond to physician licensing requests with great attention to our responsibility to ensure that we grant licences only to physicians who

are suitably qualified (thus ensuring that we support the delivery of *trusted* medical care).

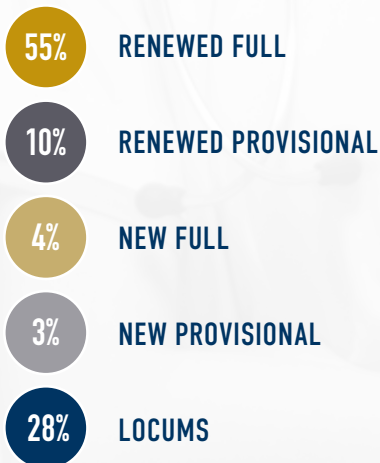
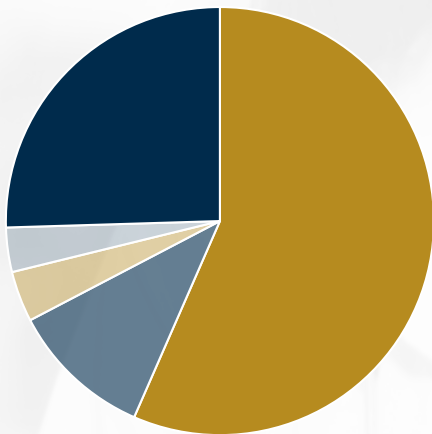
In June 2019, the College hosted a day-long conference in St. John's to explore the criteria currently in place for the granting of licences to international medical graduates. Stakeholders attending the session included representatives of the RHAs, two related provincial government departments, the Newfoundland and Labrador Medical Association, the Faculty of Medicine at MUN, and several currently licensed IMGs. The workshop goal was to share information about the successes and areas for improvement in the IMG licensing process.

515 CERTIFICATES OF PROFESSIONAL CONDUCT ISSUED, 2019

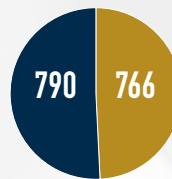
263 POST-GRAD RESIDENCIES REGISTERED, 2019

“Licensing physicians is the major regulatory task that the College performs to fulfill its responsibility to support the delivery of trusted medical care in this province.”

2019 LICENCES by CATEGORY

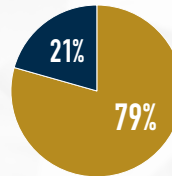


2019 LICENCES: A SNAPSHOT



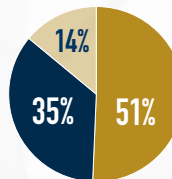
LICENCES BY FOCUS*

- FAMILY MEDICINE
- SPECIALIST



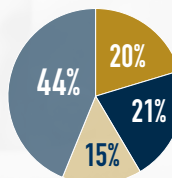
SPECIALIST LICENCES*

- CERTIFIED (CERT.)
- NON-CERTIFIED (NON)



NEW LICENCES*

- FAMILY MEDICINE
- SPECIALIST (CERT.)
- SPECIALIST (NON)



LOCUM LICENCES

- FAMILY MEDICINE
- SPECIALIST (CERT.)
- SPECIALIST (NON)
- MUN MED. RESIDENT

*Breakdown excludes locums

FINANCE & OPERATIONS

Finance
& Compensation
Committee

FINANCE

The College was fiscally prudent in 2019 and is in a stable financial position.

The Finance and Compensation Committee met five times throughout the year, continuing its work on both oversight of broad operational items as well as fiscal management of the College. Three public and/or appointed members and three physician members of Council sit on the committee.

The financial information presented on the following pages is in summary form. Full audited statements will be available upon request following its presentation at the College's Annual General Meeting, scheduled for June 13, 2020.

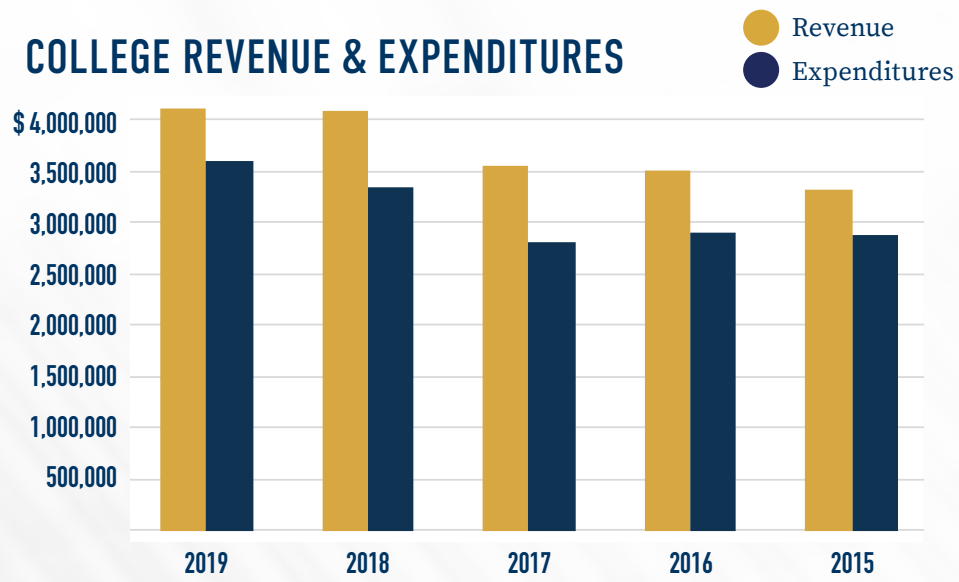
OPERATIONS

The College reconfigured our office footprint in 2019. The renovations were designed to maximize space efficiencies and provide greater work flexibility. The leasehold improvements yielded five extra offices and three storage spaces and improved staff workflow. All of this has positioned the College's offices for the next eight to ten years.

The College continues to pursue projects aimed at reducing its reliance on paper. The main thrust of this effort is to implement Information Management technology and strategies.

Additional efforts to improve operational capacity and efficiency in 2019 included the addition of professional consultants in the areas of Human Resource and Information Technology.

COLLEGE REVENUE & EXPENDITURES



Clinton Lee
(DIRECTOR OF FINANCE)



Jamie Osmond
(OPERATIONS DIRECTOR)



Natasha Denty
(ACCOUNTING &
OPERATIONS COORDINATOR)



SUMMARIZED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2019

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 5,099,409	\$ 5,036,947
Accounts receivable	82,952	120,547
Equipment & leasehold improvements	1,395,105	920,272
Investments	1,109,645	1,031,963
	\$ 7,687,111	\$ 7,109,729
LIABILITIES		
Accounts payable	\$ 235,641	\$ 288,405
Deferred income	2,726,164	2,598,735
Deferred lease inducements	56,135	64,153
	\$ 3,017,940	\$ 2,951,293
NET ASSETS		
Invested in capital assets	\$ 1,353,379	\$ 872,587
Unrestricted and internally restricted	3,315,792	3,285,849
	\$ 4,669,171	\$ 4,158,436
	\$ 7,687,111	\$ 7,109,729

SUMMARIZED STATEMENT OF REVENUE & EXPENDITURES AS OF DECEMBER 31, 2019

		2019	2018
REVENUE	Annual fees	\$ 3,081,820	\$ 3,043,805
	Professional corporation fees	184,550	173,150
	Registration and licensing fees	392,200	355,525
	Investment income	102,801	(40,692)
	Miscellaneous	240,067	230,519
	Joint Funded Projects	9,475	215,718
	Rental income	102,375	94,500
		\$ 4,113,288	\$ 4,072,525
EXPENDITURES	Salaries and employee benefits	\$ 1,920,548	\$ 1,601,373
	Complaints and discipline	166,428	130,641
	Council and committees	171,766	132,771
	Occupancy	256,775	223,882
	Office and operational	890,851	897,061
	Joint Funded Projects	9,475	215,718
	Amortization	186,710	131,960
		\$ 3,602,553	\$ 3,333,406
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS		\$ 510,735	\$ 739,119
FUNDS TRANSFERRED TO INTERNALLY RESTRICTED FUNDS	Excess revenue over expenditures from operations directed to these funds:		
	Operational Contingency	\$ 100,000	\$ 100,000
	Adjudication Tribunal Hearings	100,000	-
	College Infrastructure	100,000	300,000
	QA/QI Development	100,000	200,000
EXCESS OF REVENUES		\$ 110,735	\$ 139,119

NOTE: The excess of revenue over expenditures (2019) will assist the College in providing resources for the future for the Operational Contingency Fund, the Adjudication Tribunal Hearings Fund, the College Infrastructure Fund, and the QA/QI Development Fund.

LOOKING AHEAD TO 2020



WORKING EFFICIENTLY

- Review, update and further develop College policies
- Revise and further develop Licensing processes
- Complete major work on information management and leasehold improvements

IN THE PUBLIC INTEREST

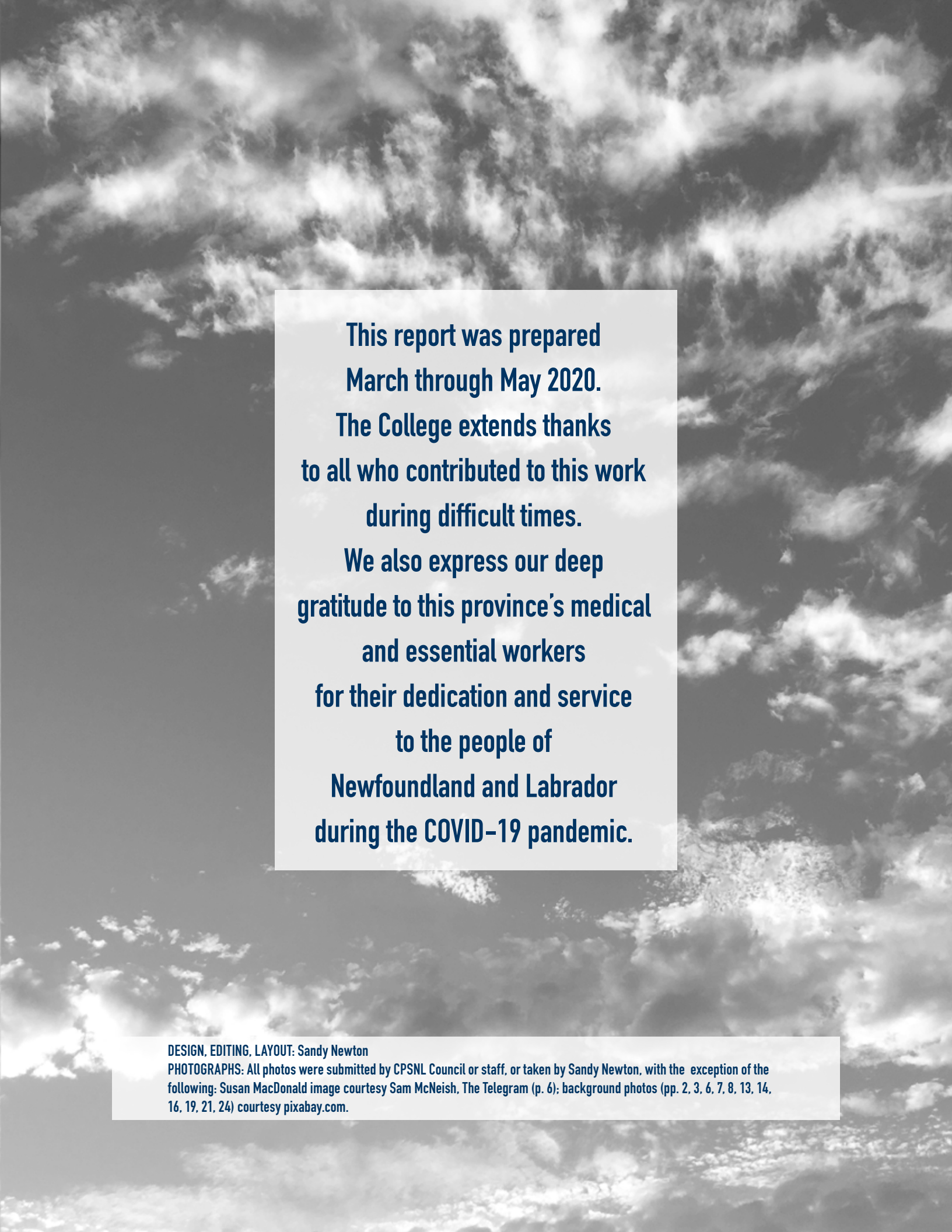
- Update Standards and Guidelines dealing with continuity of care
- Complete the cpsnl.ca update
- The Public Engagement Committee begins its work

QUALITY MEDICAL CARE

- Implement the new and comprehensive Physician Peer Review Newfoundland and Labrador (PPR-NL) program
- Coordinate and collaborate with NLMA on its Physician Health work
- Partner with stakeholders for the Practice Ready Assessment (PPR-NL) program, in line with national standards

REGULATION

- Work with regional and national partners to streamline and harmonize physician licensing



**This report was prepared
March through May 2020.
The College extends thanks
to all who contributed to this work
during difficult times.
We also express our deep
gratitude to this province's medical
and essential workers
for their dedication and service
to the people of
Newfoundland and Labrador
during the COVID-19 pandemic.**

DESIGN, EDITING, LAYOUT: Sandy Newton

PHOTOGRAPHS: All photos were submitted by CPSNL Council or staff, or taken by Sandy Newton, with the exception of the following: Susan MacDonald image courtesy Sam McNeish, The Telegram (p. 6); background photos (pp. 2, 3, 6, 7, 8, 13, 14, 16, 19, 21, 24) courtesy pixabay.com.



**COLLEGE OF
PHYSICIANS & SURGEONS
NEWFOUNDLAND AND LABRADOR**

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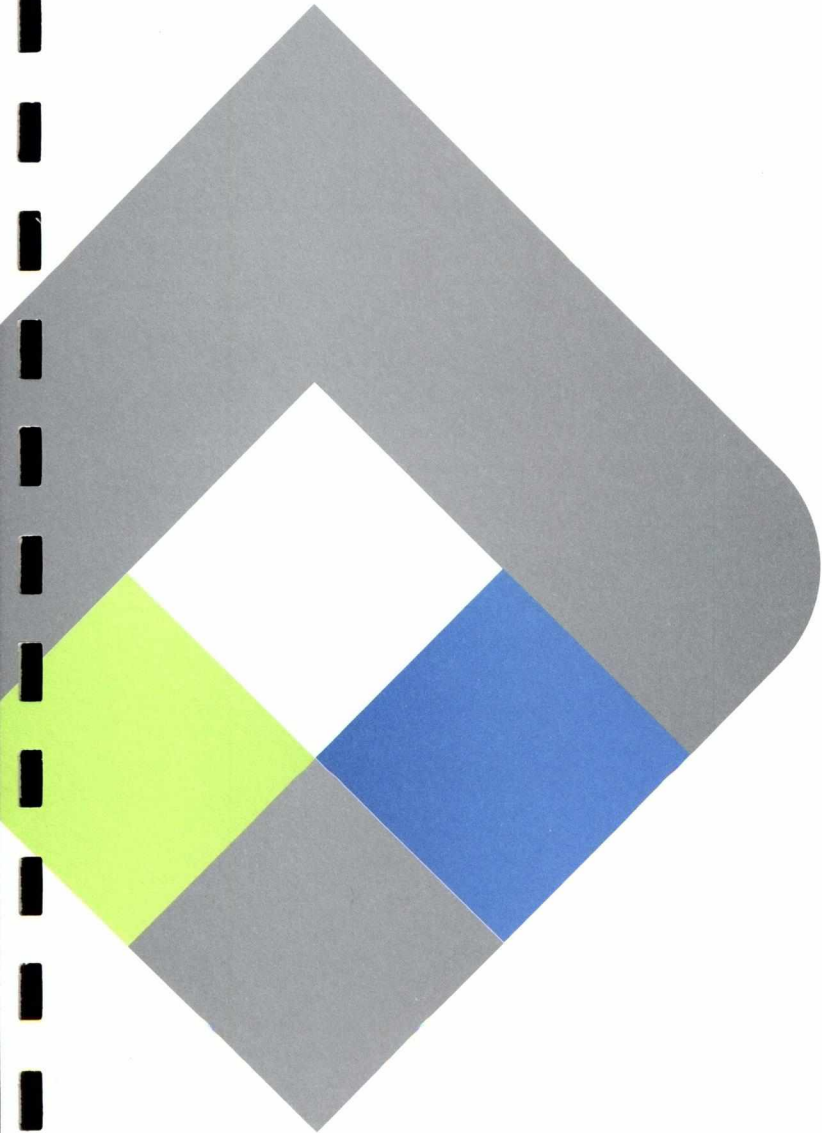
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NOSEWORTHY CHAPMAN

chartered professional accountants





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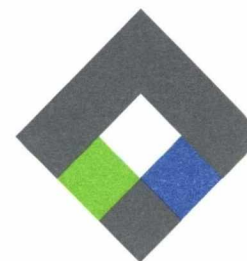
**THE COLLEGE OF PHYSICIANS AND
SURGEONS OF NEWFOUNDLAND
AND LABRADOR**

Financial Statements

Year Ended December 31, 2019

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR
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Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of The College of Physicians and Surgeons of Newfoundland and Labrador

Opinion

We have audited the financial statements of The College of Physicians and Surgeons of Newfoundland and Labrador (the College), which comprise the statement of financial position as at December 31, 2019, and the statements of revenues and expenditures, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2019, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 College in accordance with 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 ASNPO, 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 College'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 College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College'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 generally accepted auditing standards 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.

(continues)

Independent Auditor's Report to the Members of The College of Physicians and Surgeons of Newfoundland and Labrador *(continued)*



As part of an audit in accordance with Canadian generally accepted auditing standards, 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 College'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 College'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 College 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.

Nosworthy Chapman

Chartered Professional Accountants
St. John's, NL
May 1, 2020


THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR


Statement of Financial Position

December 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 187,866	\$ 270,106
Term deposits	4,878,554	4,764,775
Accounts receivable	82,952	120,547
Prepaid expenses	32,989	2,066
	5,182,361	5,157,494
CAPITAL ASSETS (Note 4)	1,395,105	920,272
LONG TERM INVESTMENTS (Note 5)	1,109,645	1,031,963
	\$ 7,687,111	\$ 7,109,729
LIABILITIES		
CURRENT		
Accounts payable	\$ 206,103	\$ 245,548
Government remittances payable	29,538	42,857
Deferred income	2,726,164	2,598,735
	2,961,805	2,887,140
DEFERRED LEASE INCENTIVES (Note 6)	56,135	64,153
	3,017,940	2,951,293
LEASE COMMITMENTS (Note 10)		
NET ASSETS		
Unrestricted	1,665,792	1,835,849
Invested in Capital Assets	1,353,379	872,587
Operational Contingency Fund (Note 7)	500,000	400,000
Adjudication Tribunal Hearing Fund (Note 7)	500,000	400,000
College Infrastructure Fund (Note 7)	350,000	450,000
Quality Assurance and Quality Improvement Fund (Note 7)	300,000	200,000
	4,669,171	4,158,436
	\$ 7,687,111	\$ 7,109,729

ON BEHALF OF THE BOARD

 Director

 Director

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Statement of Revenues and Expenditures

Year Ended December 31, 2019

	2019	2018
REVENUES		
License fees		
Full licensure	\$ 2,356,780	\$ 2,331,215
Provisional licensure	529,050	511,010
Locum fees	195,990	201,580
Professional medical corporation fees	184,550	173,150
Specialist	48,600	42,600
Assessment fees	163,150	130,000
Registration and listing fees	98,600	99,600
Interest - operating	89,879	65,072
Educational and student registration fees	81,850	83,325
Certificates of good standing	79,225	78,600
Physicians prescribing skills course (Note 8)	38,220	42,843
Disciplinary cost recoveries	30,000	40,002
Foreign recognition qualification (Note 8)	9,475	215,718
Other revenue	2,743	4,002
Credit card charges	(99,606)	(94,463)
	3,808,506	3,924,254
EXPENDITURES (Schedule 1)	3,502,947	3,238,944
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS	305,559	685,310
OTHER REVENUES (EXPENDITURES)		
Investment income (loss) (Note 9)	109,091	(23,193)
Rental revenue	102,375	94,500
Administration fee - investments	(6,290)	(17,498)
	205,176	53,809
EXCESS OF REVENUES OVER EXPENDITURES	\$ 510,735	\$ 739,119

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Statement of Changes in Net Assets

Year Ended December 31, 2019

	Unrestricted	Invested in Capital Assets	Operational Contingency Fund	Adjudication Tribunal Hearing Fund	College Infrastructure Fund	Quality Assurance and Quality Improvement Fund	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 1,835,849	\$ 872,587	\$ 400,000	\$ 400,000	\$ 450,000	\$ 200,000	\$ 4,158,436	\$ 3,419,317
Excess of revenues over expenditures	699,503	(188,768)	-	-	-	-	510,735	739,119
Purchase of capital assets	(469,560)	689,560	-	-	(200,000)	-	-	-
Interfund transfers (Note 7)	(400,000)	-	100,000	100,000	100,000	100,000	-	-
NET ASSETS - END OF YEAR	\$ 1,665,792	\$ 1,353,379	\$ 500,000	\$ 500,000	\$ 350,000	\$ 300,000	\$ 4,669,171	\$ 4,158,436

See notes to financial statements

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Statement of Cash Flows

Year Ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Cash receipts from physicians and others	\$ 3,977,383	\$ 4,024,458
Cash paid to suppliers and employees	(3,398,198)	(2,853,327)
Investment income received	124,716	99,450
Interest paid	-	(1,240)
Cash flow from operating activities	703,901	1,269,341
INVESTING ACTIVITIES		
Purchase of capital assets	(669,560)	(123,423)
Proceeds from sale of investments	313,057	383,508
Acquisition of investments	(315,859)	(387,743)
Cash flow used by investing activities	(672,362)	(127,658)
FINANCING ACTIVITY		
Repayment of long term debt	-	(100,087)
Cash flow used by financing activity	-	(100,087)
INCREASE IN CASH FLOW	31,539	1,041,596
Cash - beginning of year	5,034,881	3,993,285
CASH - END OF YEAR	\$ 5,066,420	\$ 5,034,881
CASH CONSISTS OF:		
Cash	\$ 187,866	\$ 270,106
Term deposits	4,878,554	4,764,775
	\$ 5,066,420	\$ 5,034,881

See notes to financial statements

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2019

1. PURPOSE OF THE COLLEGE and COVID-19

The College of Physicians and Surgeons of Newfoundland and Labrador (the "College") is a not-for-profit organization continued under the Medical Act (2011). The College is a licensing and regulatory body for the medical profession in the Province of Newfoundland and Labrador. As a not-for-profit organization, the College is exempt from income tax.

The recent outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the company's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the company's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash

Cash includes cash on hand and balances with financial institutions, net of overdrafts.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	4 years	straight-line method
Computer software	4 years	straight-line method
Membership database	10 years	straight-line method
Furniture and equipment	20%	declining balance method
Leasehold improvements		straight-line method over remaining term of the lease

Deferred income

Deferred income represents licensing fees billed in the current year pertaining to the following year.

Deferred lease incentives

Lease incentives include reduced rent benefits and tenant inducements received as a contribution to leasehold improvements. Lease incentives are amortized on a straight-line basis over the term of the lease.

(continues)

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Net assets invested in capital assets

Net assets invested in capital assets comprises the net book value of capital assets less long-term debt related to the capital assets less the unamortized balance of deferred tenant inducements received as a contribution to leasehold improvements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

The College recognizes license and registration fees and fees for other services when they are earned, specifically when the amounts are fixed or can be determined and the ability to collect is reasonably assured.

Recovery of costs for disciplinary activities is recorded when a decision is rendered by the adjudication tribunal.

Investment income is recognized on the accrual basis as earned.

Rental revenue is recognized on the accrual basis in accordance with the terms of the corresponding lease agreement.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. FINANCIAL INSTRUMENTS

The College is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the College's risk exposure and concentration as of December 31, 2019.

(continues)

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2019

3. FINANCIAL INSTRUMENTS *(continued)*

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The College is exposed to currency rate risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the College's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The College is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars. The College does not use derivative instruments to reduce its exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the College manages exposure through its normal operating and financing activities. The College is exposed to interest rate risk primarily through its fixed income securities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The College is exposed to other price risk through its investment in quoted shares.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment	\$ 309,859	\$ 243,028	\$ 66,831	\$ 75,584
Computer software	169,205	139,501	29,704	30,114
Membership database	591,312	136,711	454,601	361,128
Furniture and equipment	497,327	347,862	149,465	82,996
Leasehold improvements	1,074,025	379,521	694,504	370,450
	\$ 2,641,728	\$ 1,246,623	\$ 1,395,105	\$ 920,272

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2019

5. LONG TERM INVESTMENTS

	2019		2018	
	Fair value	Cost	Fair value	Cost
Fixed income, at annual rates from 1.9% to 3.7% (2018 - 1.9% to 3.7%)	\$ 521,106	\$ 521,986	\$ 587,883	\$ 600,022
Equities - shares in publicly traded companies	588,539	489,723	444,080	416,420
	\$ 1,109,645	\$ 1,011,709	\$ 1,031,963	\$ 1,016,442

6. DEFERRED LEASE INCENTIVES

	Tenant		2019	2018
	Inducements	Reduced Rent		
Balance, beginning of the year	\$ 47,686	\$ 16,467	\$ 64,153	\$ 72,171
Less: Amortization	(5,960)	(2,058)	(8,018)	(8,018)
Balance, end of year	\$ 41,726	\$ 14,409	\$ 56,135	\$ 64,153

7. INTERNALLY RESTRICTED NET ASSETS

The internally restricted funds of the College consist of the Adjudication Tribunal Hearings Fund, established to address unforeseen increases in disciplinary hearings and associated costs; the Operational Contingency Fund, established for unforeseen business continuity as well as efforts stemming from the strategic planning process; the College Infrastructure Fund, established to address any unforeseen costs at the current location and for planning of any future expansion; and the Quality Assurance and Quality Improvement Fund, established to develop programs for quality assurance and quality improvement initiatives. During 2019, the College transferred funds from Unrestricted Net Assets to each of the funds as follows: the Adjudication Tribunal Hearings Fund - \$100,000 (2018 - \$Nil); the Operational Contingency Fund - \$100,000 (2018 - \$100,000); the College Infrastructure Fund - \$100,000 (2018 - \$300,000); the Quality Assurance and Quality Improvement Fund - \$100,000 (2018 - \$200,000). Additions to these funds are determined annually by Council and are dependent on the activity of the College at that time. During 2019, the College used \$200,000 from the College Infrastructure Fund for renovations required as a result of the increased services provided by the College.

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2019

8. JOINTLY FUNDED PROJECTS

During 2019, the College participated in two jointly funded projects as follows:

Physicians Prescribing Skills Course

A jointly funded project between Government of Newfoundland and Labrador (Department of Health and Community Services) and Memorial University of Newfoundland and Labrador (Office of Professional Development – Faculty of Medicine) and the College. The objective of all parties was to develop and maintain an on-line Safe Prescribing Course for physicians and other health professionals who have the authority to prescribe controlled drugs and substances and who have applied or are licensed to practice in Newfoundland and Labrador. Funds received during the year amounted to \$38,220.

Foreign Recognition Qualification

During the year, the College recognized revenues of \$9,475 related to jointly funded projects with the Department of Advanced Education, Skills and Labour. The one project in 2019 relates to funds used from overfunding of prior projects to cover the cost of future uses of the College. The funds were used in 2019 towards costs of a conference hosted for members. This was agreed upon with the Department of Advanced Education, Skills and Labour.

9. INVESTMENT INCOME (LOSS)

	2019	2018
Interest from fixed income securities	\$ 15,029	\$ 14,829
Dividends and other distributions	19,807	19,548
Realized loss on disposal of investments	(7,314)	(596)
Foreign exchange loss	(845)	-
Unrealized appreciation (depreciation) in fair value of investments	82,414	(56,975)
	\$ 109,091	\$ (23,194)

10. LEASE COMMITMENTS

The College has a long term lease with respect to its premises which expires December 31, 2026. Future minimum lease payments, including an estimate of the proportionate share of property taxes for each of the next five years, are as follows:

2020	\$ 243,408
2021	243,408
2022	258,071
2023	258,071
2024	267,846

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

THE COLLEGE OF PHYSICIANS AND SURGEONS OF NEWFOUNDLAND AND LABRADOR

Expenditures

(Schedule 1)

Year Ended December 31, 2019

	2019	2018
Salaries and employee benefits	\$ 1,920,548	\$ 1,601,373
Rent	256,775	223,882
Computer maintenance	196,805	85,215
Amortization	186,710	131,960
Complaints and discipline	166,428	130,641
Office	151,189	60,615
Consultant fees	115,870	223,914
Council meetings	113,447	92,167
Quality assurance	108,173	209,324
Peer assessment	86,350	86,350
Travel	83,252	50,614
Insurance	42,284	40,631
Professional fees	24,091	19,453
Federation assessment	23,422	22,806
Training	17,890	20,082
Foreign recognition qualification (Note 8)	9,475	215,718
Lecture sponsorship	238	2,134
Physicians prescribing skills course (Note 8)	-	20,772
Interest on long term debt	-	1,240
Bad debt	-	53
	\$ 3,502,947	\$ 3,238,944