

## HSAA ARTICLE 8 – DECLARATION OF COMPLIANCE

### DECLARATION OF COMPLIANCE

Issued pursuant to the HSAA effective April 1, 2024

**To:** Ontario Health (“OH”).

**From:** The Board of Directors (the “Board”) of Unity Health Toronto (the “Hospital”)

**Date:** June 9, 2025

**Re:** April 1, 2024 – March 31, 2025 (the “Applicable Period”)

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Unless otherwise defined in this declaration, capitalized terms have the same meaning as set out in the hospital service accountability agreement between Ontario Health and the Hospital effective April 1, 2024.

The Board has authorized me, by resolution dated June 9, 2025 to declare to you as follows:

After making inquiries of the President and CEO and other appropriate officers of the Hospital and subject to any exceptions identified on Appendix 1 to this Declaration of Compliance, to the best of the Board’s knowledge and belief, the Hospital has fulfilled its obligations under the HSAA in effect during the Applicable Period and has delivered the required reports referred to in Section 8.6 of the HSAA.



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Nora Aufreiter, Board Chair, Unity Health Toronto

## HSAА ARTICLE 8 – DECLARATION OF COMPLIANCE

### Appendix 1 - Exceptions

[Please identify each obligation under the HSAА that the HSP did not meet during the Applicable Period, together with an explanation as to why the obligation was not met and an estimated date by which the HSP expects to be in compliance.]

While Unity Health Toronto has maintained compliance with the vast majority of our Hospital Service Accountability Agreement (HSAА) obligations, we note the following exceptions for fiscal year 2024/25 performance, along with relevant contextual considerations:

1. **Surgical Long Waiters** - The target for the percentage of long waiters across all surgical procedures was 20%, with an acceptable corridor up to 30%. Our performance was reported at 37%. We believe this may be partially attributed to ongoing Epic data quality issues following system transitions, which may have impacted accurate categorization and reporting. A review is underway to validate these figures and correct any discrepancies.
2. **Current Ratio** - The target was set at 1.03, with a corridor between 0.80 and 2.00. Our performance of 0.84 remains within the defined corridor. While technically compliant, the result reflects sustained financial pressures and liquidity constraints consistent across the sector. These systemic challenges continue to require structural funding solutions beyond in-year management.
3. **Emergency Department (ED) Visits** - The target volume was 177,886 visits, with a corridor floor of 151,203. Unity Health recorded 158,351 visits. While within corridor, this represents a material shortfall from the target. This variance reflects the broader shifts in healthcare utilization patterns post-pandemic, as well as regional system pressures and patient flow dynamics.
4. **Inpatient Mental Health Days** - The target was 30,000 patient days, with a minimum threshold of 28,200. We reported 28,100 days—slightly below corridor. This minor variance reflects operational disruptions, staffing constraints, and capacity optimization efforts aimed at balancing patient care with resource availability.
5. **Total Margin** - Unity Health Toronto was not in compliance with the balanced budget requirement for the fiscal year, reporting a year-end deficit of \$57,545,753 (\$51,351,598 excluding amortization; 3.00%). However, this result falls within the parameters of the Balanced Budget Waiver formally approved by Ontario Health, which permitted a deficit of up to \$59,492,843 including amortization (\$53,298,688 excluding amortization; 3.11%). The Balanced Budget Waiver constitutes an approved exception to the requirements of the Accountability Agreement and is accordingly reflected in the Declaration of Compliance. This waiver was granted in recognition of the financial pressures facing the hospital sector and Unity Health's active efforts to address its structural deficit. Unity Health has launched a multi-year Financial Recovery Plan aimed at restoring balanced financial performance and long-term sustainability. The organization remains committed to returning to compliance with the balanced budget requirements of the HSAА. This waiver constitutes a formally recognized exception and is duly noted in the Declaration of Compliance.