

2024|2025
ANNUAL
REPORT

Rising Above Challenges

Transformative Progress at
Vitalité Health Network



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Message from the President and CEO

The year 2024-2025 was marked by significant progress, bold innovations and our invaluable health care workers' continued dedication to our purpose: to foster the health of our patients and communities, today and tomorrow.

Throughout Vitalité Health Network, we have witnessed the launch of promising projects, including the opening of the first Healthy Aging Clinic in Dieppe, the deployment of peritoneal dialysis services in Edmundston, and the introduction of pediatric immunotherapy in Moncton. These initiatives attest to our ongoing commitment to tailoring our services to the real needs of patients, focusing on proximity, innovation and interdisciplinary collaboration.

This year, the Network demonstrated its ability to turn challenges into catalysts for progress. The rise of robotic surgery, with 288 successful procedures, and the 37% reduction of ophthalmology wait lists are concrete examples of this commitment to efficiency and compassionate care.

We have also made substantial progress in the development of home care, mental health, public health and specialized surgery.

One of our most significant achievements in recent months is undoubtedly the implementation of a collaborative care model and the development of 25 local family health teams. This ambitious transformation of our primary health care, aimed at improving access, has gained momentum through the unprecedented mobilization of our care providers.

Improving patient flow and hospital performance was another major project undertaken by our teams, to ensure our ability to deliver critical care. The recent drop in hospitalization rates at our facilities confirms that we are on the right track.

In addition to these two key priorities, this year we also focused on supporting our managers in leadership development, which reflects our commitment to involving and supporting the entire Network in the health care system transformation.

These achievements, along with the ongoing refinement of our strategies, reflect the exceptional work of our teams, the trust of our partners and the steadfast support of our communities. I would like to extend my heartfelt thanks to everyone who contributes each day to making the Network a driver of positive and sustainable change.

Dr. France Desrosiers, President and CEO

WE HAVE ALSO MADE
SUBSTANTIAL PROGRESS
IN THE DEVELOPMENT
OF HOME CARE, MENTAL
HEALTH, PUBLIC HEALTH
AND SPECIALIZED SURGERY.



Message from the Chairman of the Board of Directors

On behalf of the Board of Directors of Vitalité Health Network, I am proud to share the 2024-2025 Annual Report, which reflects a year defined by innovation, resilience and a deep commitment to the health and well-being of our communities.

The Board of Directors is helping to guide the transformation of the health care system with diligence and care, while upholding transparent, responsible governance focused on the needs of the population. We have supported ambitious strategic directions, particularly in the areas of home care, mental health, public health and equitable access to services in all regions.

We especially commend the efforts made to strengthen local training, as evidenced by the graduation of the first two psychiatrists trained in New Brunswick, and to integrate new technologies that support patient care, such as platforms that improve the surgical journey.

A performance report on continuous improvement is published on the Network's website. In addition, quarterly reports are published for the community to monitor progress.

I would like to sincerely thank the Network's management, health care workers, staff, volunteers and community partners for their outstanding dedication; their daily work is the cornerstone of our health care system.

As a Board of Directors, we remain committed to supporting a vision of care that is patient-centered, accessible to all, and rooted in the realities of our communities. Let's continue this mission together with shared purpose, bold action and unwavering hope.

A stylized, handwritten signature in black ink, appearing to read 'M. Thomas Soucy'.

M. Thomas Soucy, président du conseil d'administration

WE REMAIN COMMITTED
TO SUPPORTING A VISION
OF CARE THAT IS PATIENT-
CENTERED, ACCESSIBLE
TO ALL, AND ROOTED IN
THE REALITIES OF OUR
COMMUNITIES.

Purpose

To foster the health of our patients and communities, today and tomorrow.

Through a collaborative, learning approach, we foster the health of our communities and ensure the best care for our patients. We are an innovative, forward-looking network where everyone's voice counts, and where patients and families come first.

Values

Safety and respect above all

We treat our co-workers, community members, patients and their families with respect, dignity, sensitivity and compassion. We provide a health care and work environment that is caring, safe and respectful of differences.

Humility and curiosity at the heart of a learning culture

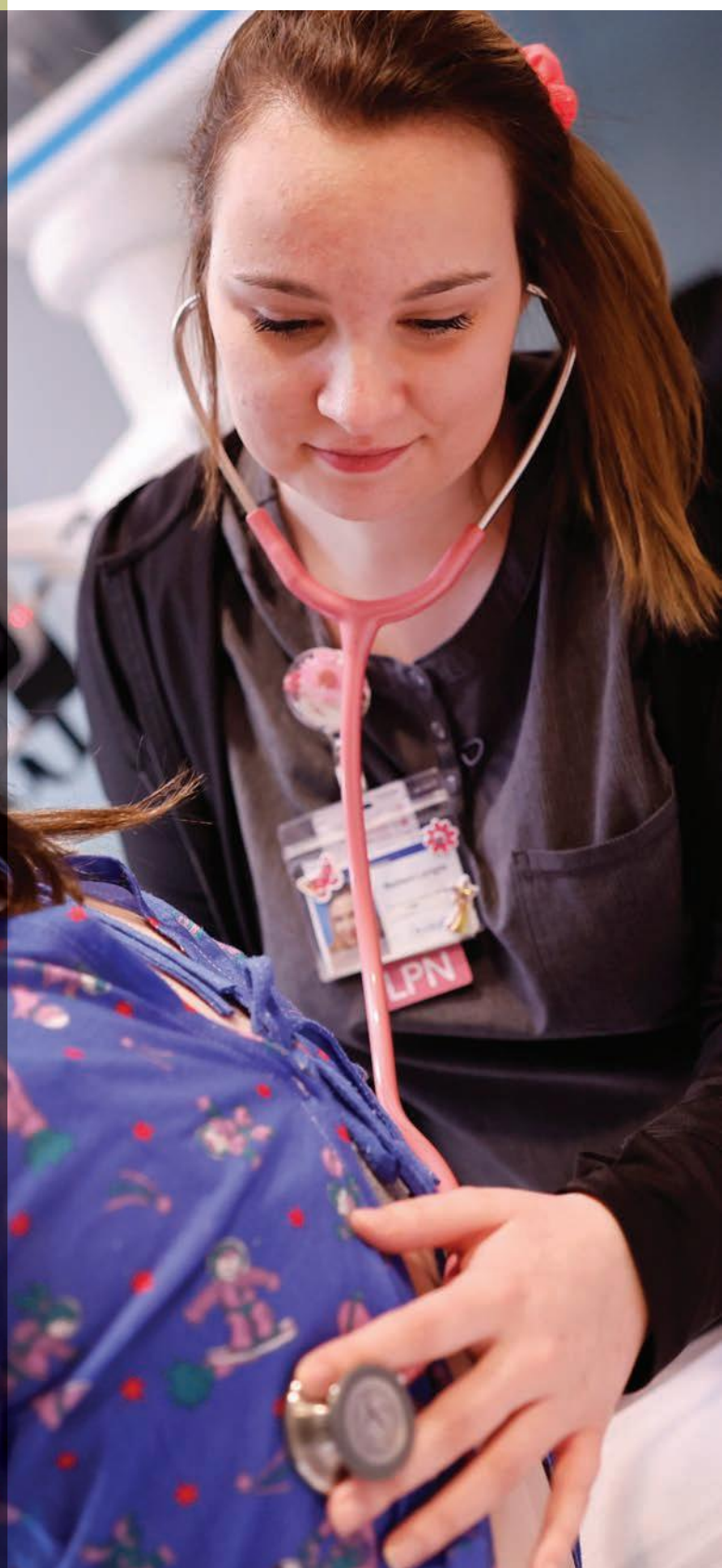
We are curious, humble and open-minded in the face of challenges and setbacks, thereby fostering learning and growth. Everyone's creativity, energy and innovative spirit support the continuous improvement of our care and services.

Collaboration and mutual support that promote synergy

We seek and value the ideas and contributions of everyone in achieving common goals. Mutual support and synergy within teams foster a sense of belonging and empower individuals and teams.

Integrity and accountability in all our actions

We provide care and services that meet the highest quality standards. We act ethically, honestly and responsibly and we keep our promises and commitments.



Overview: A Francophone Health Network Dedicated to Serving the Public

Vitalité Health Network is recognized for its francophone identity and its commitment to providing quality health care in the official language of the patient's choice. As the only one of its kind in Atlantic Canada, with some 60 points of service across four key geographic zones in northern and southeastern New Brunswick, it plays an essential role in the provincial health care system. These zones are designated as follows:

- Beauséjour Zone (health region 1B)
- Northwest Zone (health region 4)
- Restigouche Zone (health region 5) and
- Acadie-Bathurst Zone (health region 6).

In addition to these points of service, many local family health teams have been set up to provide better access to primary health care.

Each year, with a budget of **\$896,2 million** (excluding Medicare), the Network meets the needs of a population of **284,139 people**. This mission is made possible through the dedication of approximately **8,798 employees, 613 physicians** et **655 volunteers**, all driven by a common purpose: to provide services with compassion and professionalism.

Strong community support

Ten partner foundations support the Network by funding projects and initiatives that make a real difference in the patient experience. These close ties between the Network's foundations, facilities and programs actively contribute to the health and wellness of the communities they serve.



A comprehensive and inclusive range of services

The Network offers a wide range of services, from acute hospital care to home care, public health, mental health and addiction services, long-term care for veterans, training and research. It also delivers outpatient and community-based services, along with a range of services to the various First Nations communities in New Brunswick.

Provincial leadership in health

The Network is responsible for several key provincial programs, including the:

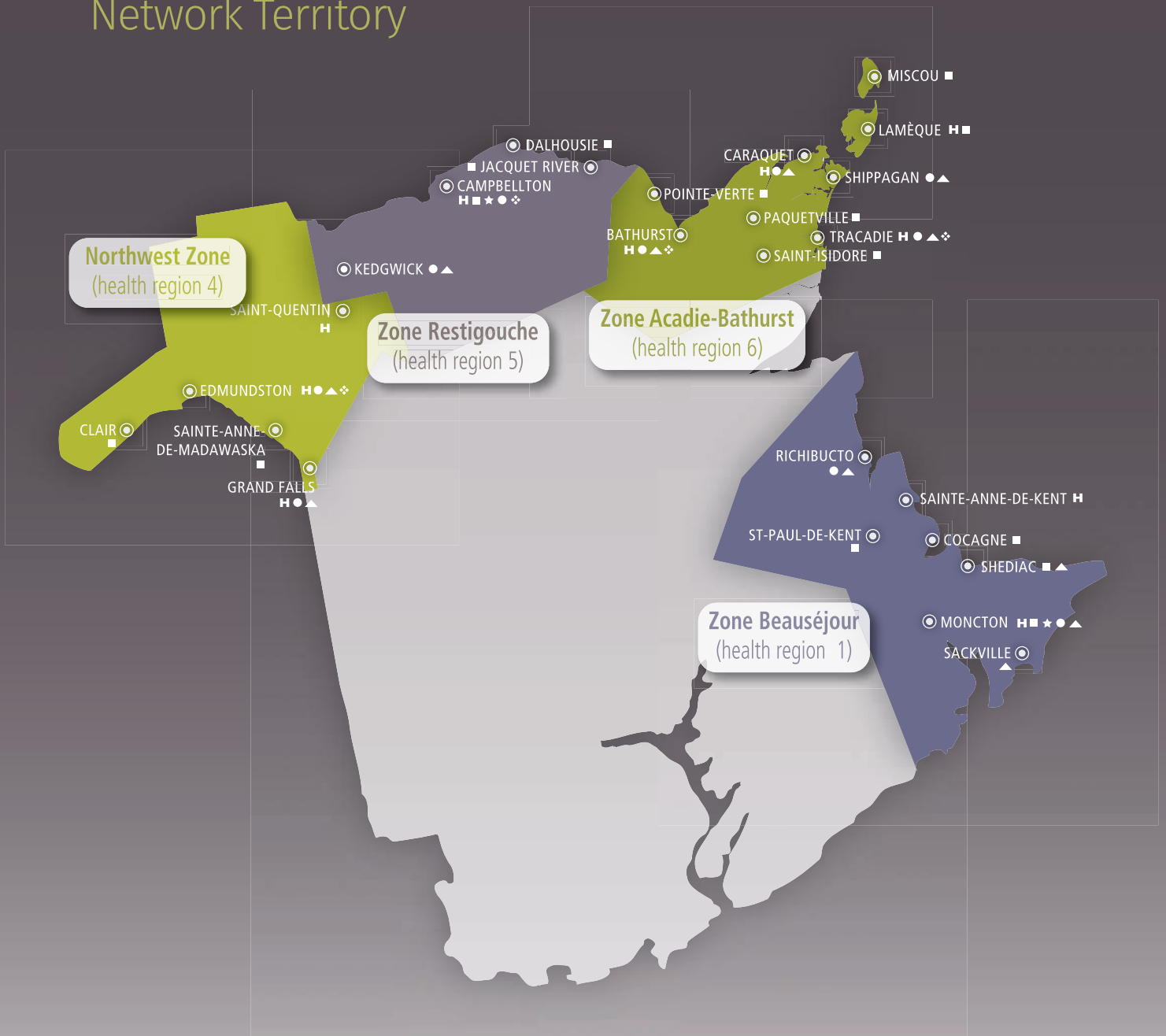
- Sexual Assault Nurse Examiner (SANE) program;
- New Brunswick Colon Cancer Screening Program;
- New Brunswick Cochlear Implant Follow-Up Program;
- provincial forensic psychiatry program;
- provincial programs for phenylketonuria (PKU), genetics, bariatric surgery, gynecologic oncology and forensic psychiatry;
- Fetal Alcohol Spectrum Disorder (FASD) Centre of Excellence; and
- New Brunswick Public Health Laboratory.

Governance focused on continuous improvement

The Network is managed by a Leadership Team that includes the President and CEO and the Vice-Presidents. This team, along with invited members, meets every six weeks to review current projects, identify challenges and make agile, continuous adjustments to learning-based strategic planning to drive optimal results.



Network Territory



Population served
284,139



Budget
\$896,2 million
(including depreciation
and excluding Medicare)

Network Profile

Foundations (10)

Fondation Les Amis de l'Hôpital de Tracadie
Chaleur Regional Hospital Foundation
La Fondation de l'Hôpital de Lamèque
Fondation Hôpital de l'Enfant-Jésus
Les Ami.e.s de l'Hôpital Stella-Maris-de-Kent

CHU Dumont Foundation
Edmundston Regional Hospital Foundation
Foundation of the Friends of the Grand Falls General Hospital
Fondation Dr Romaric Boulay
Friends of Healthcare Foundation (Campbellton)

H Hospitals (11)

Dr. Georges-L.-Dumont University Hospital Centre
Campbellton Regional Hospital
Chaleur Regional Hospital
Edmundston Regional Hospital
Restigouche Hospital Centre
Enfant-Jésus RHSJ+ Hospital

Tracadie Hospital
Lamèque Hospital and Community Health Centre
Stella-Maris-de-Kent Hospital
Grand Falls General Hospital
Hôtel-Dieu Saint-Joseph de Saint-Quentin

Centres de santé communautaires (3), centres de santé (7) et cliniques (4)

Saint-Isidore Community Health Centre
Lamèque Hospital and Community Health Centre
St-Joseph Community Health Centre (Dalhousie)
Chaleur Health Centre (Pointe-Verte)
Miscou Health Centre
Paquetville Health Centre
Greater Moncton Health Centre

Shediac Regional Medical Centre
Dr. Chanel-Dupuis Health Centre
(Sainte-Anne-de-Madawaska)
Jacquet River Health Centre
Cocagne Health Clinic
Healthy Aging Clinic (Dieppe)
Saint-Paul-de-Kent Satellite Clinic

Haut-Madawaska
Medical Clinic
E.L. Murray Medical Clinic
(Campbellton)

★ Veterans' Unit/Centre

Veterans' Health Centre (Moncton)

● Community Mental Health Centres (10 + 2 points of service)

Bathurst
Campbellton (point of service in Dalhousie)
Caraquet
Edmundston

Grand-Sault
Kedgwick
Moncton

Richibucto (point of service in Shediac)
Shippagan
Tracadie

▲ Public Health - Main Offices (11 + 3 points of service)

Bathurst
Campbellton (points of service
in Dalhousie and Jacquet River)

Caraquet
Edmundston
Grand Falls

Kedgwick
Moncton (point of service in Sackville)
Richibucto

Shediac
Shippagan
Tracadie

◆ Addiction Services for Adults (4)

Bathurst Campbellton Caraquet Tracadie

Addiction and Mental Health Services for Children and Youth (11)


Bathurst Caraquet Grand Falls Saint-Louis-de-Kent Shediac Tracadie
Campbellton Edmundston Moncton Saint-Quentin Shippagan




Human Resources Profile

Total number of employees **8 798** 

80,68 %		Women
19,30 %		Men
0,02 %		Other
41 years		Average age of staff

6 784		Full time equivalents (FTE)
6 016		Full time
2 782		Part time*

613		Active and associate physicians
338		Family and emergency physicians
275		Specialists

*For the purposes of the annual report, the part-time category includes casual and temporary employees



Board of Directors

(As of March 31, 2025)

Members of the Board of Directors

- **Thomas Soucy**, Chairperson, Northwest Zone
- **Julie Cyr**, Restigouche Zone
- **Réjean Després**, Beauséjour Zone
- **Jacques Doucet**, Beauséjour Zone
- **Yves Francoeur**, Acadie-Bathurst Zone
- **Johanne Thériault Paulin**, Acadie-Bathurst Zone
- **Claire Savoie**, Acadie-Bathurst Zone

Ex officio Members

- **Dr. France Desrosiers**, President and CEO and Board Secretary
- **Annie Carré**, Chairperson of the Professional Advisory Committee
- **Dr. Éric Levasseur**, Chairperson of the Medical Advisory Committee





Leadership Team

(As of March 31, 2025)

Leadership Team Members

- **Dr. France Desrosiers**, President and CEO
- **Patrick Parent**, Assistant CEO, Strategic Execution, and Senior Vice-President, Client Programs and Professional Services
- **Brigitte Sonier Ferguson**, Senior Vice-President, Performance, University Mission and Strategy
- **Sharon Smyth Okana**, Senior Vice-President, Client Programs and Nursing
- **Dre Natalie Banville**, Senior Vice-President, Client Programs and Medical Affairs
- **Jenny Toussaint**, Vice-President, Clinical Logistics
- **Ghislaine Arsenault**, Vice-President, Communications and Engagement
- **Frédéric Finn**, Vice-President, Employee Experience
- **Pierre Michaud**, Vice-President, Corporate Services
- **Allison White**, Corporate Director of Nursing



2024-2025 Highlights and Achievements

LEARNING CLIENT PROGRAMS

The Network has nine learning client programs, each dedicated to the care of a specific clientele, in surgical, emergency, intensive care and internal medicine services, nephrology, oncology, seniors' health, mental health and addiction services, primary health care and the palliative approach, as well as the mother-child-youth program. Here's an overview of the progress made so far.

PRIMARY HEALTH CARE AND PALLIATIVE CARE



In 2024-2025, Vitalité Health Network accelerated an ambitious shift towards the creation of family health teams across the province. In the span of 12 months, the number of teams grew from 6 to 25, enabling 28,012 additional patients to be assigned to a primary health care group.

This model ensures that each person is connected to an interdisciplinary team, rather than a single physician, thereby fostering collaboration, task delegation and reduced wait times. The goal: to connect 100% of the territory's patients to a primary health care team or provider by 2029.

The model includes target times: appointments within five days for non-urgent consultations and within 48 hours for minor emergencies – a tangible way to reduce pressure on hospital emergency departments. Numerous meetings were held with care providers to present, adapt and improve the model based on regional realities.

The coming months will be devoted to integrating new professionals into the teams, building closer ties with the public health and mental health teams, and strengthening collaborative practices.

New doctors to meet the needs of our regions

The first cohort of internationally trained family physicians has successfully completed the Practice Ready Assessment New Brunswick (PRA-NB) program. Five of them joined Vitalité Health Network and began their practice in the Restigouche and Acadie-Bathurst zones. Their arrival contributes directly to improving access to primary care, in both hospital and community settings, in regions particularly hard hit by physician shortages.



Strengthening nurse practitioner practice

To support the professional development and retention of nurse practitioners, the Network has implemented four major initiatives over the past year. The creation of a mentoring program, communities of practice, routine access to continuing education and professional networking activities fosters a work environment that is stimulating, supported and fully integrated into the vision of collaborative primary health care.

SURGERY

Thanks to the addition of highly specialized surgeons and the optimization of operating room utilization, surgical services have continued to increase the number of procedures completed annually, recording a 32% increase between April 2021 and March 2025. Over the past year, three out of four zones have also reduced surgical wait times by approximately 30%. This progress has been accompanied by efforts to facilitate post-surgical recovery, reduce delays, and ensure better access to advanced surgical care. The regular deployment of surgeons from Bathurst to Campbellton has also contributed to maximizing operating time and optimizing resource utilization.

Reducing ophthalmology wait lists

Vitalité Health Network has formed two strategic partnerships to improve access to cataract surgeries. First, an agreement with the Edmundston Medical and Surgical Eye Centre has made it possible to perform out-of-hospital procedures, resulting in a 37% reduction of the wait list between July 2024 and March 2025. Second, a new partnership with The Cataract Institute in Moncton, in collaboration with Horizon Health Network, now allows this specialized facility to perform surgeries for the zone's patients. This model brings all ophthalmologists in the region together in one specialized facility, providing patients with faster, more efficient access to care.



An app to guide patients

Patients scheduled for colorectal surgery at the Dr. Georges-L.-Dumont University Hospital Centre, Chaleur Regional Hospital and Edmundston Regional Hospital now have access to SeamlessMD, a digital clinical pathway platform. This app allows them to consult their care plan, receive reminders and interactive teaching, and report their symptoms using their phone, tablet or computer. Over 100 patients have used it since its launch. The ability to contact the care team remotely has significantly reduced unnecessary visits to the ER and lowered the risk of readmission.



Robotic surgery delivers convincing results

The first full year of the robotic surgery program at the Dr. Georges-L.-Dumont University Hospital Centre shows excellent results, with 288 procedures performed between April 2024 and March 2025, with no complications requiring conversion to open surgery. This cutting-edge technology enables minimally invasive surgical procedures that contribute to faster recovery and shorter hospital stays. The year was also marked by the expansion of the program to include hepatobiliary surgery.

RENAL HEALTH

Helping patients take charge of their own treatment



The Network continued its efforts to improve the renal health care trajectory, focusing on home-based treatments and encouraging patients to take an active role in their care plan.

Steps have been taken to improve education on kidney protection, to help patients make informed choices about self-managed treatment options. These initiatives are yielding positive results, with an increase in the proportion of patients receiving home-based treatment from 12.9% to 13.9% between April 2024 and April 2025.

The goal for the next step is to have 18% of patients in self-managed treatment, while ensuring continuous support at every stage of the care pathway.

In Edmundston, a new cohort of patients with kidney failure is now receiving peritoneal dialysis, a treatment option that can be administered at home. This less restrictive approach helps reduce the number of hospital visits and contributes to improving patients' quality of life.

SENIORS' HEALTH

The seniors' health program has adopted an approach focused on maintaining cognitive, physical and social abilities throughout the continuum of care. Efforts have been made to reduce the volume of admissions and length of stay of people aged 65 and over by promoting access to ambulatory and community care.

A clinic to support aging well in place

This year, the Network took a major step forward in services for older adults with the opening of its first Health Aging Clinic in Dieppe. Through a coordinated, interdisciplinary approach, the clinic provides individuals aged 65 and over with assessments and specialized care, all in one location, to help them maintain their independence at home. This new service also aims to reduce preventable hospital admissions and support more efficient discharge planning.

Since opening, 470 visits for assessment and specialized care have been provided.



A caring approach for dementia patients

The Network also continued its efforts to improve care for patients experiencing behavioural and psychological symptoms of dementia (BPSD). To promote a safe and respectful environment, an internal training program was created to teach the gentle persuasive approach, a recognized best practice in geriatric care. Over 60% of nursing staff in long-term care units have already been introduced to this approach.

MOTHER-CHILD-YOUTH PROGRAM

The mother-child-youth program has strengthened the interdisciplinary approach to improve care coordination and follow-up, from pregnancy to early childhood. Targeted preventive interventions, such as promoting breastfeeding and skin-to-skin contact from birth, have been put forward to support infant health.

A first in pediatric immunotherapy in Moncton

The Dr. Georges-L.-Dumont University Hospital Centre is now providing blinatumomab, a targeted immunotherapy used in the treatment of acute lymphoblastic leukemia in children. Thanks to training taken by the nursing team, this specialized treatment, previously available only at the IWK Hospital in Halifax, can now be administered locally.

Chaleur Regional Hospital earns Silver status

The Chaleur Regional Hospital earned Silver status from the Breastfeeding Committee of Canada as part of the Baby-Friendly Initiative. This distinction reflects the hospital's ongoing commitment to providing optimal care for newborns and their families. The facility is pursuing full certification, with a focus on enhancing parental education on hunger cues, safe bottle feeding, infant sleep and support in neonatal intensive care.



Enhancing skills through clinical simulation

Emergency childbirth simulations were carried out in Network hospitals without obstetrics units, while neonatal simulation exercises were conducted in Moncton, Bathurst and Edmundston to maintain a high level of clinical readiness.

Implementing a collaborative nursing model

The Network's mother-child units have implemented a new triad of care model where a registered nurse, licensed practical nurse and patient care attendant work together. This new team structure makes it possible to coordinate roles more effectively, optimize skills and improve overall care efficiency.

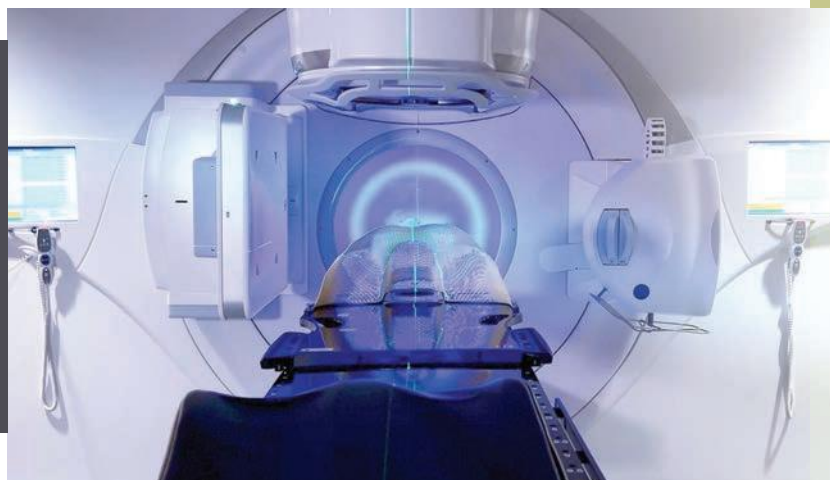
ONCOLOGY

The oncology program continued to make progress towards expanding access to precision treatments and improving patient support at every stage of their journey. The year was marked by a major step forward in medical recruitment, with the hiring of four new specialists in oncology and hematology.

Over the last 30 years, the number of active oncology patients has risen from 772 to 38,000 (in 2024). Cancer cases are becoming increasingly complex, and longer life expectancy means that there is a growing need for long-term oncology care. The oncology program is expected to grow by 21% by 2047, with a marked increase of 48% in the Beauséjour Zone. Our priority is to establish collaborative provincial governance in oncology to coordinate resources better and direct patients to the right care, at the right time.

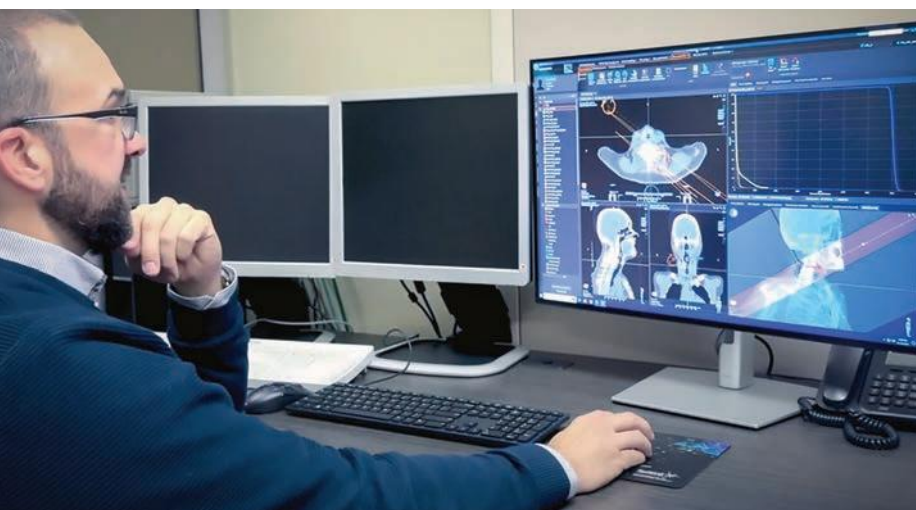
Enhanced precision in radiation therapy treatments

With the replacement of four linear accelerators at the Dr. Léon-Richard Oncology Centre, cancer patients now receive more precise radiation therapy treatments. These new machines improve tumour imaging before treatment and allow for more accurate dose calibration. They also expand radiosurgery capabilities, making it possible to treat more complex cases.



A program for cancer survivors

Among the projects supported by the 2024 Tree of Hope campaign was the launch of a non-medical support program for people living with cancer and their loved ones. A partnership between the CHU Dumont Foundation and the Friends of the Moncton Hospital Foundation made it possible to set up a series of Wellspring Canada programs. Some services are already in place, such as tailored exercise and eating programs for patients who have finished their treatments, supported by volunteers. More services will be added over the coming months.



Stereotactic radiosurgery expansion

The Dr. Léon-Richard Oncology Centre continues to develop high-precision radiation therapy techniques, in particular stereotactic radiosurgery. Already used to treat bone metastases, this non-surgical approach makes it possible to administer high doses over a short period of time, with great precision. An initiative is underway to expand it to the treatment of small brain tumours.

INTERNAL MEDICINE AND CRITICAL CARE

Over the past year, the program has focused on prevention, support for the self-management of chronic disease, and optimizing hospital care.



Mobile rheumatology clinics

Thanks to the initiative of Dr. Jean-Philip Deslauriers, the community of Ugpi'ganjig now has direct access to specialized rheumatology care, which is provided on site once a month, without an appointment or referral. This approach has improved accessibility for patients who previously had to travel long distances, which was a significant burden, both financially and physically. The model will soon be expanded to the community of Pabineau.

Training the future workforce in intensive care

To address a significant shortage of intensive care nurses, the Network developed a structured preceptorship and mentoring program in partnership with the Université de Moncton. This initiative brings nursing students directly into the units, where they receive personalized coaching, critical care training and a job offer at the end of their placement, facilitating a seamless transition into their professional roles. This initiative made it possible to fill most of the vacant positions.



EMERGENCY DEPARTMENTS

Reducing wait times and improving efficiency

Emergency department teams have been working diligently to reduce wait times, optimize resources and improve patient flow in regional hospitals. The aim is to refocus emergency departments on their primary mission: to provide rapid care in urgent situations, while maintaining accessibility for those who really need it.



Improved clinical coordination at the Campbellton Regional Hospital has led to a 90-minute reduction in the average wait time between triage and initial physician assessment. Patient care attendants have been integrated into the waiting room teams; they monitor patients' condition, ensure their comfort and promptly report any changes. Other measures have also been implemented, including faster access to imaging, prioritization of lab tests and optimization of the roles of licensed practical nurses and support staff.

This project will be gradually extended to all the Network's emergency departments, to continue improving services and reducing wait times.

Integrating mental health into emergency departments

To better respond to mental health needs in emergency departments, the Network has integrated social workers and community workers into clinical teams. Their presence allows them to support patients starting in the waiting room, provide targeted interventions and offer follow-up phone calls after the visit, thereby improving continuity of care. Suicide risk screening forms have been introduced to identify vulnerable people more quickly, and telepsychiatry has been implemented in community hospitals to provide rapid assessments and support for teams. The results are promising: 85% of patients say that they are satisfied with the wait time and 100% report that they were listened to, helped and treated with respect.

PUBLIC HEALTH

In recent years, Public Health at the Network has stepped up its fieldwork and was instrumental during the pandemic. Drawing on these insights, it introduced a new strategic plan in 2024 to refocus its initiatives around prevention, health promotion and upstream action.

Key objectives include increasing Public Health's presence in communities, particularly in schools and with seniors, creating partnerships with community organizations to optimize resources, and developing a Public Health brand to increase its visibility and public awareness. The plan also calls for a review of the organizational structure to better reflect regional realities and reduce work overload, as well as the introduction of universal services for prenatal and postnatal clients. Particular attention is paid to developing staff skills, especially in communication, community engagement and knowledge mobilization, to influence health-related behaviours more effectively and counter misinformation.

Reaching out to vulnerable populations

In the Moncton area, the intervention program aimed at the homeless population provided 1,006 vaccinations to shelter clients and staff, in addition to 13 follow-ups related to communicable diseases, 154 educational interventions and 266 harm reduction interventions. This outreach work, carried out in collaboration with several partners, has helped build trust with this marginalized population, improve access to existing resources and combat health inequalities.



Preparing for the effects of climate change

Public Health, in partnership with the Valor research institute, has launched a key project to help people cope with extreme heat waves in the northeast of the province. The project, which is supported by \$733,328 in federal funding and runs until 2028, aims to assess the vulnerability of urban and rural populations in Restigouche, the Chaleur region and the Acadian Peninsula to heat waves, and to implement tangible adaptation actions in these communities.

Supporting our young people

In collaboration with the Chaleur Regional Service Commission, Public Health launched Planet Youth Chaleur, an initiative inspired by the Icelandic prevention model that has transformed the health of young people in Iceland for over 20 years. This collective approach mobilizes community partners, schools, parents and young people to create healthy, dynamic and inclusive environments. Based on four pillars – family, friendships, leisure and school – the initiative aims to strengthen young people's overall well-being and prevent substance abuse.

Leading practice in breastfeeding

Finally, in the Northwest Zone, Public Health's Breastfeeding Peer Support Program was recognized as a Leading Practice by the Health Standards Organization. This free community program relies on the involvement of trained volunteer peer supporters who offer personalized support to breastfeeding families. Beyond highlighting the value of peer support, this recognition reflects the quality and impact of the program on the health of mothers and infants. In addition, the Breastfeeding Committee of Canada awarded them Platinum status, a distinction that underscores their outstanding commitment to promoting and supporting breastfeeding. This recognition means that Public Health in the Northwest Zone has met all the requirements of the Baby-Friendly Initiative (BFI).



MENTAL HEALTH AND ADDICTION SERVICES

Mental Health and Addiction Services have strengthened their commitment to compassionate care, fostering recovery and helping people reintegrate into their communities. As part of this transformation, targeted actions are being taken to identify and reduce structural stigma, a key factor that still impedes access to care for many. Current initiatives aim to ensure rapid and appropriate access whenever an adult, young person or family expresses a need, focusing on integrated services that are well connected to the community.

The goal is to continue reducing the time it takes to access the single-session therapy service, which dropped from eight days in 2022-2023 to seven days in 2024-2025.



Local training for better local care

Until recently, psychiatrists hired by the Network were trained by schools in other provinces or countries. The year 2024-2025 marked a turning point for francophone medical training with the first two psychiatrists trained entirely in New Brunswick obtaining postdoctoral certification. Through its collaboration with the Université de Sherbrooke, the Network now hopes to increase its training capacity to meet current and future needs.

Suicide prevention in the workplace takes root

The My Wellness, It's My Job program has been rolled out across all Network zones. This community initiative helps workplaces quickly recognize signs of psychological distress and refer individuals to appropriate resources. The initiative includes a practical guide, training sessions and workplace presentations to promote a non-judgmental environment, reduce suicide risk and support employees going through difficult times.

Taking collective action against stigmatization

A new role of regional manager of structural stigma and recovery in mental health was created to develop a strategy to counter systemic stigma and promote a recovery-focused approach, not only within the Network but also in relation to communities. This approach is based on the recognition that mental health concerns everyone and that breaking taboos is a collective responsibility. Awareness workshops were held for managers to initiate a cultural change, with the goal of involving as many employees and community partners as possible in this transformation.

At the same time, the A Beacon in the Night campaign reached a provincial scale, with performances organized in the Greater Moncton, Bathurst, Campbellton and Acadian Peninsula regions. This event, led by Dr. Patrick Marcotte and Dr. Yves Turgeon, uses artistic expression to break down taboos and highlight stories of recovery.

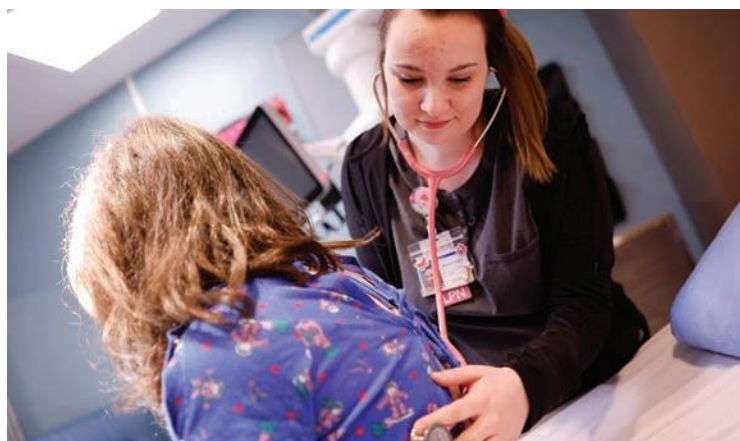


Campbellton rehabilitation program: a social enterprise takes off

The new rehabilitation program now available in Campbellton provides mental health and addiction services clients with opportunities for learning, creating and reintegrating. The initiative led to the creation of a social enterprise, Mountain of Hope, run by and for users. Over the past year, more than 100 new clients have benefited from this program, which supports each individual in their life journey, based on their aspirations and abilities.

Harmonized care in child psychiatry

The Network is standardizing child psychiatry practices across its four regional hospitals. Inspired by the best Canadian and international recommendations, the new standards for admission, assessment, care planning and transition to the community are clear. Initially implemented in the Beauséjour Zone, they helped reduce the average length of stay from 12.9 to 9.8 days between December 2023 and April 2024, while promoting a trauma-informed approach focused on the needs of the child and their family.



Reducing restraints, fostering dialogue

The Network continued its commitment to reducing the use of restraints and protective measures. Strict guidelines have been introduced, along with alternative solutions, training in proactive crisis management, and the integration of the Safewards model to improve the relationship between patients and care staff.

At the Restigouche Hospital Centre, the Eagles Committee, which is made up of patients, helps guide these efforts by giving users a voice. The results are convincing: a 48% reduction in the use of mechanical restraints between 2023 and 2024, and no complaints received in the last year.



MAJOR DIRECTIONS

Throughout 2024-2025, the Network continued to focus its efforts on three major directions: the **patient experience**, the **employee experience** and **building closer ties with communities**.

Patient Experience

Improving patient flow and hospital performance

Over the past year, Network teams have stepped up their efforts to improve patient flow and hospital performance by ensuring that a bed is available quickly for everyone in need of acute care.

These actions have brought regional hospital occupancy rates closer to the safety target of 85%, falling from over 100% to around 95%. We're building on this momentum. Discharge planning teams have been set up in all four zones, making the return home or to the community easier, while ensuring the quality and safety of care.

For patients requiring alternate levels of care (ALC), temporary or permanent solutions have been implemented, in collaboration with external partners, reducing the proportion of these patients from 35% to 30% and enabling them to receive appropriate care in a more suitable environment.

In addition, a patient mobilization strategy has been introduced in the nursing units to preserve patients' autonomy, speed up their recovery and avoid prolonged hospitalization. This mobilization reduced the average length of stay by one day.

Finally, a digital command centre has been set up, providing a real-time overview of hospital operations and supporting rapid, coordinated decision-making.



Excellence in laboratory services

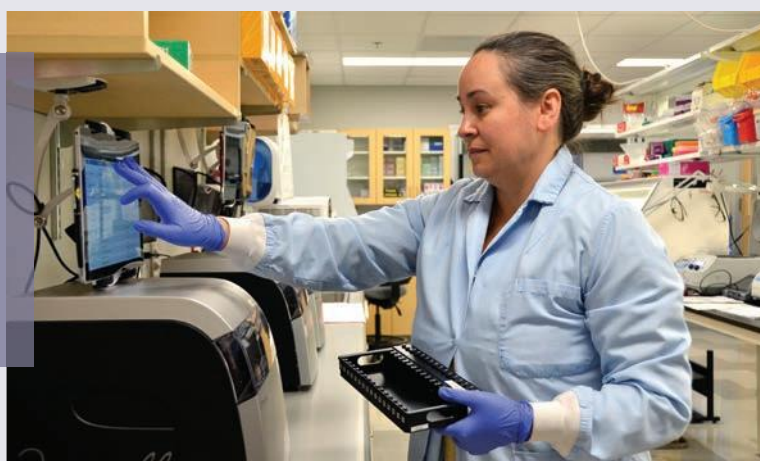
Vitalité Health Network's laboratory services have obtained ISO 15189 Plus certification from Accreditation Canada, an internationally recognized mark of excellence. This distinction attests to the quality, rigour and reliability of the analyses carried out in our laboratories, which support clinical care on a daily basis in all Network zones.

Certification was awarded following an in-depth evaluation based on over 950 demanding criteria, including an on-site inspection. It guarantees that Network practices meet the highest international standards for laboratory diagnostics.

In addition, the Molecular Genetics Laboratory at the Dr. Georges-L.-Dumont University Hospital Centre now has the capacity to perform liquid biopsy testing for lung cancer patients.



Performed using a simple blood test, liquid biopsy enables non-invasive detection and monitoring of cancer biomarkers. It represents an alternative to tissue biopsies, which can be risky or even impossible for certain fragile patients.



Choosing Wisely

The Network's four regional hospitals have also been recognized for their participation in the national Choosing Wisely campaign, through the Using Labs Wisely certification. This project aims to reduce low-value tests in order to optimize resources, avoid unnecessary examinations and promote evidence-based clinical practice.

Network hospitals have also earned and maintained national Using Blood Wisely certification. This approach involves reducing unnecessary red blood cell transfusions to protect the blood supply and reduce the risk of complications for patients.

Employee Experience

Supporting managers: a new strategic priority

Vitalité Health Network recently adopted a third strategic priority: support managers in developing their leadership and management skills. This direction recognizes the importance of the crucial role played by managers in the smooth running of the organization, the well-being of teams and the quality of services provided to the public.

More than 375 people took part in focus groups to express their needs, daily challenges, and expectations in terms of support and development.

The next steps will involve working with managers to build a concrete, tailored support strategy. This will include tools, training and support to meet their specific leadership needs.

Teams dedicated to occupational wellness

The Occupational Health Team has been bolstered to provide better support to employees facing health issues. A second occupational health physician, a psychologist and ergonomic advisors have been added to the original team, which included a physician and an occupational therapist. In 2024-2025, more than 250 employees were seen by the physicians, 30 received psychological support and over 300 accessed occupational therapy services.

Thanks to collaboration with the Health and Safety Team and Disability Management, this integrated approach has contributed to a reduction of 69 full-time equivalent absences due to illness or workplace injuries since the service was introduced in 2023.

The Labour Relations Team has played a key role in supporting managers and teams to foster healthy work environments. Over a dozen teams have used the ICR (informal conflict resolution) service to help restore respectful and collaborative work climates.

Throughout the year, training available to all Network employees and managers was provided on conflict management, interest-based resolution strategies and emotional intelligence.

A new internal survey, the eNPS (Employee Net Promoter Score), was also launched to better capture the voice of employees.

Supporting the integration of international employees

The Immigration Support Department continued to expand in response to the increase in the number of international employees, from 435 in 2024 to 713 in 2025, a growth of 64%.

This team supports employees at every stage of their personal, professional and community integration, whether through information sessions, development of personalized settlement plans, support in finding housing and child care, support for the professional integration of spouses, or coordination with community organizations. The Network also provided temporary accommodations on arrival and organized welcome and networking events in all zones.



Recruiting and attracting talent

The Talent Acquisition Team continued its ongoing recruitment efforts with post-secondary institutions in New Brunswick and elsewhere. The team participated in numerous job fairs across the country, as well as in international recruitment missions to France, Belgium, Tunisia and Morocco, with the goal of attracting qualified professionals. Relying on new talent from here and elsewhere has kept the number of new hires greater than the number of departures.

Targeted efforts have also been made to strengthen medical recruitment. In collaboration with the Centre de formation médicale du Nouveau-Brunswick and other Canadian medical schools, the Network has implemented a multitude of initiatives aimed at creating a lasting bond with learners, such as networking activities and informal get-togethers with future physicians, and graduation celebrations.

The Network also took part in career fairs and professional gatherings across the country, to promote the rewarding career opportunities available within its facilities and the communities it serves.

Building closer ties with communities

Building closer ties with communities is one of Vitalité Health Network's three major directions, as it fosters a deeper understanding of local realities, builds trust, and supports the development of health care solutions tailored to the needs of the population.

Relations with First Nations

Since April 2024, Vitalité Health Network has been very active in building closer ties with First Nations communities. Meetings were held between the management teams of community health centres and the Public Health and Engagement departments. These exchanges enabled us to gain a better understanding of the needs of these communities, share information on the services offered by the Network and identify ways of strengthening collaboration.

Several joint initiatives have been launched, including the opening of a smoke purification room at the Restigouche Hospital Centre. Cultural competence training is now provided to staff members to deepen their understanding of Indigenous cultures, their history, and the health issues specific to them.



Community health needs assessment

A health needs assessment was completed for the Dalhousie, Balmoral and Belledune area. Its objective was to identify community assets and needs, as well as to establish priorities and possible solutions.

The exercise made it possible to identify key health and wellness needs: promoting healthy lifestyles, reducing socio-economic vulnerability, improving access to essential services (housing, transportation and child care), improving access to health care services, improving mental health and reducing risky substance use.

Other health needs assessments were then carried out in Bathurst and the surrounding area, Dieppe and Memramcook, and Edmundston, with the participation of community members, partners and local organizations.



Learning communities

The Network is fully committed to the learning communities approach, which involves working with communities to improve health and well-being by drawing on their strengths, ideas and participation.

During the year, a new team was set up to create opportunities for building closer ties with communities, supporting dialogue and fostering collective mobilization.

In this context, representatives of the Regional Service Commissions were invited to take part in training on asset-based community development, alongside teams from the Network. The purpose of this meeting was to begin aligning efforts between partners to open up new opportunities for meaningful collaboration.

Contribution of foundations to improving the patient experience

In response to growing health care needs, Vitalité Health Network and its 10 foundations stepped up their efforts in 2024-2025 to strengthen their collaboration and continue fulfilling their purpose with patients and communities.

A project was carried out to improve the processes surrounding funding requests made to the foundations, taking into account needs on the ground, organizational priorities and the Network's ability to support projects selected in terms of logistics, IT and infrastructure.

This new approach will optimize the impact of initiatives and ensure a coordinated response to the most urgent needs. It will also foster a shared vision of priorities, including better access to care, state-of-the-art equipment and treatments, and greater support throughout the patient's health care journey.

The purchase of equipment is among the efforts to improve patient care delivery. Over the past five years, more than \$5 million has been invested in new equipment. On average, the foundations contributed around 17% of this sum.

Thanks to the dedicated efforts and steadfast support of our 10 partner foundations, a total of \$2,333,525 was raised in 2024-2025.



Results of the University Mission

In 2024-2025, Vitalité Health Network pursued its commitment to advancing knowledge, improving care and services, training the next generation and supporting decision-making.

Research and health evaluation

The research and health evaluation sector carried out 311 research activities, including 77 research and evaluation projects, 66 literature and best practice reviews, and 63 knowledge transfer activities. In addition, 31 research projects led by university researchers were carried out at the Network.



Particular attention was paid to patient-centred research, with 18 patient partners taking part in various projects.

Thanks to the support of 34 clinicians, 27 therapeutic clinical trials were conducted, giving patients the opportunity to receive innovative non-conventional treatments and generating savings of \$412,682 in drug costs. Three new sponsored clinical trials were launched over the last year in respirology, neurology and internal medicine.

The success and influence of the Network's research activities, including 74 scientific publications and \$1.7 million in funding, were made possible by the curiosity and dedication of our formidable research community; thanks to their commitment, the Network once again stood out as one of Canada's Top 40 Research Hospitals.

Training and partnerships

This year, the Network opened its doors to 1,890 students at its facilities. Among them, 732 nursing students were trained in various clinical settings, while 301 medical training placements were completed.

In addition to these were 281 clinical placements in other essential disciplines, including human services counselors (39), laboratory assistants (31), paramedics (25), medical laboratory technologists (21) and social workers (21).

The Network also provided 110 non-clinical placements, notably in research, health services management and medical office administration. The Network gave 466 high school students the opportunity to explore health care professions through job shadowing.

In addition, 58 trainees from the Practical Nursing Transition and Readmission (PNTR) program completed placements within the Network. This program is aimed primarily at people trained outside New Brunswick and is designed to prepare them to enter or re-enter the profession of registered nursing in the province.

These results would not be possible without the contribution of our placement supervisors, indispensable champions and pillars in the training of the next generation.



Activity Volumes

	Total for the Network	
	2024-2025	2023-2024
Beds	961	961
Beds – Veterans	40	40
Beds – Restigouche Hospital Centre	140	140
Admissions (excluding newborns)	24,550	23,713
– Veterans	21	15
– Restigouche Hospital Centre	286	291
TOTAL	24,857	24,019
Newborns	1,652	1,565
Patient days (excluding newborns)	305,665	302,819
– Veterans	13,815	13,760
– Restigouche Hospital Centre	31,006	31,473
TOTAL	350,486	348,052
Emergency Department visits (triage codes 1 to 5)	190,972	183,596
Ambulatory Care visits	324,161	319,232
Surgical cases	16,896	17,416
Dialysis treatments	62,897	64,727
Oncology Clinic treatments (chemo) (excluding bedside treatments)	11,386	10,342
Attendance days - Radiation Therapy	20,932	20,805
Laboratory procedures	11,022,934	10,212,785
Medical Imaging procedures	402,221	381,517
Respiratory Therapy and Pulmonary Clinic procedures	54,221	48,596

			Total pour le Réseau	
			2024-2025	2023-2024
Attendance days – <i>Rehabilitation Services</i>	Audiology		9,179	8,628
	Occupational Therapy		33,093	32,654
	Physiotherapy		110,271	103,512
	Speech-Language Pathology		12,915	13,528
	Recreation Therapy		42,604	33,690
TOTAL			208,062	192,012
Attendance days – <i>Therapeutic Services</i>	Social Work		15,057	13,676
	Psychology		6,491	6,632
	Clinical Nutrition		43,199	42,825
TOTAL			64,747	63,133
Community Health	Visits		40,691	37,467
Public Health	<i>Immunization: % vaccinated in school</i>	Tdap	80%	74%
		HPV	86%	71%
		Varicella	N/A	N/A
		Meningococcal	69%	70%
	<i>Healthy Families, Healthy Babies:</i> Number of cases admitted	prenatal	70	55
		postnatal	388	315
	Number of Healthy Toddler Assessments		1,949	1,962
	COVID-19 immunization		N/A	N/A
Community Mental Health	New requests for services		10,450	10,087
Addiction Services	New admissions		918	866
Health Centres	Visits		79,121	77,633

Annual salaries paid to the Leadership Team

President and CEO

\$389,752

Senior VP, Client Programs and Medical Affairs

\$318,318 - \$347,256

Assistant CEO, Strategic Execution

Senior VP, Client Programs and Professional Services

\$265,934

VPs

- Client Programs
- Learning Health System
- Employee Experience
- Communications and Engagement

176-800 – \$225,368

Senior VPs

- Corporate services
- Clinical logistics
- Corporate Director of Nursing

\$158,028 – \$174,044



Financial Summary

2024-2025

For the fiscal year ending March 31, 2025, the Network reports total revenues of \$1,077,819,055 and operating expenses of \$1,192,695,876, resulting in an operating deficit of \$114,876,821. This cost overrun is offset by additional funding from the Department of Health, thereby bringing the operating results to zero before other financial factors are taken into account.

Taking into account other financial factors—namely, adjustments for prior year-end settlements, capital revenues, amortization of capital assets and the provision for sick leave—the Network’s financial statements show an annual accounting deficit of \$26,985,975.

THE NETWORK ALIGNED ITS DAY-TO-DAY OPERATIONS AROUND ITS THREE MAJOR STRATEGIC PRIORITIES: IMPROVING ACCESS TO PRIMARY HEALTH CARE, OPTIMIZING PATIENT FLOW AND HOSPITAL PERFORMANCE, AND SUPPORTING OUR MANAGERS IN THEIR LEADERSHIP ROLES

In 2024-2025, the Network aligned its day-to-day operations around its three major strategic priorities: improving access to primary health care, optimizing patient flow and hospital performance, and supporting

our managers in their leadership roles. In pursuit of these objectives, the Network is maintaining its decisions in relation to initiatives involving human and material resources, which continue to generate positive operational results, albeit with repercussions on financial results.

Revenues for the 2024-2025 fiscal year showed a net increase of \$140.1 million over 2023-2024. This increase is attributable to additional funding provided in the budget to

offset cost increases related to inflation, salary increases and certain new initiatives approved by the Department, notably the Integrated Services Network (\$9.8 million). In addition, the Department authorized the allocation of \$20.5 million in recruitment and retention incentives for nursing staff, along with the entry of a provisional amount associated with collective agreements currently under negotiation.

Operating expenses grew more significantly, reaching \$150 million, an increase of 14.4% over the previous year. This increase can be explained by several factors. The most important consideration is the global shortage of clinical staff. Difficulties in recruiting using traditional methods have led to a decline in the clinical workforce over the years, reaching a critical threshold in 2022-2023.

The use of temporary labour sources, such as clinical staffing agencies, proved necessary. In 2024-2025, total excess operating costs related to these agencies amounted to \$78.5 million, a decrease of \$24.2 million from the previous year. Recruitment initiatives, both nationally and internationally, have had a positive impact in several sectors. However, combined with salary increases, additional costs related to staff orientation and other factors, payroll costs increased by \$42.4 million compared to 2023-2024, excluding non-recurring costs related to incentives and retroactive salary adjustments. In addition, increased business volumes, combined with inflationary pressures on products and services, resulted in a nearly \$30.9 million increase in costs, including drugs, medical and surgical supplies, and other items.

Note: The detailed financial report for the 2024–2025 fiscal year is presented in the appendix to this report.

Independent Auditor's Report

**Vitalité Health Network
(Regional Health Authority A)
Financial Statements
March 31, 2025**

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Independent auditor's report

To the Directors of Vitality Health Network
(Regional Health Authority A)
To the Minister of Health
Province of New Brunswick

Qualified opinion

We have audited the consolidated financial statements of Vitality Health Network (hereafter "the Network") included in the audited section of the annual financial report, which comprise the statement of financial position as at March 31, 2025, and the statement of operations, accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the "Basis for qualified opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Network as at March 31, 2025, and the results of its operations, revaluation gains and losses and changes in net debt, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for qualified opinion

The Network recognized a liability for asset retirement obligations in the statement of financial position as at March 31, 2025 and 2024. We were unable to obtain sufficient appropriate audit evidence about the amounts recognized and the disclosures made in respect of asset retirement obligations. Therefore, we were unable to determine whether adjustments might be necessary to the amounts recognized as a liability for asset retirement obligations as at March 31, 2025 and 2024, and to the accumulated surplus as at April 1, 2024 and March 31, 2025 and 2024. This situation has led us to express a qualified opinion on the financial statements for the year ended March 31, 2025, as we did for the financial statements for the year ended March 31, 2024, due to the possible effects of this limitation in the scope of our audit.

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 Network in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 qualified opinion.

Responsibilities of management and those charged with governance for the financial statements

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

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

Those charged with governance are responsible for overseeing the Network'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 consolidated financial statements.

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 Network'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 Network'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 Network 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.

Chartered Professional Accountants

Edmundston
2025

Vitalité Health Network
Financial Position

	March 31, 2025	March 31, 2024
Financial assets		
Cash	\$ 24,589,577	\$ 1,588,538
Cash - patients trust funds	45,123	62,543
Accounts receivable (Note 3)	162,726,000	107,556,444
Estimated year end adjustment from the Province (Note 4)	3,874,922	3,938,699
Temporary investments (Note 5)	8,396,091	8,003,753
	199,631,713	121,149,977
Liabilities		
Patients trust funds	45,123	62,543
Accounts payable and accrued liabilities (Note 6)	168,373,202	88,178,244
Deferred revenues (Note 7)	3,869,770	3,839,123
Deferred capital revenues (Note 9)	164,544,466	152,600,719
Accrued employee benefits (Note 8)	101,235,998	97,730,909
Capital lease obligation (Note 12)	71,178,051	73,347,359
Asset retirement obligation (Note 24)	24,229,406	24,294,001
	533,476,016	440,052,898
Net financial debt	(333,844,303)	(318,902,921)
Non-financial assets		
Tangible capital assets (Note 10)	593,571,389	609,548,002
Prepaid expenses and supplies (Note 11)	17,278,415	13,346,395
	610,849,804	622,894,397
Accumulated surplus	\$ 277,005,501	\$ 303,991,476
Contingencies (Note 14)		
Commitments (Note 15)		
On behalf of the Board		
	Director	
	Director	

See accompanying notes to the financial statements.

Vitalité Health Network
Operations

For the year ended	Budget	March 31, 2025	March 31, 2024
Revenues			
Department of Health	\$ 904,126,504	\$ 998,504,991	\$ 866,036,332
Federal Programs	6,121,127	7,580,450	6,588,562
Patients recoveries	33,099,320	29,169,626	29,159,965
Recoveries and sales	7,024,685	42,563,988	35,945,067
	950,371,636	1,077,819,055	937,729,926
Expenses (Note 18)			
Nursing inpatient services	216,254,094	323,316,911	287,618,081
Ambulatory care services	117,515,279	163,219,228	145,394,812
Diagnostic and therapeutic services	208,890,300	240,292,258	206,730,461
Community services	83,756,143	89,194,491	69,582,612
Education and Research	17,788,945	18,563,682	15,861,711
Medicare	89,152,625	99,617,817	94,465,566
Support services	182,889,645	204,163,822	192,388,121
Administrative services	33,284,582	52,377,623	28,891,619
Auxiliary services	839,923	1,950,044	1,768,674
	950,371,636	1,192,695,876	1,042,701,657
Annual operations deficit	-	(114,876,821)	(104,971,731)
Financing of the deficit relating to the Ministry of Health operations (Note 23)		114,876,821	104,971,731
Annual operating deficit before adjustments below	-	-	-
Adjustment of prior year end settlements	-	(9,778)	106,336
Capital revenues	27,804,075	9,112,579	37,441,909
Amortization of tangible capital assets	(35,000,000)	(35,175,076)	(35,056,139)
Provision for sick pay obligation	(750,000)	(913,700)	(955,600)
Annual (deficit) surplus	\$ (7,945,925)	\$ (26,985,975)	\$ 1,536,506

See accompanying notes to the financial statements.

Vitalité Health Network**Accumulated surplus**

For the year ended		March 31, 2025	March 31, 2024
Accumulated surplus, beginning of year	\$	303,991,476	\$ 302,454,970
Annual surplus (deficit)		(26,985,975)	1,536,506
Accumulated surplus, end of year	\$	277,005,501	\$ 303,991,476

See accompanying notes to the financial statements.

Vitalité Health Network**Changes in Net Financial Debt**

For the year ended	March 31, 2025	March 31, 2024
Annual surplus (deficit)	\$ (26,985,975)	\$ 1,536,506
Acquisition of tangible capital assets	(19,198,463)	(23,176,092)
Amortization of tangible capital assets	35,175,076	35,056,139
	15,976,613	11,880,047
Increase in prepaid expenses and supplies	(3,932,020)	(4,237)
Net financial debt decrease (increase)	(14,941,382)	13,412,316
Net financial debt at beginning of year	(318,902,921)	(332,315,237)
Net financial debt at end of year	\$ (333,844,303)	\$ (318,902,921)

See accompanying notes to the financial statements.

Vitalité Health Network**Cash Flows**

For the year ended	March 31, 2025	March 31, 2024
OPERATIONS		
Annual (deficit) surplus	\$ (26,985,975)	\$ 1,536,506
Non-cash items		
Deferred capital revenues transferred to revenues	(2,355,887)	(24,428,099)
Amortization of tangible capital assets	35,175,076	35,056,139
Change in working capital items (Note 13)	24,692,895	(2,252,610)
	\$ 30,526,109	\$ 9,911,936
Capital investment		
Deferred capital revenues received during the year	14,299,634	11,530,327
Tangible capital assets additions	(19,198,463)	(22,789,791)
	\$ (4,898,829)	\$ (11,259,464)
Investing		
Increase in temporary investments	\$ (392,338)	\$ (369,350)
Financing		
Repayment of capital lease obligation	\$ (2,169,308)	\$ (2,052,183)
Asset retirement obligation settled	(64,595)	
	(2,233,903)	(2,052,183)
Net increase (decrease) in cash	23,001,039	(3,769,061)
Cash , beginning of year	1,588,538	5,357,599
Cash, end of year	\$ 24,589,577	\$ 1,588,538

See accompanying notes to the financial statements.

Vitalité Health Network

Notes to Financial Statements

March 31, 2025

1 - STATUTES AND NATURE OF OPERATIONS

The Regional Health Authority A, was incorporated under the laws of the Province of New Brunswick on September 1, 2008. It operates as Vitalité Health Network (the "Network"). The Network included the previous Regional Health Authorities as follows: Regional Health Authority 1 (Beauséjour), Regional Health Authority 4, Regional Health Authority 5 and Regional Health Authority 6.

The principal activity of the Network is providing for the delivery and administering of health services to the people of New Brunswick. Through a network of hospitals, health centers and specialty centers the Network provides programs and services ranging from primary care to specialized and tertiary services. Community based services, such as Addiction Services, Community Mental Health and Public Health are located in several communities.

The Vitalité Health Network is funded primarily by the Province of New Brunswick in accordance with budget arrangements established by the Department of Health.

2 - SIGNIFICANT ACCOUNTING POLICIES**Basis of presentation**

These financial statements are prepared in accordance with Canadian public sector accounting standards established by the Canadian Public Sector Accounting Board.

Accounting estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions that the organization may undertake in the future. Areas of significant estimate include allowance for doubtful accounts, the estimated year end adjustment, the sick pay accrual, the tangible asset retirement obligation and the estimated useful lives of the tangible capital assets. Actual results may differ from these estimates.

Revenue recognition

Revenues are recognized on the accrual basis and measurable as they are earned. Revenue received prior to being earned is recorded as deferred revenue until such time as the revenue is earned.

Subsidies from the government of New Brunswick or any other government, or from organizations included in their accounting scope, received or receivable, are recognized as revenue in the fiscal year during which the transferor duly authorized them and when the beneficiary Network has met all eligibility criteria, if any.

In the presence of precise stipulations imposed by the transferor regarding the use of resources or the actions that the beneficiary Network must take to preserve them, or in the presence of general stipulations and actions or communications from the Network, government subsidies are first recognized as deferred revenue, then passed to earnings as stipulations are met.

Amounts without allocation determined by the donor or under the express condition of providing the establishment with capital to be preserved for an indefinite period are recognized as income for the financial year of the donation.

The sums received for the constitution of an endowment of a fixed duration or encumbered by an external allocation are first recorded as deferred revenue, then recognized as revenue in the financial year during which they are used for the prescribed purposes in the agreement. When the sums received exceed the costs of carrying out the project or activity, according to the purposes prescribed in the agreement, this excess must be recorded as income in the fiscal year during which the project or activity is completed, unless the agreement provides for the use of the balance, where applicable, for other purposes. Likewise, if a new written agreement is concluded between the parties, it is possible to recognize deferred revenue, if this agreement provides for the purposes for which the balance must be used.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (Continued)

Donations of capital assets or donations of cash to purchase them are recognized as revenue in the fiscal year in which they occur.

Patient revenues includes amounts payable according to the rates established by the Ministry of Health. These revenues are recognized at the time of provision of services and are reduced by deductions, exonerations and exemptions granted to some of them.

Recoveries and sales represent revenue earned other than revenue from providing services to patients and are recognized in revenue as services are rendered.

Capital revenues are the revenues received from the Ministry of Health for assets added during the current year and is recognized in the same financial year as the asset is added.

Expenses recognition

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services and obligation to pay.

Cash and cash equivalents

The Network's policy is to present cash (bank overdraft) and investments having a term of three months or less with cash and cash equivalents.

Tangible capital assets

Tangible capital assets are physical assets used to provide Network services and Network administration, and will be used on a regular basis for a period greater than one year and are not surplus properties held for resale or disposal.

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset, and are amortized on a straight-line basis over their estimated useful lives. Amortization begins in the year after the asset has been put to use. Assets under construction are not amortized until they are put into use. Descriptions and useful lives are as follows:

	<u>Rates</u>
Land: all land owned by the Network, including land under buildings.	n/a
Land improvements: includes major landscaping projects, parking lots, and similar assets.	5 - 20%
Buildings: all Network owned or lease capital buildings, as single assets or broken into components: structural, interior, exterior, mechanical, electrical, specialty items and equipment, and site works.	2 - 10%
Equipment: includes information technology assets, medical equipment, motorized fleet equipment.	4 - 50%
Vehicles: all Network vehicles including cars, trucks and similar assets.	6 - 20%
Leasehold improvements: includes major improvements to leased buildings.	5 - 10%

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (Continued)

Tangible capital assets are depreciated when conditions indicate that they no longer contribute to the Network's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net depreciations are accounted for as expenses in the statement of operations.

Prepaid expenses and inventory

Prepaid expenses and supplies consist of consumables including drugs, food, fuel, medical, surgical and general supplies, and prepayment of service contracts which are charges to expense over the period of expected benefit or usage.

Inventory is valued at the lower of average cost and net realizable value with cost determined on the average cost basis. Net realizable value is determined to be replacement cost.

Asset retirement obligations

Asset retirement obligations are accounted for once all the following conditions are met :

- There is a legal obligation requiring the entity to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event that gave rise to the liability is overcome;
- It is expected that economic benefits will be given up;
- It is possible to make a reasonable estimate of the amount involved.

The liability includes costs directly attributable to asset retirement activities, including operations, maintenance and monitoring activities after retirement.

Upon initial recognition of a liability for an asset retirement obligation, the Network recognizes a retirement cost as an increase in the cost of the tangible asset (or component) of the same amount as the liability. The retirement cost is thus recognized as an expense over the useful life of the tangible asset (or component), in accordance with the amortization method of said asset.

The liabilities are revised annually based on the best information available at the date of the financial statements. When the tangible asset in question is put to productive use, the annual variation is recorded in the results of the financial year when it results from the passing of time or as an adjustment to the cost of the tangible asset in question when this results from a revision of timing, the amount of the original estimate of undiscounted cash flows or discount rate. Any change made to the valuation of obligations related to the asset retirement obligation of a tangible capital asset no longer subject to productive use is recognized as an expense in the period in which it occurs.

Financial instruments

The financial instruments are recorded at cost at the moment of the initial recognition. Temporary investments that are listed on an active market are presented at fair value. All other financial instruments are subsequently recognized at cost or amortized cost unless management has chosen to record them at fair value.

Changes in fair value are reflected in the statement of revaluation gains and losses, where applicable.

The costs related to the acquisition of financial instruments that were previously evaluated at fair value are recognized as an expense when they are incurred. All other financial instruments are adjusted according to the transaction costs at the moment of the acquisition as well as financing fees, which are amortized on a linear method.

2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Once a year, all financial assets are submitted to an amortization test. If it is judged that there is a durable reduction of value, the amount is recorded in the statement of operations.

The PSAB requires public organizations to classify its evaluations at fair value according to a hierarchy of fair values according to the following three levels:

Level 1 - Prices not adjusted on active markets for similar assets or liabilities;

Level 2 - Observable entries on the market, other than those at level 1, such as similar assets and liabilities on markets that are not actives;

Level 3 - Observables entries that are not available because there is little to no activity on markets and that are important for the evaluation of fair value.

All financial instruments evaluated at fair value are at Level 1.

3 - ACCOUNTS RECEIVABLE

	2025	2024
Province of New Brunswick:		
Medicare	\$ 10,264,366	\$ 11,174,948
Equipment contributions	11,050,355	7,971,137
Provincial plan	106,142,230	54,271,562
	127,456,951	73,417,647
Patients, less allowance for doubtful accounts	9,942,698	9,984,496
Harmonized sales tax	5,319,353	5,749,433
Other	20,006,998	18,404,868
	\$ 162,726,000	\$ 107,556,444

The allowance for doubtful accounts included in the accounts receivable from patients is \$2,844,446 (\$1,436,815 in 2024).

4 - ESTIMATED YEAR END ADJUSTMENT FROM THE PROVINCE

	2025	2024
Year-end settlement receivable for the deficit in patient revenues	\$ 3,874,922	\$ 3,938,699

For 2025, the year-end settlement corresponds to the net deficit in patients recoveries of \$3,874,922. For 2024, the year-end settlement corresponds to the net deficit in patients recoveries of \$3,938,699.

5 - TEMPORARY INVESTMENTS

	2025	2024
Fixed revenue securities	\$ 6,148,491	\$ 5,887,281
Stock exchange listed securities	2,247,600	2,116,472
Fixed income securities and funds	\$ 8,396,031	\$ 8,003,753

6 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Accounts payable	\$ 90,639,271	\$ 52,829,737
Salaries and benefits payables	77,733,931	35,348,507
	\$ 168,373,202	\$ 88,178,244

The amounts to be remitted to the government totals \$3,639,404 as of March 31, 2025 (\$3,748,602 as of March 31, 2024).

7 - DEFERRED REVENUES

March 31, 2025	Balance beginning year	Receipts during year	Transferred to revenue	Balance at end of year
Deferred revenues	\$ 3,839,123	\$ 2,531,424	\$ (2,500,777)	\$ 3,869,770
March 31, 2024	Balance beginning year	Receipts during year	Transferred to revenue	Balance at end of year
Deferred revenues	\$ 3,487,048	\$ 1,961,540	\$ (1,609,464)	\$ 3,839,123

8 - ACCRUED EMPLOYEE BENEFITS

	2025	2024
Accrued vacation pay	\$ 41,647,784	\$ 39,162,784
Overtime payable	5,309,162	5,167,634
Statutory holidays payable	5,527,852	5,562,991
Sick pay obligation	48,751,200	47,837,500
	\$ 101,235,998	\$ 97,730,909

9 - DEFERRED CAPITAL REVENUES

March 31, 2025	Balance beginning year	Receipts during year	Transferred to revenue	Balance at end of year
Deferred capital revenues	\$ 152,600,719	\$ 14,299,634	\$ (2,355,387)	\$ 164,544,466
March 31, 2024	Balance beginning year	Receipts during year	Transferred to revenue	Balance at end of year
Deferred capital revenues	\$ 165,498,490	\$ 11,530,327	\$ (24,428,098)	\$ 152,600,719

10 - TANGIBLE CAPITAL ASSETS

		Land	Land improvements	Buildings	Materials and equipment	Vehicles	Leasehold improvement	Work in process	Capital lease equipment	Capital lease building	Total	
Cost												
Opening balance	\$	3,652,772	\$	8,659,406	\$	713,577,186	\$	239,367,222	\$	591,588	\$	1,273,318,651
Additions	-	-	-	-	4,699,245	199,584	-	14,299,634	-	144,000,000	-	19,198,463
Transfers of work in progress	-	-	-	-	2,355,887	-	-	(2,355,887)	-	-	-	-
Write-downs/disposals	-	-	-	-	(8,097,829)	-	-	-	-	-	-	(8,097,829)
Closing balance	3,652,772		8,659,406	713,577,186	238,324,525	791,172	5,286,069	164,544,466	5,583,690	144,000,000	1,284,419,285	
Accumulated amortization												
Opening balance	-		3,834,714	440,531,717	179,781,098	591,588	3,961,407	-	2,670,125	32,400,000	663,770,649	
Amortization	-		247,190	17,202,597	13,728,530	-	172,639	-	224,120	3,600,000	35,175,076	
Write-downs/disposals	-		-	-	(8,097,829)	-	-	-	-	-	(8,097,829)	
Closing balance	-		4,081,904	457,734,314	185,411,799	591,588	4,134,046	-	2,894,245	36,000,000	690,847,896	
Net book value	\$	3,652,772	\$	4,577,502	\$	255,842,872	\$	52,912,726	\$	1,152,022	\$	593,571,389

10 - TANGIBLE CAPITAL ASSETS

		Land	Land improvements	Buildings	Materials and equipment	Vehicles	Leasehold improvement	Work in process	Capital lease equipment	Capital lease building	Totals	2024
Cost												
Opening balance	\$	3,652,772	\$	5,985,907	\$	689,421,793	\$	236,162,475	\$	591,588	\$	1,255,582,783
Additions	-	-	2,673,499	397,604	7,588,361	-	600,000	11,530,327	-	144,000,000	-	22,789,791
Transfers of work in progress	-	-	-	23,757,789	670,309	-	-	(24,428,098)	-	-	-	-
Write-downs/disposals	-	-	-	-	(5,053,923)	-	-	-	-	-	-	(5,053,923)
Closing balance		3,652,772		8,659,406		713,577,186		5,286,068		152,600,719		1,273,318,651
Accumulated amortization												
Opening balance	-	-	3,721,199	423,809,151	170,588,885	587,667	3,815,526	-	2,446,005	28,800,000	-	633,768,433
Amortization	-	-	113,515	16,722,566	14,246,136	3,921	145,881	-	224,120	3,600,000	-	35,056,139
Write-downs/disposals	-	-	-	-	(5,053,923)	-	-	-	-	-	-	(5,053,923)
Closing balance	-	-	3,834,714	440,531,717	179,781,098	591,588	3,961,407	-	2,670,125	32,400,000	-	663,770,649
Net book value	\$	3,652,772	\$	4,824,692	\$	273,045,469	\$	59,586,124	\$	152,600,719	\$	609,548,002

11 - PREPAID EXPENSES AND INVENTORY

	2025	2024
Drugs	\$ 8,889,854	\$ 7,226,189
Food	93,097	64,744
Medical, surgical and supplies	4,231,139	3,915,948
Services contracts and prepaid expenses	4,064,325	2,139,514
	\$ 17,278,415	\$ 13,346,395

12 - CAPITAL LEASE OBLIGATION

Minimum payments for the years to come in relation to the capital lease contract expiring July 2031 and October 2044 and balance of the capital lease obligation coming from these contracts:

	2025	2024
2025	-	6,293,704
2026	6,293,704	6,293,704
2027	6,293,704	6,293,704
2028	6,293,704	6,293,704
2029	6,293,704	6,293,704
2030	6,293,704	6,293,704
2031-2044	85,912,083	85,912,081
Total minimum lease payments under the lease	117,380,601	123,674,305
Amount representing the interest calculated at 4.5% and 5.743%	(46,202,550)	(50,326,946)
Capital lease obligation balance	\$ 71,178,051	\$ 73,347,359

The first capital lease obligation is a contract between the Network and Fondation de l'Hôpital Régional Chaleur Inc. for a period of 20 years. The Network has agreed to disburse minimum monthly payments of \$35,325 and an additional amount for the savings that the lease equipment generates. During 2025, the Network paid \$274,711 (\$282,728 in 2024) to the foundation for the savings generated and this amount is recorded in the expenses of maintenance and operating.

The second capital lease obligation is a contract between the Minister of Transportation and Infrastructure and the Minister of Health of New Brunswick and Rainbow1 Partner Inc. for the Restigouche Hospitality Center for a period of 30 years. The Network has agreed to disburse minimum monthly payments of \$489,150.

13 - INFORMATION INCLUDED IN CASH FLOWS

The changes in working capital items are detailed as follows:

	2025	2024
Decrease (increase) in accounts receivable	\$ (55,169,556)	\$ 23,460,184
Decrease (increase) in estimated year end adjustment from the Province	63,777	(596,276)
Increase of prepaid expenses and supplies	(3,932,020)	(4,236)
Increase (decrease) in accounts payable and accrued liabilities	80,194,958	(28,994,405)
Increase in deferred revenues	30,647	352,075
Increase in accrued employees benefits	3,505,089	3,530,048
	\$ 24,692,895	\$ (2,252,610)

14 - CONTINGENCIES

Contingent liabilities

Management believes that the Network has valid defenses and appropriate insurance coverages in place with respect to claims pending at the end of the year

The Network is covered under the Health Services Liability Protection Plan which is underwritten by the Province of New Brunswick and administered by Health Care Insurance Reciprocal of Canada ("HIROC").

The Network is involved in legal proceedings, and a provision has been recorded in the financial statements based on management's best estimates.

Collective agreement

As of March 31, 2025, three collective agreement have expired. The collective agreements of the New-Brunswick Nurses Union targeting the group of part III nurses has been expired since December 31, 2023. The collective agreements of the Canadian Union of Public Employees of New-Brunswick targeting the group of professionals specialized in medical science have been expired since March 31, 2024. The collective agreement of the Canadian Union of Public Employees for the clerks, stenographers and typing technicians, institutional services and patient services group expired on June 30, 2024. As of March 31, 2025, a provision based on management's best estimates has been recorded in the financial statements in this regard. As of March 31, 2024, no provision for retroactive salary adjustments has been recorded in the financial statements.

15 - COMMITMENTS

The Network has lease commitments for equipment rental and purchase contracts for goods and services expiring at various dates. Minimum payments payable over the next five years are as follows:

2026	\$	54,086,738
2027		12,696,827
2028		7,673,823
2029		4,555,796
2030		2,022,449

16 - DONATIONS FROM THE FOUNDATIONS

The Network holds a financial interest in many foundations and auxiliary services which are registered not-for-profit organizations established in various communities. They have a purpose of raising, investing and distributing funds to the Network for the enhancement of its services and facilities.

During the year, the Network received donations from the following foundations:

	2025	2024
Fondation Hôpital Dr.-Georges-L.-Dumont Inc. (Moncton)	\$ 1,313,732	\$ 451,227
Les ami.e.s de l'Hôpital Stella-Maris-de-Kent.	22,996	17,944
La Fondation de l'Hôpital régional d'Edmundston Inc.	190,228	186,323
La Fondation des Amis de l'Hôpital Général de Grand-Sault Inc.	3,500	14,006
Fondation Dr. Romaric Boulay Inc. (St-Quentin)	18,626	12,873
Fondation des amis de la santé (Campbellton)	113,763	141,396
Fondation de l'Hôpital régional Chaleur Inc. (Bathurst)	533,688	270,794
Fondation de l'Hôpital de l'Enfant-Jésus Inc. 1988 (Caraquet)	95,922	66,424
La Fondation de l'Hôpital de Lamèque Inc.	10,511	344,339
Fondation Les Amis de l'Hôpital de Tracadie Inc.	30,559	20,150
	\$ 2,333,525	\$ 1,525,476

17 - EMPLOYEE FUTURE BENEFITS

Pension plan

Network employees are members of a pension plan established by the Province of New Brunswick in accordance with the Pension Benefits Act. The province of New Brunswick is responsible for funding this plan. Effective April 1, 2014, the ministry takes responsibility for making annual employer dues payments for the majority of unionized employees. As of March 31, 2025, Vitalité's contributions amounted to \$6,769,630 (\$6,340,695 in 2024).

Vacation pay and overtime accrual

Vacation pay and overtime is accrued to year end. Related funding from the Department of Health is recorded when received.

Sick pay accrual

The cost of the obligation made for sick leave benefits is actuarially determined using the best estimates of management on wage increases, the number of sick days accumulated at retirement, and inflation and long-term discount.

Significant economic and demographic assumptions used in the actuarial valuation are:

Discount rate:	4.26% per annum - equal to Province's long-term borrowing rate of 15 years.
Rate of compensation increase:	4.0% per annum for two years, and 2.35% per annum afterwards.
Retirement age:	age 60

17 - EMPLOYEE FUTURE BENEFITS (Continued)

Sick pay accrual (Continued)

Based on actuarial valuation of the liability, the results at March 31, 2025 are as follows:

	2025	2024
Accrued sick pay obligation, beginning of year	\$ 47,837,500	\$ 46,881,900
Current service cost	6,522,700	6,430,000
Interest on obligation	2,505,600	2,341,700
Loss experience	585,600	660,000
Benefit payments	(8,700,200)	(8,476,100)
Accrued sick pay obligation, end of year	\$ 48,751,200	\$ 47,837,500

Retirement allowance accrual

The management personnel and the non-union employees, the employees of the New Brunswick Nurses Union, which includes nurse managers and nurse supervisors, the New Brunswick Union of Public and Private Employees, which includes the Specialized Health Care Professionals (SHPC) group and the Medical Science Professionals (MSP) group, all received the option to cash in their retirement allowance. The employees who don't use the option to cash in willingly can do so at the time of their retirement. For the SHPC and MSP groups, the retirement allowance stopped to cumulate in March 2019. For the management personnel and the non-union employees, the accumulation of the retirement allowance stopped on March 31, 2013. For the nurses, nurse managers and nurse supervisors, the accumulation of their retirement allowance is continuing for those who did not already cashed in their allowance, and they still have the option of cashing in whenever they desire. The employees of the Canadian Union of Public Employees did not received those options yet, and will continue to accumulate retirement allowances. Their collective agreement has expired on June 30, 2024. The Province of New Brunswick funds these retirement benefits through separate funding from the annual operations and is responsible for the calculation of the benefits. No contingent liability has been recorded by the Network.

18 - EXPENSES BY OBJECT

	2025	2024
Salaries	\$ 763,508,809	\$ 675,243,744
Benefits	68,931,393	64,072,127
Medical and surgical supplies	49,134,138	46,076,483
Drugs	66,967,479	57,423,549
Other services	84,854,035	69,993,797
Other supplies	160,213,696	130,847,557
Amortization	35,175,102	35,056,139
Total	\$ 1,228,784,652	\$ 1,078,713,396

Vitalité Health Network

Notes to Financial Statements

March 31, 2025

19 - RELATED PARTIES

Horizon Health Network (Regional Health Authority B) was created at the same time as Vitalité Health Network through an act of the legislature. Horizon Health Network resulted from the merger of the Regional Health Authorities 1, 2, 3 and 7.

The new Service New Brunswick (Service NB) was launched on October 1st, 2015 to consolidate the common government services within a single body. The new organization includes the former Service New Brunswick, the Department of Government Services, FaciliCorpNB and the New Brunswick Internal Services Agency.

Following the adoption of Bill 5 "An Act Respecting Extra-Mural Services" all extramural services were transferred to EM/ANB Inc. with the exception of services offered in schools, occupational therapy and physiotherapy.

The purchase and sale of materials and services were measured at exchange amounts as agreed between the related parties. The Harmonized Sales Tax (HST) is included when applicable.

	2025	2024
<hr/>		
Transactions during the year		
Services sold to:		
Service NB	\$ 313,482	\$ 330,245
EM/ANB Inc.	389,228	258,688
Purchased services from:		
Service NB	\$ 1,120,523	\$ 1,565,369
EM/ANB Inc.	88,651	122,629
Balances at end of year		
Accounts receivable		
Service NB	\$ 37,036	\$ 47,431
EM/ANB Inc.	109,432	22,552
Accounts payable		
Service NB	\$ 10,077	\$ 76,648
EM/ANB Inc.	7,709	19,040
<hr/>		

20 - FINANCIAL INSTRUMENTS

Risk management policy

The Network is exposed to various risks arising from its financial instruments. Financial risk management is carried out by the Network management.

During the year, there were no changes to risk management policies, procedures and practices relating to financial instruments. The following provides a measure of risk as of the year-end date.

Financial risks

Credit risk

Credit risk arises from the possibility that a counterparty doesn't fulfill its financial obligations. A significant portion of the accounts receivables is from the province of New Brunswick. The entity supervises the recoverability of its receivable on a continuous basis.

The book value of the main financial assets of the Network represents the maximum exposure to credit risk.

The overdue financial assets total \$2,844,446 (\$1,436,815 at March 31, 2024), and all have a maturity of less than two years. They are presented net of a provision for bad debts of \$2,844,446 (\$1,436,815 March 31, 2024).

The variation in the provision for doubtful accounts for the year is explained as follows:

	2025	2024
Opening balance	\$ 1,436,815	\$ 1,301,029
Impairment loss recognized in results and amounts written off	2,625,983	1,185,340
Provision canceled or recovered	(1,189,168)	115,689
Provision for doubtful accounts for the current year	2,844,446	1,436,815
Ending balance	\$ 2,844,446	\$ 1,436,815

Liquidity risk

Liquidity risk is the risk that the entity can't fulfill its financial obligations on a timely basis and at a reasonable cost. The entity manages its liquidity by overseeing its financial needs to operate. The entity prepares a budget and establishes anticipated funds to make sure that there are sufficient funds to cover its obligations.

Market risk

Market risk corresponds to the risk of variations in the market values such as exchange or interest rates, which affect the revenues of this entity or changes in the value of the temporary investments or other financial instruments.

Exchange risk

Fluctuation and volatility of exchange rates expose the entity to financial risk. In the normal course of operations, the entity holds temporary investments in American currency. Currently, the entity doesn't have term contracts to mitigate this risk, but reduces the risk by diversifying its investments.

20 - FINANCIAL INSTRUMENTS (continued)

Financial risks (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow fluctuate because of variations in the interest rate on the market. The revenue debentures fixed expose a risk to the entity in regards to its future cash flows. The entity mitigates this risk by diversifying its investments.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or exchange risk), whether these variations are caused by factors specific to the instrument in question or its issuer, or by factors affecting all similar financial instruments traded on the market.

Temporary investments indirectly expose the Network to other price risk.

21 - BUDGETED FIGURES

Budget figures in these financial statements have been approved by the Board of Directors of Vitalité Health Network for the financial year in question.

22 - ECONOMIC DEPENDENCE

The Network depends on funds received from the Department of Health to continue operations, replace essential equipment and complete its capital projects.

23 - DEFICIT FINANCING BY THE MINISTRY OF HEALTH

Funding for the operating deficit by the Ministry of Health of the Province of New Brunswick for 2024-2025 amounts to \$114,876,821 (\$104,971,731, March 31, 2024). This deficit is explained by the following amounts:

- Use of traveling nurses through agencies at a cost of \$78,494,033.
 - The increase in salary costs for clinical staff following local and international recruitment initiatives totaling \$12,361,244.
 - Increase in volumes of patient visits and medical procedures and examinations, resulting in an increase in costs of medical, surgical, laboratory and other supplies of \$9,144,616.
 - An increase in security guard services in emergency and psychiatric units, in the amount of \$5,311,221.
 - Additional expenses, including external professional services, to ensure continuity of services in certain types of professions with hiring difficulties of \$4,896,806.
 - Other related operating expenses including maintenance of equipment and infrastructure and others, resulting in additional costs of \$4,668,901.
-

24 - ASSET RETIREMENT OBLIGATION

The asset retirement obligation concerns the removal of regulated materials such as asbestos, lead, mercury, polychlorinated biphenyls (PCBs), refrigerants, ozone depleting substances, removal of oil storage tanks and water supply wells. Removal of regulated materials is governed by applicable government laws regarding environmental protection.

The main information related to the associated liability is as follows:

- The asset retirement costs are amortized using the straight-line method based on the remaining useful life of the buildings.
- The liability is based on current estimated costs. In the absence of detailed information from the province, the main sources of information for preparing these estimates were an expert appraiser with connections to remediation contractors and in-depth knowledge of regulated materials remediation. It was an office exercise aimed at providing an estimate based on the available information. The total estimated expenses is \$24,229,406.
- Estimated remaining operational lifespan: 30 to 50 years.

25 - COMPARATIVE FIGURES

Comparative figures have been adjusted to conform to change in the current year presentation.

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