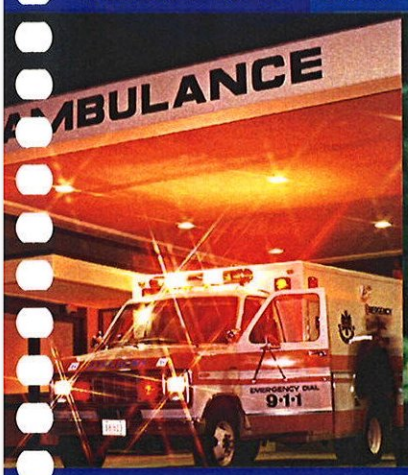
Enhancing the effectiveness of health care for Ontarians through research

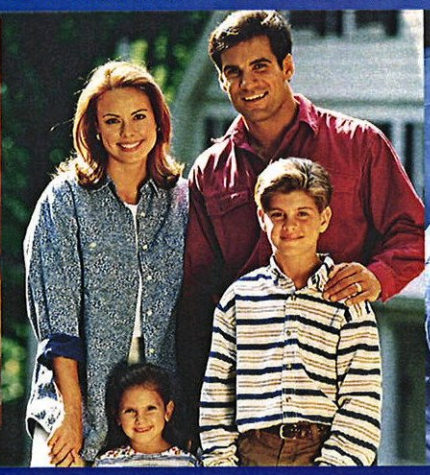
ICES **Institute for Clinical Evaluative Sciences**

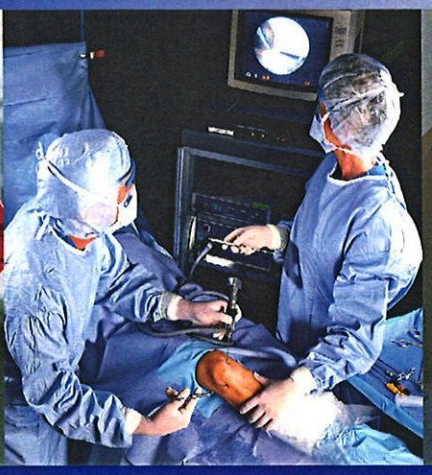
growth and renewal

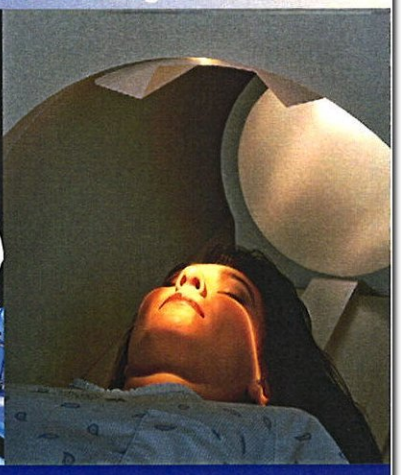
2003 ANNUAL REPORT

ABOUT ICES – Ontario's research resource for informed health care decision-making









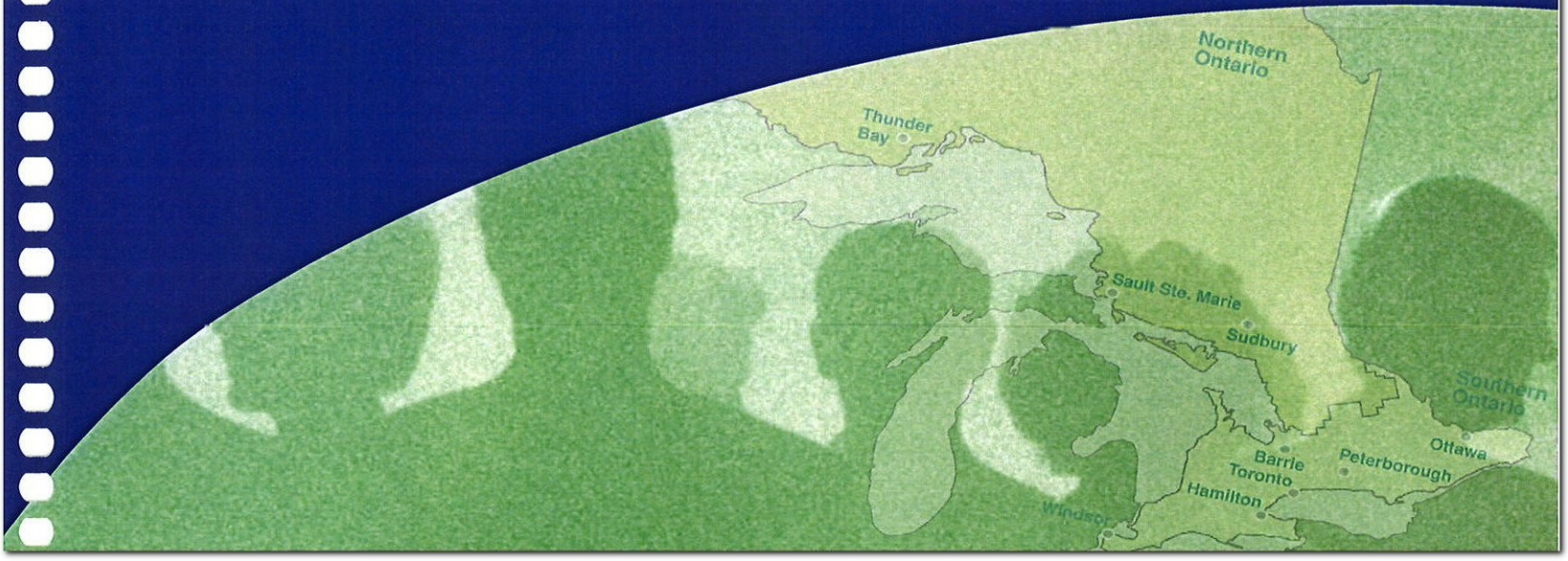
The Institute for Clinical Evaluative Sciences (ICES) is an independent non-profit organization that conducts research on a broad range of topical issues to enhance the effectiveness of health care for Ontarians. Internationally-recognized for its innovative use of population-based health information, ICES research provides evidence to support health policy development and changes to the organization and delivery of health care services.

Established in 1992, ICES provides unique scientific insights to help policymakers, managers, clinicians, planners, and other researchers shape the future direction of the Ontario health care system. Our evidence-based research findings and recommendations, profiled in Atlases, reports, and peer-reviewed journals, are used to guide decision-making and inform further research.

Working within an inquiry-driven culture, the multidisciplinary expertise at ICES consistently produces groundbreaking results. With upwards of 150 faculty and staff, more than 100 research projects are underway at any given time.

ICES' Goals

- Carry out population-based health services research that is relevant to clinical practice and health policy development
- Document province-wide patterns and trends in health care delivery
- Develop and share evidence to inform decision-making by policymakers, managers, clinicians, planners and consumers
- Promote linkages among health services researchers and decision-makers
- Train researchers and promote a wider understanding of clinical epidemiology and health services research



MESSAGE FROM THE BOARD CHAIR AND CEO

Expanding Ontario's health care research frontier

In reflecting on ICES' activities over the past year, three prominent themes emerge—growth, renewal and partnerships.

Since its inception in 1992, the number of faculty and staff at ICES, and our ensuing research capacity, has increased fourfold. While this significant growth is in itself a testament to the demand for ICES products to inform health care decision-making, our value was formally recognized this year. In September 2002, dignitaries from the Ontario Ministry of Health and Long-Term Care, the Ontario Innovation Trust and the Canada Foundation for Innovation participated in a groundbreaking ceremony to acknowledge their commitment to ICES' future growth through joint funding for the addition of a new wing to our existing space.

This event provided an opportunity to reflect on our successes and to embark on a process of organizational renewal to support continued growth. As a foundation upon which to develop our strategic direction, consultations were undertaken with stakeholders, the Board of Directors, faculty and staff. The feedback was provided to an arm's-length external review committee chaired by Dr. Peter George, President and Vice-Chancellor, McMaster University and composed of international representatives with expertise in research, knowledge translation, health care management and policy development.

The report of the External Review Committee provided a series of recommendations that will be used as a guide in formulating ICES' longer-term direction. Most notably, stakeholders and the Committee commended ICES for the high calibre and relevance of its research, as well as its focus on knowledge translation and partnership development.

As we move forward with solidifying our long-term research strategy, there will continue to be a consistent overlay of high-quality research, applicability of our findings and accessibility of our products. Balancing these essential elements of our work with the ever-growing demand for evidence to support informed decision-making will necessitate both continued organizational growth and an emphasis on partnerships. Aligning ICES' research efforts with organizations that have a complementary focus will maximize the value of our products in the field, while minimizing duplication and drawing on the strengths of various organizations.

Dr. Peter Glynn
Board Chair

Dr. Andreas Laupacis
President and CEO

Board of Directors

ICES is governed by a voluntary Board of Directors, whose collective range of experience and expertise guides our strategic direction and research priorities.

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Dr. Peter Glynn
Health Care Consultant and
Former President & CEO
Kingston General Hospital

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Secretary-Treasurer
Helmhurst Investments Ltd.

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President & CEO and Senior Scientist
ICES

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The Ottawa Hospital

Mr. Jack Shapiro
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Dr. Duncan Sinclair
Former Chair
Ontario Health Services Restructuring Commission

Dr. Catharine Whiteside
Associate Dean, Graduate and Inter-Faculty Affairs
University of Toronto

2002 GROUNDBREAKING CEREMONY—NEW ICES WING

The groundbreaking for the new ICES wing took place September 19, 2002 on the Sunnybrook campus of Sunnybrook & Women's College Health Sciences Centre in Toronto. From left to right: Mr. Leo Steven, President and Chief Executive Officer, Sunnybrook and Women's College Health Sciences Centre; Ms. Suzanne Corbeil, Vice-President, External Relations, Canada Foundation for Innovation; Hon. Carolyn Bennett, Member of Parliament; Dr. Andreas Laupacis, President and Chief Executive Officer, Institute for Clinical Evaluative Sciences; Mr. David Bogart, Executive Director, Ontario Innovation Trust; Mr. Colin Andersen, Associate Deputy Minister of Health, Ontario Ministry of Health and Long-Term Care.

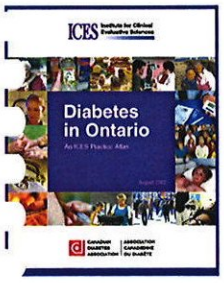
ICES RESEARCH IN PARTNERSHIP

Alliances advance research excellence

Recognizing the importance and benefit of building partnerships to achieve positive change, ICES has assembled a diverse network of stakeholders, associate scientists and representatives of provincial and national health care organizations to collaborate on research initiatives. This deep-rooted commitment to external relations and stakeholder participation has created a forum for research excellence, policy debate and effective, sustainable change, while also expanding the capacity for research in Canada.

Over the past year, ICES continued to build on existing partnerships, while forging new alliances to support emerging areas of research. Bringing together stakeholders interested in outcomes of particular research efforts enhances the relevance and usefulness of ICES products in the field.

Our expanding network of partners and growing number of faculty and staff are reflected in the increased scope and volume of ICES research activity. The following research highlights from the past year focus on initiatives conducted in partnership with various stakeholder organizations.

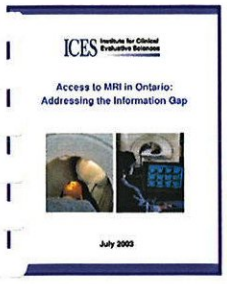


Diabetes in Ontario—a growing problem

One of the most extensive ICES research projects completed during fiscal 2002/03 was the Practice Atlas, *Diabetes in Ontario*. Undertaken in partnership with the Canadian Diabetes Association, this atlas is the most comprehensive diabetes resource ever produced in North America, and is among the most extensive in the world.

It is expected that the coming decades will see growing numbers of Ontarians with diabetes, placing significant pressure on our health care system. The atlas provides population-based evidence to support policy development, resource planning and care delivery to improve health outcomes. Research findings and recommendations focus on:

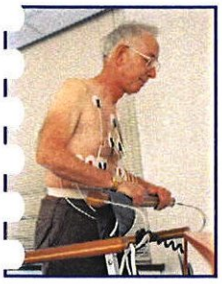
- Patterns of diabetes in the province *(by district health council region and county)*
- Acute complications *(hospital and emergency department admissions)*
- Chronic complications *(dialysis, heart failure and heart attack, stroke, amputation)*
- Risk factors and health outcomes
- Supply and use of physician, optometry and other health services
- Screening and treatment for eye disease
- Pregnancy
- Children
- Related medication use in the elderly
- First Nations communities



Access to MRI in Ontario

Timely access to MRI services is of great concern to the public. In *Access to MRI in Ontario: Addressing the Information Gap,* ICES research showed that the required information is not available to manage wait times and support government decision-making about accessibility to this specialized diagnostic test.

In recent years, use of MRI has grown rapidly and this trend is expected to continue. Following the release of the ICES report, hospitals began collecting information on in-patient MRI services to address the information gap. The next critical step is to have all MRI centres and hospitals collect standardized information on out-patient MRI activity.

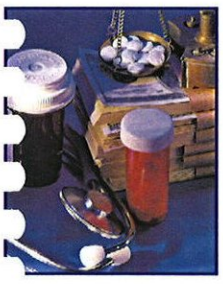


Introducing Canada's first cardiovascular atlas

ICES scientists have been working closely with a team of more than 30 researchers across Canada to produce the *Canadian Cardiovascular Atlas*. This initiative is the focal point of the Canadian Cardiovascular Outcomes Research Team (CCORT), a national multidisciplinary group conducting a series of studies to measure and improve the quality of cardiac care in Canada. ICES serves as the national coordinating centre for this pan-Canadian effort, which includes collaborators from British Columbia, Alberta, Ontario, Quebec and Nova Scotia.

This atlas is the most extensive study on cardiovascular care ever undertaken in Canada, building on a decade of health services research at ICES and across the country. Atlas topics will cover the full spectrum of cardiac disease including: risk factor prevalence, access to cardiac procedures, secondary prevention rates, and mortality from cardiac conditions.

A series of peer-reviewed articles is being published in the *Canadian Journal of Cardiology*. The findings will be compiled to produce the *Canadian Cardiovascular Atlas,* which will be distributed across Canada. During fiscal 2002/03, CCORT released articles on quality indicators for heart attack and congestive heart failure care. The atlas and CCORT projects are funded by operating grants from the Canadian Institutes of Health Research (CIHR) and the Heart and Stroke Foundation, with in-kind support provided by ICES.



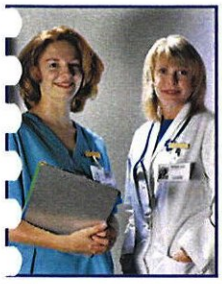
Managing the growing use and cost of prescription drugs

With the advent of highly effective, but costly, prescription drugs, claims to the Ontario Drug Benefit (ODB) Program continue to rise. The expected continuation of this trend creates a critical need for solid evidence to inform decision-making regarding drug coverage.

ICES faculty conducted a series of research studies to support activities of the ODB Program at the Ministry of Health and Long-Term Care. A particular initiative that is expected to have a significant impact on ODB coverage is a utilization analysis of non-steroidal anti-inflammatory drugs (NSAIDs), including the recently introduced selective COX-2 inhibitors (a new type of NSAID). This potentially safer, but more costly, group of NSAIDs for arthritis management is now included in the ODB Program.

Recent data indicates that selective COX-2 inhibitors are being used far more than was anticipated. The annual cost of NSAIDs to the ODB Program now exceeds $75 million, more than twice the amount spent on this group of drugs before the introduction of selective COX-2 inhibitors. Although more individuals are benefiting from pain relief, preliminary data suggest potential harm at the population level. ICES research will continue to play a critical role in the decision-making process regarding coverage for these costly drugs.

ICES RESEARCH IN PARTNERSHIP



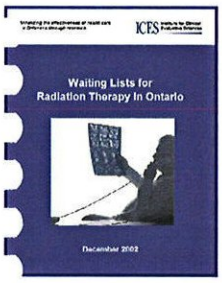
Planning for physician human resources

Physician human resource planning is one of the most hotly debated areas of health policy today. ICES has been actively involved in these debates, both through publication of original research and through participation in policy forums to promote the use of best available evidence.

Most recently, ICES developed the planning tool, *Assessing Doctor Inventories and Net-flows (ADIN),* to help decision-makers predict future physician supply and model the potential impact of policy changes on postgraduate training and entry of international medical graduates. In collaboration with ICES scientists, ADIN is now being used by the Physician Human Resource Committee, a joint committee of the Ontario Medical Association and the Ministry of Health and Long-Term Care.

During 2002/03, research also began on a number of related projects, including:

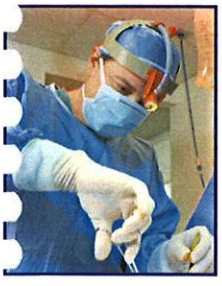
- A CIHR-funded study to examine the impact of rural medical education as a tool to address the chronic geographic maldistribution of physicians;
- Research to determine ways of anticipating the growing demand for hip and knee surgery and its impact on physician requirements, funded by the Canadian Health Services Research Foundation; and,
- ICES atlases in the areas of primary care and rural physician supply.



Addressing radiation therapy waiting times

In recent years, waiting times for radiation therapy in Ontario have increased markedly causing growing concern for cancer patients, health care providers and government. Through consultation and collaboration with a broad cross-section of stakeholders, the report *Waiting Lists for Radiation Therapy in Ontario* identified inadequate data systems to deliver comprehensive and timely information, as well as longer than recommended waiting times for radiation therapy, based on data from 1999 and 2000.

As a result of this research initiative, funding for cancer services was significantly increased, and included funds earmarked for enhanced data systems and improved management of referral and waiting times for key oncology services. As well, Cancer Care Ontario has made it a priority to establish a province-wide system to manage referral of patients for radiation therapy, including reporting of waiting times and consideration of the relative urgency of cases.



Identifying future needs for cardiac procedures

ICES researchers have a long-standing history of making scientific contributions to the work of the Cardiac Care Network (CCN) of Ontario. During the past year, scientists at ICES participated in the CCN Target Setting Panel, which advises the Ministry of Health and Long-term Care on future needs for cardiac procedures in the province. ICES provided the panel with extensive information and data analyses on past and future projected trends for cardiac procedure rates. Additionally, ICES, in conjunction with CCN, is developing a unique methodology to determine future Ontario cardiac procedure rates, based on patient need rather than on historical supply. With this new methodology, information can be produced to assist the Ministry in making evidence-based decisions regarding future funding for these services.

Over the past year, this partnership has also been focused on evaluating and refining the CCN urgency rating scoring system for access to coronary angiography. Scientists are analyzing the CCN coronary angiography database to determine the risk factors for dying while on the waiting list. The analyses will be used to provide advice on how patients on the angiography waiting list should be prioritized to reduce future mortality rates.

AUDITOR'S REPORT ON SUMMARIZED FINANCIAL STATEMENTS

To the Board of Directors of the Institute for Clinical Evaluative Sciences

The accompanying summarized statements of financial position, operations and cash flows are derived from the complete financial statements of the Institute for Clinical Evaluative Sciences as at March 31, 2003 and for the year then ended on which we expressed an opinion without reservation in our report dated May 30, 2003. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of The Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying financial statements fairly summarize, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants

SUMMARIZED FINANCIAL STATEMENTS

Statement of Financial Position

As at March 31, 2003

	2003			2002		
	Capital and Operating Fund $	Restricted Fund $	Total $	Capital and Operating Fund $	Restricted Fund $	Total $
Assets						
Current Assets						
Cash	409,909	5,801,614	6,211,523	1,726,848	3,398,093	5,124,941
Other receivables	352,310	438,283	790,593	273,916	643,844	917,760
Prepaid expenses	22,890	-	22,890	20,138	-	20,138
	785,109	6,239,897	7,025,006	2,020,902	4,041,937	6,062,839
Property, plant and equipment	442,805	-	442,805	556,394	-	556,394
	1,227,914	6,239,897	7,467,811	2,577,296	4,041,937	6,619,233
Liabilities and Deferred Amounts						
Current Liabilities						
Accounts payable and accruals	322,556	-	322,556	265,354	9,199	274,553
Due to Sunnybrook and Women's College Health Sciences Centre	199,731	-	199,731	574,217	-	574,217
	522,287	-	522,287	839,571	9,199	848,770
Post-retirement benefits other than pensions	13,400	-	13,400	-	-	-
Deferred operating grant	249,422	-	249,422	1,181,331	-	1,181,331
Deferred capital grant	421,810	-	421,810	493,407	-	493,407
Deferred start-up grant	20,995	-	20,995	62,987	-	62,987
Deferred expense grants	-	6,239,897	6,239,897	-	4,032,738	4,032,738
	1,227,914	6,239,897	7,467,811	2,577,296	4,041,937	6,619,233

Full audited statements are available upon request.

Ontario Public Sector Salary Disclosure Act*

The following full-time employees of the Institute for Clinical Evaluative Sciences (ICES) received a salary of $100,000 or more in the calendar year 2002.

	Salary paid	Taxable benefits
Dr. Benjamin T. Chan, Senior Scientist	$ 118,528.09	-
Dr. Muhammad M. Mamdani, Scientist	$ 113,264.22	$ 1,209.18
Dr. Douglas G. Manuel, Scientist	$ 105,069.42	$ 1,191.00
Margaret M. McGill, Vice President Corporate Services	$ 109,077.78	$ 1,399.58

*This information is not part of the financial statements and therefore is not audited.

AUDITOR'S REPORT ON SUMMARIZED FINANCIAL STATEMENTS

Statement of Operations

For the year ended March 31, 2003

	Capital and Operating Fund		Restricted Fund		Total	
	2003 $	2002 $	2003 $	2002 $	2003 $	2002 $
Revenue						
Grants						
Operating	5,695,932	4,294,758	-	-	5,695,932	4,294,758
Amortization of deferred start-up grant	41,992	41,992	-	-	41,992	41,992
Interest income	44,766	43,859	-	-	44,766	43,859
Other revenue	1,116,569	1,148,208	-	-	1,116,569	1,148,208
Amortization of deferred expense grants	-	-	931,276	185,798	931,276	185,798
	6,899,259	5,528,817	931,276	185,798	7,830,535	5,714,615
Expenditures						
Salaries and benefits	5,050,371	3,868,033	58,290	50,574	5,108,661	3,918,607
Consultative services	331,468	253,670	557,109	126,475	888,577	380,145
Computer supplies and software	238,484	281,792	4,187	-	242,671	281,792
Office and general	317,196	288,071	5,316	5,877	322,512	293,948
Travel	120,938	98,035	8,893	165	129,831	98,200
Amortization of property, plant and equipment	230,987	271,425	-	-	230,987	271,425
Professional	167,331	71,993	641	125	167,972	72,118
Administrative	228,210	224,136	-	-	228,210	224,136
G-Wing expansion costs paid to Sunnybrook & Women's College Health Sciences Centre	-	-	296,549	-	296,549	-
Other	214,274	171,662	291	2,582	214,565	174,244
	6,899,259	5,528,817	931,276	185,798	7,830,535	5,714,615
Excess of revenue over expenditures for the year	-	-	-	-	-	-

Statement of Cash Flows

For the year ended March 31, 2003

	Capital and Operating Fund		Restricted Fund		Total	
	2003 $	2002 $	2003 $	2002 $	2003 $	2002 $
Cash provided by (used in)						
Operating activities						
Excess of revenue over expenditures for the year	-	-	-	-	-	-
Items not affecting cash						
Increase in post-retirement benefits other than pensions	13,400	-	-	-	13,400	-
(Decrease) increase in deferred operating grant	(931,909)	793,710	867,610	-	(64,299)	793,710
Amortization of deferred start-up grant	(41,992)	(41,992)	-	-	(41,992)	(41,992)
Amortization of deferred capital grant	(188,995)	(229,433)	-	-	(188,995)	(229,433)
Amortization of deferred expense grants	-	-	(931,276)	(185,798)	(931,276)	(185,798)
Amortization of property, plant and equipment	230,987	271,425	-	-	230,987	271,425
Change in non-cash working capital	(398,430)	287,135	196,362	(634,642)	(202,068)	(347,507)
	(1,316,939)	1,080,845	132,696	(820,440)	(1,184,243)	260,405
Investing activities						
Transfer from operating grant to deferred capital grant	117,398	140,965	-	-	117,398	140,965
Purchase of property, plant and equipment	(117,398)	(140,965)	-	-	(117,398)	(140,965)
	-	-	-	-	-	-
Financing activities						
Deferred grants received	-	-	2,270.825	2,803,250	2,270,825	2,803,250
Increase (decrease) in cash for the year	(1,316,939)	1,080,845	2,403,521	1,982,810	1,086,582	3,063,655
Cash—Beginning of year	1,726,848	646,003	3,398,093	1,415,283	5,124,941	2,061,286
Cash—End of year	409,909	1,726,848	5,801,614	3,398,093	6,211,523	5,124,941

www.ices.on.ca

Institute for Clinical Evaluative Sciences

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