Health

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Introduction

The Department of Health's mandate is to protect and improve the health of Saskatchewan people. To do this, the Department provides policy direction, direct services, and funding to health providers and health agencies.

For the year ended March 31, 2002, the Department received $2.20 billion from the General Revenue Fund and spent this money on its programs. The Department also raised revenue of $15.7 million. The Department's annual report contains information about the Department's revenues and expenses (annual report available at http://www.health.gov.sk.ca/).

Government spending on health

Table 1 shows total health revenues of $2.425 billion by source. Table 2 shows total health costs of $2.477 billion by program. In this chapter, we refer to all of these organizations together as the "Health System". The costs in Table 2 do not include Indian and northern health services, because the Federal Government pays these costs, nor the costs that individuals and private sector organizations pay for private health services.

Crown agencies

The Department is responsible for the following Crown agencies with March year-ends:

Board of Governors, Uranium City Hospital
Health Services Utilization and Research Commission
Saskatchewan Cancer Foundation
St. Louis Alcoholism Rehabilitation Centre
Saskatchewan Health Information Network
Thirty-two district health boards (see Chapter 5, Part C – District Health Boards).

Table 1

Health **Revenues** by Source for the year ended March 31
(in millions of dollars)

	2002	2001	2000	1999	1998	1997	1996
General Revenue Fund (GRF)	$ 2,200	$ 2,076	$ 1,956	$ 1,789	$ 1,677	$ 1,608	$ 1,555
Service fees revenue	110	109	99	97	99	95	94
Transfers from other governments	28	23	21	21	19	17	24
Ancillary revenue	20	18	17	16	15	15	15
Donations	15	17	12	16	15	9	12
Investment income	9	11	11	9	9	10	11
Other	43	38	43	55	28	42	26
Total revenues	$ 2,425	$ 2,292	$ 2,159	$ 2,003	$ 1,862	$ 1,796	$ 1,737

Table 2

Health **Costs** by Program for the year ended March 31
(in millions of dollars)

	2002	2001	2000	1999	1998	1997	1996
Acute Services	$ 945	$ 864	$ 832	$ 713	$ 657	$ 625	$ 537
Supportive care services	439	414	382	358	332	336	371
Medical services and education	421	401	384	392	384	353	346
Prescription drug plan and extended benefits	156	141	128	115	98	94	93
Home based services	91	91	86	79	76	68	58
Provincial health services	86	78	64	64	59	49	65
Mental health services	63	58	55	51	46	42	40
Community health services	56	53	52	50	44	39	31
Rehabilitation services	54	43	44	39	37	38	36
Emergency response services	40	35	25	22	21	21	22
Health improvement initiatives	25	27	25	25	29	26	77
Administration	26	20	35	25	25	25	20
Ancillary	14	12	12	11	10	9	9
Alcohol and drug services	15	13	13	11	9	6	5
Other	46	31	26	28	13	43	27
Total expenses	$2,477*	$ 2,281	$ 2,163	$ 1,983	$ 1,840	$ 1,774	$ 1,737

Source: *Public Accounts: Volume 2: Details of Revenue and Expenditure* (to view a copy of this report, see http://www.gov.sk.ca/finance/paccts) and the March 31, 2002 financial statements of the District Health Boards and other government health agencies.

* The Government's Summary Financial Statements (SFS) for the year ended March 31, 2002 show health costs of $2,424 million, a difference of $53 million from the total health costs in Table 2. This difference is due to: 1) differences in accounting policies for tangible capital assets, inventories, and district health board foundations; and 2) inter-entity expense eliminations and adjustments within the SFS not recorded in the health costs in Table 2.

Comparable health indicators report

In September 2000, all First Ministers in Canada prepared a news release communicating to Canadians their vision of health: *Canadians will have publicly funded health services that provide quality health care and that promote the health and well-being of Canadians in a cost-effective and fair manner*.

In this communication, the First Ministers committed to preparing reports on the performance of health systems of each provincial and territorial government and the Federal Government starting in September 2002. The First Ministers expected the reports to describe each health system's performance in several indicator areas.

On September 30, 2002, the Department issued a report on 61 health indicators, entitled: *Saskatchewan Comparable Health Indicators Report* (Indicators Report). The Indicators Report (available at http://www.health.gov.sk.ca/) provides new and vital information on the performance of Saskatchewan's health system. The Report includes a comparison of the performance of Saskatchewan's health system with the health systems in other Canadian jurisdictions.

The Indicators Report is the result of hard work by the Department over several months. The Indicators Report helps readers to understand the effect of health services on the health and well-being of Saskatchewan residents. For many years, our Office has promoted improved performance reporting by the Government and its agencies. Public performance reports should show the effects of government services on citizens. They should show outcomes or results, not just levels of spending and services.

The Indicators Report notes that some information systems used to produce the health indicators need improvement. The Report further states that the Department intends to work with regional health authorities and other agencies to improve the information systems.

The Legislative Assembly and the public need to know that the Indicators Report is reliable and comparable with other jurisdictions. We worked with all legislative auditors in Canada to ensure that we each provide consistent audit assurance based on professional standards. Our

auditor's report on the reliability of the Indicators Report is included in the Report and is reproduced in Exhibit 1 of this chapter.

We congratulate the Department on its preparation of the report on health indicators. The Indicator Report is a continuing work in progress. Management has set out in the Report limitations in the reliability of the health indicators. Management has fairly stated the limitations and why they exist. We encourage readers to use the Report, but in doing so, to keep in mind management's explanations of the limitations.

All Ministers of Health in Canada have agreed to prepare comparable health indicators reports again in 2004. We plan to audit Saskatchewan's 2004 indicator report.

Our audit conclusions and findings

We have completed the audit of the Department of Health and the Crown agencies listed earlier except for the audit of Board of Governors, Uranium City Hospital. We will report the results of that audit in a future report. We report the results of the Department and other agencies below.

In our opinion, for the Department and its agencies for the year ended March 31, 2002:

- **The financial statements for the agencies listed on page 67 are reliable;**
- **the Department and its agencies had adequate rules and procedures to safeguard and control their assets except for the matters reported in this chapter; and**
- **the Department and its agencies complied with the authorities governing their activities relating to financial reporting, safeguarding assets, revenue raising, spending, borrowing and investing.**

We also include our assessment of the Department's annual report for the year ended March 31, 2002 on page 79.

We report the results of our audits of the District Health Boards in Part C of this chapter.

Department needs to approve district plans on time

The Department should approve the districts' annual health plans before the fiscal year begins (April 1). The Department paid $1.4 billion to 32 districts to provide health services.

The Department requires districts to prepare health plans that outline their financial and operational plans. The districts prepare these plans in consultation with the Department. The Department uses these plans to establish the districts' expected financial and operational performance.

The Health Districts Act requires the districts to submit their annual health plans to the Department for approval. The Department asked the districts to submit their financial plans for the year April 1, 2001 to March 31, 2002 by June 15, 2001. We think the Department should receive and approve the health plans before the year begins.

The Department approved the 32 districts health plans as follows: 12 in July 2001, four in August, five in October, and 11 in February 2002.

While the Department regularly discusses health plans with the districts, timely approval of the plans is important to ensure that the Department and the districts have a common understanding of annual and long-term priorities and goals. Making decisions without a common understanding of priorities and goals may result in the Department and the districts making inappropriate decisions.

We reported this matter in previous reports. In January 1999, the Standing Committee on Public Accounts (PAC) agreed with our recommendation and recommended that the Department, to the best of its ability, provide the districts with an indication of their funding levels for the next two or three years. The Department has not done this.

We continue to recommend that the Department approve the health districts' annual health plans before their fiscal year begins (April 1).

Department needs a capital asset plan for districts

The Department needs a capital asset plan for the districts to help ensure that they have adequate capital assets to deliver essential health services. Capital assets include buildings and equipment.

The Department is responsible for health care in the province. It uses districts to deliver health care. The districts use $900 million of capital assets to deliver health care.

A capital asset plan would document decisions intended to ensure that districts have the capital assets required to deliver their services effectively, efficiently, and economically. A capital asset plan would help the Department and the districts select the capital assets that have the best value and keep them in good working order. Chapter 7 – Justice sets out the criteria for capital asset plans.

Without a capital asset plan for the districts, the Department cannot ensure that the districts have adequate capital assets to deliver essential health services.

1. **We recommend that the Department develop a capital asset plan for the districts to help ensure that the districts can deliver essential health care services.**

Department needs to improve its capital project agreements

The Department should improve its capital project agreements with districts to help ensure that the Department can meet its objectives for capital construction.

The Department makes capital project agreements with districts to construct or renovate health facilities. The Department has long-term commitments to spend $70 million on major capital construction projects. The Department spent $5.9 million on these projects in 2001-02.

The agreements should require districts to provide timely reports to the Department on:

- the status of the construction project at the date of the report (actual compared to plan for requirements, cost, work completed; and explanations of differences between planned and actual results);

- what the district has accomplished since the last reporting period (actual compared to plan for cost and work completed, and explanations of differences between planned and actual results);

- the estimated time and cost to complete the construction project;

- the status of the expected benefits, whether the benefits are still achievable, and if not, the effects, if any, on the project plan; and

- the status of the construction project's risks, new risks, and how the risks are being managed. Reports would include explanations of any change in the status of key risks from the last reporting period and the reasons for the change in status.

Without this performance information, the Department cannot ensure that capital projects managed by districts meet the Department's objectives. As well, the agreements need to set out a process for the Department to verify that the districts' performance information is reliable.

We reported this matter in previous reports. In May 2001, PAC agreed with our recommendation.

We continue to recommend that the Department's capital construction agreements:

- require health districts to provide the Department with adequate and timely performance information on capital construction projects; and

- describe the Department's process for verifying performance information.

Department needs better reports from districts

The Department needs complete and timely information to ensure that the $1.4 billon of public money entrusted to districts is used properly.

Districts' annual reports do not adequately show their program performance compared to their plans. The Department requires districts to report on their program performance compared to their plans in their annual reports. The Department has issued guidelines to help districts to prepare their annual reports.

We recognize that several districts have improved the quality of their annual reports by starting to report performance measures. The districts' annual reports still do not, however, adequately report on program performance compared to planned performance. Many reports do not set targets for desired service outcomes and do not show actual outcomes. As a result, the annual reports are not as effective as they could be in enabling the Department to assess the effectiveness of the districts' programs on the health status of residents.

We also reported this matter in previous reports. In January 1999, PAC agreed with our recommendation.

We continue to recommend that the Department work with health districts to ensure they submit complete and timely performance reports.

Service agreements with districts need improvement

The Department needs to improve its service agreements with districts to ensure the appropriate use of public money.

The Department carries out many of its responsibilities through districts. Therefore, the Department needs service agreements with districts to ensure that the delivery of health care by districts achieves the Department's objectives.

The service agreements are adequate, except that they do not require the districts to report periodically their assessments of the control they have established to achieve the Department's operational objectives. Control comprises those elements of a district (including its resources, systems,

processes, culture, structure, and tasks) that, taken together, support people in the achievement of the Department's objectives. To meet its responsibilities, the Department must know that the districts have systems, processes, and other control elements to ensure the proper use of public money entrusted to the districts.

We also reported this matter in previous reports. In January 1999, PAC agreed with the following recommendation.

We continue to recommend that the Department work with health districts to ensure that the service agreements require districts to report periodically on the systems and practices they use to achieve the Department's operational objectives.

Service agreement needed with Canadian Blood Services

The Department needs a service agreement with Canadian Blood Services to ensure that it achieves the Department's objectives.

Canadian Blood Services (CBS), a not-for-profit organization, was incorporated in 1998 under *The Canada Corporations Act*. Its members are the provincial and territorial health ministers, except Quebec. The 13 member Board of Directors consists of the Chairperson, four regional appointees, six members providing business, scientific, medical, technical, or public health expertise, and two members from the general public representing consumers. Saskatchewan has no direct representation on the Board; one Board member represents Alberta, Saskatchewan, Manitoba and the North West Territories.

CBS owns and operates the national blood supply system, except for the blood system in Quebec. Its activities include recruiting blood donors, collecting blood and blood products, testing and laboratory work, processing, storage, distribution and inventory management, quality control, and the purchase and distribution of commercial blood products. CBS distributes blood and blood products to hospitals across Canada.

The Department must ensure safe blood products are provided to the citizens of Saskatchewan. The Department is also responsible for ensuring the blood supply system is effective. Therefore, the Department

must ensure that the delivery of blood products by CBS achieves the Department's objectives.

CBS members provide annual contributions to pay for the operation of the blood supply system. For the year ended March 31, 2002, the Department paid CBS $29.8 million. The Government of Canada and CBS members signed a Memorandum of Understanding (MOU) in December 1997 documenting their understanding regarding their respective roles and responsibilities in a renewed national blood system. However, the Department has not made a service agreement with CBS to ensure that CBS achieves the Department's objectives.

The MOU includes the following matters usually found in a service agreement:

- describes the authority and responsibility of the Department and CBS;
- describes the services to be provided;
- describes the basis for paying for those services; and
- allows the Department access to CBS's records and personnel to verify its reports, or to verify the reports using CBS's independent auditors.

The MOU, however, does not include the following matters usually addressed in a service agreement:

- describes the financial, operational, and compliance objectives needed to manage the delivery of Saskatchewan's blood supply through CBS successfully. The agreement should require CBS to carry out its work to meet those objectives;
- ensures that the Department receives accountability reports from CBS, including reports showing planned and actual results, compliance with legislative and related authorities, and how well CBS met the Department's objectives; and

- requires CBS to periodically report its assessments of the control it has established to achieve the Department's objectives.

We encourage the Department to make a service agreement that addresses the above deficiencies and the points already included in the MOU. The lack of a service agreement could result in the inappropriate use of public money entrusted to Canadian Blood Services.

We reported the lack of a service agreement in previous reports. In May 2001, PAC agreed with our recommendation.

We continue to recommend that the Department make a service agreement with Canadian Blood Services to ensure it achieves the Department's objectives.

Policies needed for the Department's internal financial reporting

The Department needs clear written policies and procedures for preparing sound internal financial reports to support good management decision making.

The Department's management needs timely, complete, and accurate financial reports throughout the year to help it make sound decisions. Adequate written guidance approved by senior management would help staff to prepare reliable internal reports. Reliable and relevant reports should result in better management decisions.

The financial reports management uses to make decisions are incomplete. The reports show the results of the Department's operations (i.e., its revenues and expenditures), but not what the Department owns and owes (i.e., its assets and liabilities). As well, the financial reports do not include the assets, liabilities, revenues, and expenses of the health agencies for which the Department is responsible. These agencies include the thirty-two district health boards, the Saskatchewan Cancer Foundation, the Saskatchewan Health Information Network, the Health Services Utilization and Research Commission, the St. Louis Alcoholism Rehabilitation Centre Inc., and the Board of Governors, Uranium City Hospital. These agencies have assets of $1.2 billion, liabilities of $300

million and revenues of $200 million (not including revenue received from the Department).

Users of performance reports tend to focus on the information presented in the reports. Because managers do not receive regular reports on what the Department owns and owes, they focus on annual operations and ensuring that the Department does not overspend its appropriation. Managers tend to pay less attention to the assets and liabilities they must manage well to provide needed services including the assets and liabilities of the above health agencies.

We recognize that the lack of complete financial statements for government departments is a government-wide issue. Supervising agencies need to lead the preparation of departmental financial statements that include common accounting policies and statement presentation.

The Deputy Minister should approve adequate internal financial reporting policies and procedures to ensure that senior management receives the information it needs to manage the Department.

We reported this matter in previous reports. In January 1999, PAC agreed with the following recommendation.

We continue to recommend that:

- the Department document policies and procedures to prepare sound internal financial reports; and
- the Deputy Minister approve the Department's internal reporting policies and procedures.

Rules and procedures for drug payments not followed

The Department needs to follow its rules and procedures for “exception drug status” (EDS) payments.

The Department has adequate rules and procedures for approving payments for drugs that are normally ineligible for payment. An ineligible drug may receive EDS payments if it proves to be more effective than the

eligible drugs for treating the patient. EDS drugs are often more expensive than eligible drugs. The cost of the EDS Program has risen from $15.4 million in 1998-99 to $37 million in 2001-02.

Physicians, dentists, optometrists, and pharmacists may apply to the Department for EDS coverage on behalf of their patients. Applicants can submit requests to the Department by telephone, mail, or fax. The Department's policy is to review the applications to ensure that they satisfy the criteria (i.e., qualifying diagnosis) before approving the drug for EDS coverage.

The majority of EDS coverage requests come from pharmacists. The Department requires pharmacists to document the physician's diagnosis for each EDS coverage request.

During 2000-01, the Department studied 31 of 375 pharmacies to determine if pharmacists obtained the patient's diagnosis for EDS requests from the physician and appropriately recorded the diagnosis. The Department found that in many cases, pharmacists were either not recording the diagnosis or the source of the diagnosis. The Department paid for these EDS drugs.

After the study, the Department communicated with pharmacists to remind them to document the diagnosis before applying for EDS coverage. This documentation is critical to ensure that the Department only pays for drugs that meet its EDS standards. The Department, however, has not followed up to determine if pharmacists' documentation has improved.

Lack of compliance with the Department's rules and procedures for EDS coverage could result in unauthorized and unnecessary drug payments.

2. We recommend that the Department follow its rules and procedures for "exception drug status" payments.

Annual report needs improvement

We reviewed the Department's annual report for the year ended March 31, 2002.

We are pleased to note that the Department continues to improve its annual report. The major improvement in this year's annual report is a section setting out the Department's Performance Plan for 2002-03. This plan shows the Department's objectives, performance measures, and the current performance level for each performance measure, but as yet no performance targets.

The annual report has begun to set out a few financial performance measures that the Department uses to assess the financial performance of the health system. To encourage the Department to continue to develop financial measures and to set financial targets, we set out in Part B of this chapter some examples of financial measures that the Department might use.

The annual report does not contain a complete set of financial statements for the health sector. It shows most of the Department's revenues and expenditures, but not what the Department owns and owes.

The annual report does not include public timely performance information on major capital construction projects (long-term planned spending of $40 million). As a result, the public does not know whether the construction costs were within planned costs, whether there were any significant changes to the projects, and whether the expected projects' benefits were achieved.

Public confidence in the health system is important to the Department's success. While many factors are involved, public confidence will improve as the Department continues to improve the content of its annual report.

We also reported this matter in previous reports. In February 2002, The Standing Committee on Public Accounts (PAC) agreed with our recommendations except that PAC did not agree that the Department include a complete set of financial statements in its annual report.

We continue to recommend that the Department's annual report include the Department's:

- financial performance measures, performance targets, and actual results compared to plans;

- performance information on major capital construction projects; and
- financial statements.

Saskatchewan Health Information Network

The Saskatchewan Health Information Network (Corporation) was established as a Treasury Board Crown Corporation under *The Crown Corporations Act, 1993* (Act).

The Corporation manages the Saskatchewan Health Information Network (SHIN). The Corporation is to foster the development of the health information technology sector, foster re-engineering of health delivery processes, and to protect health information as a strategic resource.

The Corporation's financial statements for the year ended March 31, 2002 report revenues of $12.0 million (2001 - $6.4 million), an annual surplus of $40 thousand (2001 - $0.7 million deficit), an accumulated surplus (i.e., net financial assets) of $1.3 million (2001 - $1.2 million), and net tangible capital assets of $16.1 million (2001 - $15.7 million).

Better interim financial information needed

The Corporation's board of directors (Board) needs better interim financial information to monitor the Corporation's performance.

The Board is responsible for overseeing the activities of the Corporation. To carry out its responsibilities, the Board needs timely, accurate, and complete financial information.

The Corporation's interim reports contain information on its revenues and expenses including planned and actual results for the year to date as well as forecast information to year end. The reports do not contain complete information on the Corporation's assets, liabilities, cash flows, or commitments. The reports are not prepared in accordance with Canadian generally accepted accounting principles (GAAP).

Using GAAP helps ensure that the financial information reported is complete and accurate. Complete financial information facilitates good decision-making.

3. We recommend that the Board receive better interim financial reports to monitor the Corporation's financial performance.

Clear delegation of authority needed

The Board needs to clarify its delegation of authority policy for the approval of expenditures and contracts.

The Board's delegation of authority policy sets out guidance and limits for transactions that management can approve on behalf of the Board. The delegation of authority policy needs to be clear to reduce the risks of misunderstandings.

The Corporation leased computer equipment totalling $667,000 from one vendor. The Board should have approved these contracts. However, management did not submit the contracts to the Board for approval because the policy for the approval of budgeted expenditures versus the approval of contracts was not clear.

4. We recommend that the Board clarify its delegation of authority policy to ensure that all contracts and expenditures are appropriately approved.

Tendering policies and procedures needed

The Board needs a documented policy and related procedures for the tendering of goods and services.

The Board has a policy for the purchase of goods and services. However, this policy does not set out when the Corporation needs to tender purchases. Tendering for goods and services helps ensure that the best value is obtained when spending public money.

As described earlier, the Corporation leased computer hardware and software totalling $667,000. The Corporation did not tender the contracts for leasing this equipment.

As a result, the Corporation may not have received the best value for its purchase of the computer hardware.

5. We recommend that the Board establish a documented policy and related procedures for the tendering of goods and services.

Exhibit 1: Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the health indicators presented in pages 1 to 337 of the *Saskatchewan Comparable Health Indicators Report* (the Report) pursuant to the commitment under the *First Ministers' Meeting Communiqué on Health*, dated September 11, 2000. The Conference of Deputy Ministers of Health defined the specific indicators to be regularly reported to Canadians. Reporting on health indicators in accordance with suitable criteria is the responsibility of management. My responsibility is to express an opinion on the health indicators based on my audit. I have not assessed the relevance of the indicators used. My audit work was limited to the information relating to the most recent year. I have not audited the health indicators of other jurisdictions presented in the Report. As well, the Report includes a discussion and analysis for each health indicator in addition to a description of the indicator's definition, technical specifications, results and limitations. My examination of the discussion and analysis was limited to ensuring that the information is not inconsistent with the indicator results.

Except as explained in the following paragraph, I conducted my audit in accordance with the standards for assurance engagements established by The Canadian Institute of Chartered Accountants. Those standards require that I plan and perform an audit to obtain reasonable assurance that the health indicators presented in accordance with the criteria set out on page xxv of the Report are free of significant misstatement. An audit includes examining, on a test basis, evidence supporting the results of the health indicators and the related disclosures in the Report. An audit also includes assessing the suitability of the stated criteria and their disclosure. As well, an audit includes assessing significant judgments made by management, and evaluating the overall presentation of the health indicators.

As described on pages xxvi-xxvii of the Report, the controls established by Saskatchewan Health, Health Canada, and the Canadian Institute for Health Information were not adequate to ensure that the health indicator results those agencies produced for the Report are complete, accurate and adequately disclosed in the Report. These health indicators are listed on pages xxviii-xxix of the Report. I was unable to determine by other auditing procedures whether adjustments might be necessary to make these reported indicators complete, accurate, and adequately disclosed. (This paragraph relates to one-third of the indicators presented in the Report.)

In my opinion, except for the indicators described in the preceding paragraph for which I am unable to form an opinion, the health indicators, including the described departures from the stated criteria, present fairly in all significant respects the information required pursuant to the public reporting commitment of the *First Ministers' Meeting Communiqué on Health* in accordance with the stated criteria set out on page xxv of the Report.

Comparative health indicators relating to some provinces and territories and for Canadian government programs have been audited by other auditors while, for other provinces, auditors have been engaged to perform specified auditing procedures. Annex 1 includes an explanation of the differences between these two types of engagements and details regarding the nature of the engagements performed in each of the jurisdictions. The auditors' findings and observations resulting from engagements in other Canadian jurisdictions are included in the respective governments' health indicators reports and are not reproduced in the Report. All international health indicators are un-audited.

I am encouraged by the work undertaken by Saskatchewan Health to prepare a public report on health indicators. The Report is a continuing work in progress. Management has set out, as departures from the criteria, areas where the health indicators depart from the criteria in the Management's Representation, Appendix A, and Appendix D of the Report and throughout the Report under the heading of Limitations. Management has fairly stated the departures and why they exist. Readers are encouraged to use the Report, but in doing so, to keep in mind management's explanations of the departures.

Regina, Saskatchewan
September 16, 2002

Fred Wendel, CMA, CA
Provincial Auditor

ANNEX 1 - Verification of Comparative Information from Other Jurisdictions

The governments of Canada and the Provinces have adopted different approaches to meet the September 2000 *First Ministers Meeting Communiqué on Health* requirement for "third party verification" for their health indicators reports. Some governments have engaged their auditor to provide audit assurance on their health indicators reports and others have asked for specified auditing procedures to be applied. The paragraphs below outline the major differences between an audit assurance engagement and a specified auditing procedures engagement. For a complete comparison, please refer to The Canadian Institute of Chartered Accountant (CICA) Handbook section 5025 for audit assurance engagements and Handbook section 9100 for specified auditing procedures engagements. I think, for the reasons described in the following paragraphs, that an audit under CICA Handbook section 5025 is the best approach.

In an attest audit engagement, the auditor's responsibility is to provide assurance to users, in the form of an audit opinion, on a report prepared by management. The auditor determines the nature, extent, timing, appropriateness, and sufficiency of audit procedures, which, in the auditor's judgment, are necessary to provide audit assurance concerning the subject matter, or the Comparative Health Indicators Report in the present context.

In a specified auditing procedures engagement, the auditor's responsibility is to report the results of applying auditing procedures specified by management on a report prepared by management. As the nature and extent of specified auditing procedures may vary from engagement to engagement, such engagements are difficult to compare. And because the extent of the procedures performed is not sufficient to constitute an audit, the specified procedures reports do not provide audit assurance. The specified procedures report states those procedures actually applied and only the factual results of those procedures, leaving the reader to determine the fairness of the information in the health indicator reports.

The following is a list of jurisdictions that have engaged their auditor to provide audit assurance on their health indicators reports and those that have asked for specified auditing procedures to be applied.

Audit opinion	Specified Auditing Procedures
British Columbia	Alberta
Saskatchewan	Ontario
Manitoba	New Brunswick
Quebec	Prince Edward Island
Nova Scotia	Newfoundland and Labrador
Yukon	
Northwest Territories	
Nunavut	
Canada	