Recovery Alberta

2025-2026 Annual Report

Apr 1, 2025 – Mar 31, 2026

Recovery Alberta

The 2025-26 Recovery Alberta Annual Report was prepared in accordance with the *Provincial Health Agencies Act* and the *Sustainable Fiscal Planning and Reporting Act*. The 2025-26 fiscal year spanned from Apr 1, 2025, to Mar 31, 2026. All economic and fiscal implications known as of Oct 1, 2026, have been considered in preparing the Annual Report.

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For citation purposes, use the following format:
Recovery Alberta. (2026). *Recovery Alberta 2025-26 Annual Report*. Edmonton, AB: Author.

A Message from the Minister of Mental Health and Addiction

On behalf of the Government of Alberta, I want to extend my sincere gratitude to the employees, physicians, and partners of Recovery Alberta. Your commitment over the past year has helped translate the bold vision of the Alberta Recovery Model into valuable progress for Albertans seeking mental health, addiction, and correctional health services.

Recovery Alberta was established as part of a refocused provincial health system - a more effective, unified system that prioritizes patients and empowers frontline healthcare professionals to better support Albertans. Recovery Alberta has brought together staff, physicians, and a network of partners to deliver coordinated care across hospitals, communities, and correctional facilities.

This past year has been an important year as systems have been established, services integrated, and new approaches to access and coordination have begun to take hold. Centralized access through 211 and strengthened referral pathways are improving how Albertans connect to care, while the integration of Correctional Health Services into Connect Care is enhancing continuity for clients currently in the correctional system.

Alberta is building a recovery-oriented, evidence-informed system designed around the needs of individuals and families. At the same time, our government continues to strengthen the legislative and policy framework that supports this work, including advancing initiatives like Compassionate Intervention.

As we move forward together, the focus will be on building capacity and improving patient flow across the system. This includes deepening partnerships with communities, advancing innovative models of care, and continuing to improve how we measure and deliver results.

Our goal is to make Alberta the best place in Canada to recover, to heal, and to begin again. Because in Alberta, ***Recovery Works.***

[Original signed by]

Minister Rick Wilson
Minister of Mental Health and Addiction

A Message from our Recovery Alberta Chief Executive Officer and Board Chair

Looking back on the last year and beyond, the progress we have made to establish Recovery Alberta as a focused, integrated system of care for mental health, addiction, and correctional health services is palpable.

Last year, Recovery Alberta transitioned from stand-up to delivery. We're building the structures, partnerships, and services needed to support a recovery-oriented system across the province. Today, our teams, alongside more than 180 contracted providers, deliver care in hospitals, community settings, and correctional facilities. We reach Albertans where and when they need support.

This year, we made meaningful advances in access and coordination. We strengthened centralized access through 211 and Recovery Alberta Access Services, expanded hospital-based addiction supports, and continued to improve referral pathways and transitions across the continuum of care. These efforts are helping to connect people more quickly to appropriate services and reducing fragmentation across the system.

Operationally, we are seeing both progress and pressure. High performance in areas such as suicide risk screening highlights a continued focus on safe, evidence-informed care. While youth access improved, wait times in some adult services increased slightly, and acute care pressures remain. These results illustrate where we must continue to focus - flow, capacity, and consistency across programs. Recovery Alberta's staff and physicians are highly skilled and steadfast in their support for Albertans. Over 12,000 employees and physicians supported service delivery this year, while we advanced organizational

redesign, implemented new systems, and built the infrastructure needed for long-term performance and accountability.

The work ahead will centre on refining what we have built by improving access, strengthening transitions, and expanding capacity where it is most needed. We will continue to work closely with system partners and communities to ensure care is coordinated, responsive, and effective for Albertans. Thank you to our workforce, our colleagues at the Ministry of Mental Health and Addiction, and our partners for your commitment to this work. Together, we are building a stronger, more connected system. A system where Recovery is Possible.

[Original signed by]

Kerry Bales
Chief Executive Officer and Board Chair
Recovery Alberta

Table of contents

About Recovery Alberta 6
Who we are 6
Vision and Mission 7
Health & Business Plan 8
Governance & Accountabilities 8
Organizational Structure 9
Service Delivery 10
Recovery Alberta Quick Facts 10
Recovery Alberta Beds 11
Recovery Alberta Performance in 2025-26 12
Accreditation 12
Leading in Health 12
Performance Measure Dashboard 13
Progress on Goals 15
Goal: Access & Innovation 15
Goal: Safety & Accountability 25
Goal: Sustainability 36
Financial Information 42
Financial Statement Discussion and Analysis 42
Financial Statements 55
Appendices 92
Appendix A: Patient Concerns 92
Appendix B: Public Interest Disclosure Act 93
Appendix C: Performance Measurement Details 94
Glossary 98

About Recovery Alberta

Who we are

Recovery Alberta: Mental Health and Addiction Services (Recovery Alberta) is the Provincial Health Agency (PHA) responsible for delivering and overseeing comprehensive and accessible recovery-oriented mental health and addiction services to Albertans under the Alberta Recovery Model, as well as all health services in the province's correctional facilities. Recovery Alberta delivers healthcare services in collaboration with other PHAs (Acute Care Alberta (ACA), Assisted Living Alberta (ALA), and Primary Care Alberta (PCA)), Provincial Health Corporations (PHCs), and contracted providers in the newly refocused healthcare system.

Recovery-Oriented Systems of Care (ROSC) are foundational to Recovery Alberta's delivery and coordination of mental health and addiction services. ROSC is a coordinated network of personalized services and supports providing a continuum of care options for people at risk of, or suffering from, mental health and addiction challenges. Through this, we aim to improve the health, wellness, and quality of life for individuals living with mental health or substance use challenges.

Workforce

In 2025-26, Recovery Alberta had more than 11,000 employees and more than 900 physicians providing mental health, addiction, and correctional health services (CHS).

Workforce Headcount*	2024-25	2025-26
Employees	10,556	11,129
Medical Staff (physicians)	831	947
Total Workforce	**11,387**	**12,076**

*Excludes staff working for contracted providers.

Contractors

In 2025-26, Recovery Alberta worked with over 180 contracted providers, totaling over 230 Master Agreements valued at more than $190 million. Contractors operate across all Recovery Alberta service settings, primarily providing capacity in community bed-based mental health and addiction bed-based settings. Contracted providers are an integral part of ROSC and coordinated care delivery across the province.

Facilities

In 2025-26, Recovery Alberta provided care across the province, including in acute care hospitals, standalone psychiatric hospitals, community clinics, community outreach, addiction bed-based facilities, community bed-based mental health facilities, and provincial correctional facilities. This included both in-person and virtual care options. Some of the facilities in which

Recovery Alberta operates also involve co-located services provided by other PHAs and PHCs (for example, Alberta Health Services PHC). Some service locations in addiction bed-based and community bed-based mental health settings are provided by contractors. All programs and services were offered in compliance with relevant legislation and accreditation requirements.

Alberta Demographics

According to the Government of Alberta's Treasury Board and Finance Quarterly Population Report, as of Jan 1, 2026, Alberta's population was reported at 5,048,151, an increase of 1.2% from Jan 1, 2025, and the largest growth rate among the provinces in that time period.

Vision and Mission

Recovery Alberta's vision and mission capture the essence of what we do and why we do it. They are a foundation and inspiration that guides every action we take. In 2026-27, Recovery Alberta will develop its organizational values in a collaborative process with the broader organization.

Vision

Providing hope and support for every Albertan on their recovery journey.

Mission

Delivering integrated, evidence-informed care that supports recovery from addiction and strengthens mental health for all Albertans.

Health & Business Plan

Recovery Alberta prepared its first combined 2025-28 Health Plan and 2025-26 Business Plan to meet legislative requirements and demonstrate public accountability. This document outlined how our organization intends to carry out its responsibilities and measure its performance, as well as summarized our financial plan.

The Health and Business Plan is organized into three overarching goals covering six objectives, followed by an explanation of budget. Our goals and objectives are:

- Goal: Access & Innovation
  - Objective 1: Provide patients and families with access to programs and services.
  - Objective 2: Work with partners to ensure system integration and coordination to deliver patient care.
- Goal: Safety & Accountability
  - Objective 3: Ensure programs and services provide safe, quality, and innovative care to Albertans.
  - Objective 4: Ensure accountability and transparency.
- Goal: Sustainability
  - Objective 5: Build and support an engaged, highly skilled workforce to achieve the service delivery mandate of Recovery Alberta.
  - Objective 6: Demonstrate fiscal responsibility through a balanced budget.

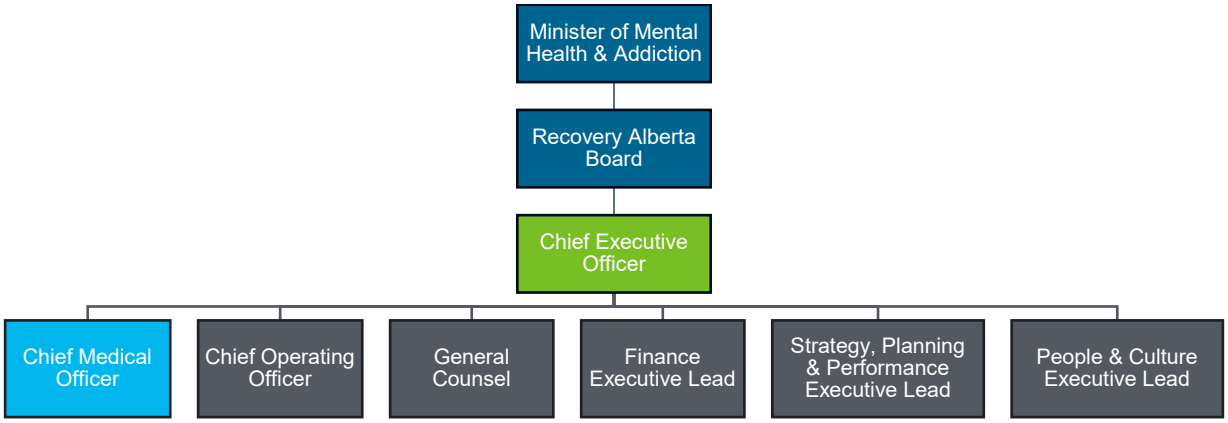
Each objective is broken down into several action items and accompanied by performance measures. The financial component outlined how Recovery Alberta planned to spend $1.46 billion in revenues to provide services in mental health, addiction, and corrections. Recovery Alberta is reporting on the above plans to maintain transparency and accountability.

Governance & Accountabilities

The Recovery Alberta Board oversees the PHA's business and affairs, and ensures the PHA carries out its responsibilities in compliance with relevant legislation, regulations, government policies, departmental directives, approved health plans, and budgets. The Board is accountable to the Minister of Mental Health and Addiction (see organizational structure below).

Organizational Structure

This organizational structure represents Recovery Alberta as of Apr 1, 2026:



Service Delivery

Recovery Alberta Quick Facts

The following table provides the number of unique clients over the last two years across our main service settings. In 2025-26, Recovery Alberta cared for over 168,000 unique clients in our departments.

Recovery Alberta Quick Facts	2024-25	2025-26	Difference	% Change
Unique Clients				
Addiction Bed-Based Services	10,736	11,104	368	3.4%
Community Bed-Based Mental Health Services*	1,375+	1,550+	~175	~12.7%
Community Outpatient Services	152,524	154,198	1,674	1.1%
Inpatient Services in Recovery Alberta departments in Acute Care Hospitals	8,767	8,748	-19	-0.2%
Inpatient Services at Standalone Psychiatric Hospitals	3,755	3,799	44	1.2%
Correctional Health Services**	N/A	14,133	N/A	N/A
Client Interactions				
Access Services Phone Calls	134,999	136,043	1,044	1%
Community Outpatient Services Visits	2,159,818	2,238,851	79,033	4%
Correctional Health Services Admissions**	N/A	23,663	N/A	N/A

*Unique client counts for community mental health bed-based services should be considered low estimates due to different waitlist and vacancy management systems used for tracking among various contracted providers.
**As Connect Care was implemented for CHS in Nov 2024, a full fiscal year is unavailable for 2024-25.

Recovery Alberta Beds

In 2025-26, Recovery Alberta had beds in acute care hospitals, standalone psychiatric hospitals, addiction services, and community mental health settings. Bed capacity remained relatively stable, with a net increase of 1.2%. Covenant Health provides additional bed capacity for mental health and addiction patients through 108 beds in acute care hospitals and 150 beds in a standalone psychiatric hospital.

Recovery Alberta Beds	2024-25	2025-26	Difference	% Change
Acute Care Hospitals	634	646	12	1.9%
Standalone Psychiatric Hospitals	786	783	-3	-0.4%
Addiction Services	1,414	1,483	69	4.9%
Community Mental Health	1,384*	1,356	-28	-2.0%
Total Beds	**4,218**	**4,268**	**50**	**1.2%**

*This value differs from previously reported bed counts due to a retroactive reclassification. In Mar 31, 2025, this value was reported to be 1,350. In Aug 2025, 34 community mental health beds were reallocated from ALA to Recovery Alberta, which is now reflected in the 2024-25 and 2025-26 bed counts above. This change in 2024-25 from 1,350 to 1,384 does not indicate increased system capacity, but rather changes in the parties accountable for the beds.

Recovery Alberta Performance in 2025-26

Accreditation

Since 2008, the Government of Alberta has required all healthcare system entities to obtain accreditation through a government-approved accrediting body. All Recovery Alberta-operated services adhere to Accreditation Canada requirements. As part of our organizational redesign work in Recovery Alberta, we will establish an in-house accreditation team to support these needs, and will continue to work with other PHAs and PHCs as appropriate.

Adherence to Accreditation Canada requirements helps ensure safe and quality care for Albertans, which is one of Recovery Alberta's Health Plan goals. Specifically, Action Item 3.5 calls to improve safety and quality of care for clients by targeting compliance in required organizational practices and adherence to Recovery Alberta policy, with an accompanying performance measure assessing the completion of suicide risk screening in Recovery Alberta settings. This relates to Accreditation Canada's required organizational practice on suicide prevention and represents one of several accreditation standards applied in practice.

In Spring 2025, Accreditation Canada surveyed CHS in all 10 provincial correctional facilities across the province. See Action Item 1.3 for more information. Accreditation is conducted on a predetermined rotational schedule, with the next mental health and addiction services survey scheduled in Spring 2027.

The accreditation requirement also applies to contracted service providers that offer bed-based addiction treatment services and bed-based community mental health services. Fifty-three contracted providers have been identified as requiring accreditation. Of these, 46 are accredited and seven are currently in progress.

Leading in Health

The Canadian Institute for Health Information (CIHI) provides standardized information about healthcare with the goal of improving the health of Canadians. Through their use of standardized indicators, we can assess performance, compare to other jurisdictions, and use data-informed decision making to improve care.

In 2025-26, Recovery Alberta's administrative costs were low at 3.6% of total expenses. This is in line with Alberta Health Services Regional Health Authority (RHA) historical administrative costs and lower than the most-recent CIHI Canadian average of 4.4% from 2022-23.

CIHI's mental health and substance use indicators provide a means of assessing operational performance and comparing to other jurisdictions in Canada. Across nine indicators with data from 2024 and 2025, many mental health and addiction services in Alberta rate above average (see Table below). It is worth noting not all indicators fall under the purview of Recovery Alberta, some cross other PHAs such as PCA (for example, helpline navigation and health promotion

activities) and ACA (for example, emergency department (ED) access), or Government of Alberta services (for example, helpline navigation).

Indicator	Year	Alberta	Canadian Average
Navigation of Mental Health and Substance Use Services	2025	69%	58%
Median Wait Time for Community Mental Health Counselling	2024-25	29 days	30 days
Early Intervention for Mental Health and Substance Use Among Children & Youth	2025	75%	60%
Frequent ED Visits for Help with Mental Health and Substance Use	2024-25	11.7%	10.2%
Hospital Stays for Harm Caused by Substance Use (Per 100,000)	2024-25	612	528
30-Day Readmission for Mental Health and Substance Use Disorder (Per 100,000)	2024-25	11.0	13.1
Repeat Hospital Stays for Mental Health and Substance Use	2024-25	11.1%	12.8%
Self Harm, Including Suicide (Per 100,000)	2023-24	60	67
Self Harm Hospitalizations (Per 100,000)	2024-25	49	55

Performance Measure Dashboard

Progress on Recovery Alberta's 2025-26 Performance Measures is summarized below. Measure information is included in Appendix C. Targets were met for five out of nine performance measures that were assessed this year (PM 1.B, PM 2.A, PM 2.B, PM 3.A, PM 4.A) and Recovery Alberta closed the fiscal year with a budget surplus.

Performance Measure	2024-25	2025-26	2025-26 Target
Goal: Access & Innovation			
Objective 1: Provide patients and families with access to programs and services			
PM 1.A: Wait Time for Adult Mental Health and Addiction Core Community Outpatient Services (Median)	29 days	33 days	Stable or improve
PM 1.B: Wait Time for Child and Youth Mental Health and Addiction Core Community Outpatient Services (Median)	20 days	18 days	Stable or improve
PM 1.C: Wait Time for Adult Addiction Treatment (Median)	40 days	42 days	Stable or improve
Objective 2: Work with partners to ensure system integration and coordination to deliver patient care			
PM 2.A: Adult Acute Length of Stay / Expected Length of Stay	1.31	1.27	Stable or improve
PM 2.B: Continuity of Opioid Agonist Therapy Treatment from Corrections to Community	49.6%	51.7%	Stable or improve
Goal: Safety & Accountability			
Objective 3: Ensure programs and services provide safe, quality, and innovative care to Albertans			
PM 3.A: Suicide Risk Screen Completion Rate in Inpatient, CHS, and Addiction Bed-Based Services	95.9%	96.1%	Stable or improve
Objective 4: Ensure accountability and transparency			
PM 4.A: Occupancy for Adult Addiction Beds	85.4%	87.3%	Stable or improve
PM 4.B: Adult Alternate Level of Care Rate in Acute Care	13.0%	14.4%	Stable or improve
Goal: Sustainability			
Objective 5: Build and support an engaged, highly skilled workforce to achieve the service delivery mandate of Recovery Alberta			
PM 5.A: Recovery Alberta Employee Engagement	3.42 / 5	N/A*	N/A**
PM 5.B: Recovery Alberta Medical Staff Engagement	2.66 / 5	N/A*	N/A**
Objective 6: Demonstrate fiscal responsibility through a balanced budget			
PM 6.A: Balanced Budget (within 1%)	1.1%	4.2%	Within 1%

*The Gallup Survey will be administered in Nov 2026 and reported in the 2026-27 Annual Report.
**The 2026-27 targets are 3.50 for employees and 2.75 for medical staff. This represents an increase to the next highest 0.25 for each measure.

Progress on Goals

Goal: Access & Innovation

Objective 1: Provide patients and families with access to programs and services

Recovery Alberta is committed to ensuring Albertans struggling with addiction and/or mental health challenges are supported in their pursuit of recovery. Recovery Alberta will continue to offer programs to support the mental health and addiction care of Albertans, and to provide services across the continuum of care in correctional health facilities. We commit to implementing innovative models of care and the continued implementation of recovery-oriented systems of care.

Actions and Achievements

1.1 Collaborate with partners to consolidate provincial navigation services through 211 and create pathways with community partners.

- A key priority in 2025-26 was advancing the Centralized Clinical Access project with government and provincial partners to establish a more centralized approach to navigation and access to services. The project better positions the 211 Alberta phone service as a central access hub for mental health and addiction information. It will improve coordination across access points, reduce duplication, and ensure individuals are directed to appropriate services more quickly and efficiently.
- As a result of the work undertaken in 2025-26, a consolidated approach was soft launched on Apr 1, 2026.
- Bi-directional warm handoffs now enable clients to be seamlessly connected between 211 Alberta phone service, PCA's Addiction and Mental Health Helpline, and Recovery Alberta's Access Services. Recovery Alberta's Access Services are telephone-based and provide navigation, assessment, referral, booking, consultation, clinical intervention, outreach, and short-term stabilization. Individuals contacting Recovery Alberta's Access Services are assessed, with appointments booked where appropriate or referrals provided to relevant community-based supports.
- Coverage has been identified for after-hours support to facilitate 24/7 operations of services across the province. Additional enhancements to Recovery Alberta's Access Services will be implemented during the upcoming year.
- Recovery Alberta's Access Services can now book clients into all Recovery Alberta community outpatient clinics, enabling timely access to care for Albertans.
- In 2025-26, work was undertaken to move the Provincial Law Enforcement Mental Health Call Line from PCA to Recovery Alberta, with Recovery Alberta operations

beginning Apr 1, 2026. This call line provides 24/7 clinical consultations for rural law enforcement during mental health calls. The call line may also offer access and referrals.

1.2 Support the implementation of Compassionate Intervention in collaboration with the Government of Alberta and community partners in accordance with Government of Alberta legislation.

- In 2025-26, Recovery Alberta completed recruitment of the initial Addiction Services and Compassionate Intervention leadership team, establishing the organizational foundation required to support early Compassionate Intervention operations and enable cross-ministry coordination.
- A standardized Compassionate Intervention clinical staffing model was finalized for both youth and adult services, with clinical staff recruitment scheduled to begin in early 2027.
- Interim Compassionate Intervention sites for both youth and adult populations were identified across Alberta. Operational site-readiness activities began and are underway to prepare for the launch of Compassionate Intervention operations in 2027.
- Throughout the year, Recovery Alberta established and advanced the Compassionate Intervention operational service model and clinical governance structures. This ensures Recovery Alberta-led design of the secure treatment program, clinical workflows, and care pathways aligns with Compassionate Intervention legislation and supports provincial implementation.
- Engagement continues to ensure Compassionate Intervention program design reflects Government of Alberta feedback, aligns within the Addiction Services portfolio, and remains consistent with the Alberta Recovery Model.

1.3 Offer and improve correctional health services programming across the province including primary care, public health, dentistry, and mental health and addiction services.

- 2025-26 marks the first full fiscal year that CHS has used the Connect Care system as its electronic medical record. CHS's implementation of Connect Care in Nov 2024 marked the first time in Canada that CHS were fully integrated into a provincial clinical information system. Through this information, we gain greater insight into the needs of our clients in provincial correctional facilities. In 2025-26, CHS had 23,663 admissions for 14,133 unique clients. Through CHS, 21.5% of clients received screens for sexually transmitted and blood-borne infections, and 19.5% of clients received opioid agonist therapy (OAT) medication to treat opioid use disorder (OUD).
- In Spring 2025, CHS was reviewed as part of the regular accreditation cycle and was assessed as continuing to meet the fundamental requirements of the accreditation program. This was the first time Recovery Alberta, as a PHA, participated in an accreditation review. The accompanying accreditation report stated, "the CHS leadership team and front-line staff are thriving in these complicated environments, maintaining a focus on patient-focused care and safety." The report highlighted several areas of

excellence, including the implementation of Connect Care, suicide risk screening, and the virtual opioid dependency program. The report also mentioned “transitions in this population continue to be challenging, and the CHS [team] is commended for its focus on this complex process.” Please see below for ongoing work to improve transitions in care for CHS clients upon release.

- In Jun 2025, CHS implemented a new protocol *Opt-Out Testing in Provincial Correctional Centres*, a method of screening where a client is informed they will be tested for a condition unless the client explicitly declines. This has the benefit of increasing testing, as well as providing earlier diagnosis and treatment for conditions.
- CHS is working to improve transitions to the community for clients upon release with the help of a grant from the Department of Mental Health and Addiction, and in collaboration with other partners in the corrections space. During Jan-Mar 2026, CHS hired and trained staff, as well as developed programming to launch the program in Apr 2026.
- In Mar 2026, CHS launched an initiative to move all clients on OAT to long-acting injectable buprenorphine, which means less frequent medication administrations for clients. This is the standard treatment option for OUD in all correctional facilities. Work will continue on this initiative in 2026-27.

1.4 Offer and improve mental health and addiction programming across the province, including in hospitals, community bed-based facilities, outpatient settings, community outreach services, and virtual services (see Performance Measures).

- Inpatient services are offered at acute care hospitals and standalone psychiatric hospitals across the province through 1,429 beds. Inpatient psychiatry beds deliver assessment, stabilization, and treatment to patients who require psychiatrically supervised care in a safe and secure approved hospital. In 2025-26, Recovery Alberta provided care to 11,985 unique clients in these settings.
- Bed-based addiction services are located in community settings or separate units within a facility to provide specialized treatment for clients with substance use disorders through 1,483 beds. This includes withdrawal management, addiction treatment, and recovery beds. In 2025-26, Recovery Alberta and its contracted partners provided care to 11,104 unique clients in these settings.
- Community bed-based mental health services deliver both transitional and long-term services to clients with mental health needs through 1,356 beds. This supports the client’s behavioural, social, physical, and medical needs along a continuum of support levels. In 2025-26, Recovery Alberta and its contracted partners provided care to over 1,550 unique clients in these settings.
- Community outpatient services provide support for virtual and in-person mental health, addiction, or concurrent disorder conditions. This includes individual, group, and family services, and also includes community outreach. In 2025-26, Recovery Alberta provided care to 154,198 unique clients through over 2.2 million appointments in these settings.

- Access Services, a telephone-based service, provides navigation, assessment, referral, booking, consultation, clinical intervention, outreach, and short-term stabilization. This serves as an entry point for many Albertans into Recovery Alberta. In 2025-26, Recovery Alberta received 136,043 calls to Access Services.
- Recovery Alberta also offers innovative, targeted programs to meet evolving needs. Examples include CanREACH Physician Training, Police and Crisis Teams (PACT), the Virtual Opioid Dependency Program (VODP), and Rapid Access Addiction Medicine (RAAM).
- In 2025-26, Recovery Alberta also launched new initiatives to respond to the needs of Albertans. For example, in Dec 2025, a Recovery Response Team began responding to drug overdoses in and around the Royal Alexandra Hospital in Edmonton, providing brief intervention supports, and facilitating referrals and supported connections to recovery-oriented programs. The program will be fully implemented in Spring 2026.

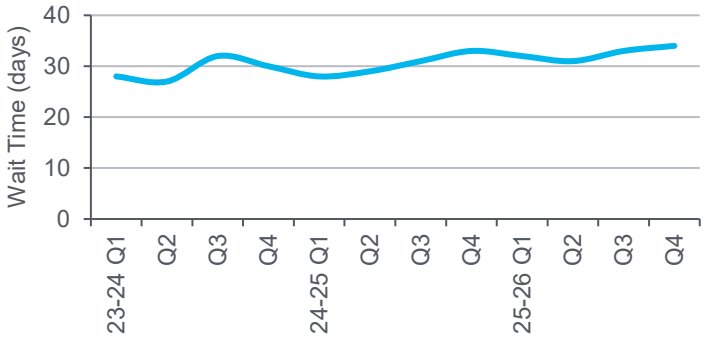
Performance Measure Summary

PM 1.A: Wait Time for Adult Mental Health and Addiction Core Community Outpatient Services (Median)

Median days from referral to first appointment for services at a community outpatient clinic for adults aged 18 and over.

Target: Stable or improve

2023-24	29 days
2024-25	29 days
2025-26	33 days



Results

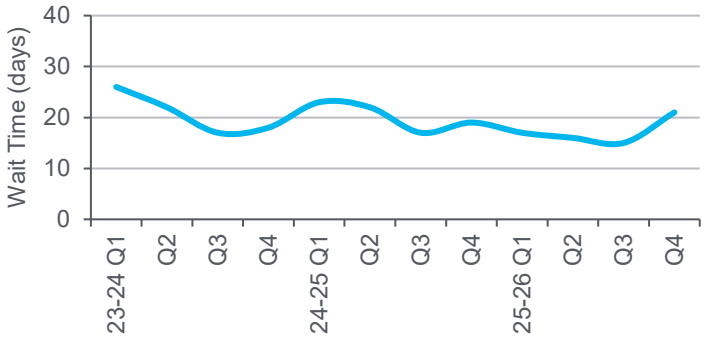
- While Recovery Alberta's performance was slightly better than the CIHI Canadian average of 30 days in 2024-25, wait times increased by 14% in 2025-26 compared to 2024-25.
- These appointment types include individual, family, and group counselling sessions, as well as outreach activities.
- Recovery Alberta is undertaking work to outline expectations of clinical workload, establish intake and transition parameters, and improve patient flow, with the goal of reducing wait times for Albertans accessing adult community outpatient services.

PM 1.B: Wait Time for Child and Youth Mental Health and Addiction Core Community Outpatient Services (Median)

Median days from referral to first appointment for services at a community outpatient clinic for youth aged 17 and under.

Target: Stable or improve

2023-24	20 days
2024-25	20 days
2025-26	18 days



Results

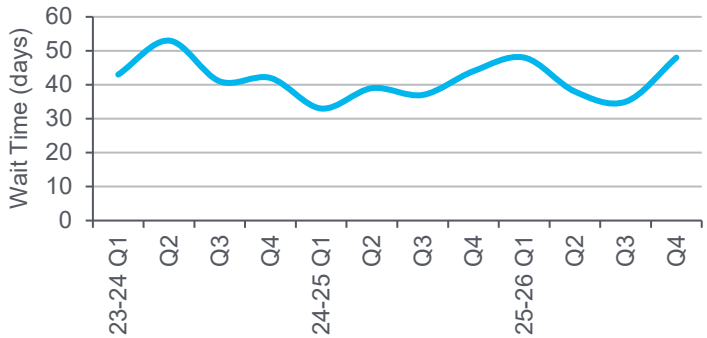
- Recovery Alberta's wait times improved 10% in 2025-26 compared to 2024-25.
- These appointment types include individual, family, and group counselling sessions, as well as outreach activities.
- Recovery Alberta undertook quality improvement work to ensure referrals were processed more quickly for youth intakes (for example, improved workflows and intake process), resulting in better wait times for youth.

PM 1.C: Wait Time for Adult Addiction Treatment (Median)

Median days from referral to planned admission for Recovery Alberta-operated bed-based addiction treatment sites for adults aged 18 and over.

Target: Stable or improve

2023-24	45 days
2024-25	40 days
2025-26	42 days



Results

- When accessing bed-based addiction treatment, the client and site work together to schedule a future admission date that will allow the client time to prepare their personal matters before beginning treatment. As a result, these wait times are not solely dictated by bed availability, but also client scheduling.
- Recovery Alberta's wait time increased by 5% in 2025-26.
- Provincial central intake and bed management coordination will be a key focus over the next 12 months for Recovery Alberta Addiction Services. This will optimize our robust system with full integration. In addition, we are working with the Department of Mental Health and Addiction and other partners to increase publicly funded addiction bed-based services.
- In 2025-26, Recovery Alberta standardized referral pathways to Recovery Alberta-operated bed-based addiction treatment and withdrawal management sites, which will help improve wait times in future years.
- Recovery Alberta is supporting the rollout of the Addiction Bed Exploration Dashboard (ABED) by the Department of Mental Health and Addiction, a tool that provides information and availability of publicly funded addiction treatment beds. Recovery Alberta is using ABED to support navigation and discharge planning for those looking for addiction support.

Objective 2: Work with partners to ensure system integration and coordination to deliver patient care

Recovery Alberta will work with partners to ensure seamless patient care and complete refocusing efforts. We will work in partnership with the Government of Alberta, other Provincial Health Agencies (PHAs), contractors, community partners, and other organizations to create a strong and accessible healthcare system for Albertans.

Actions and Achievements

2.1 Support ongoing system refocusing efforts including establishing key partnerships with Provincial Health Agencies (PHAs), Health Service Delivery Organizations, Provincial Health Corporations (PHCs), and the emerging Health Shared Services to ensure Recovery Alberta can meet its mandate.

- In Dec 2025, Recovery Alberta transitioned to its own payroll system distinct from Alberta Health Services PHC, further establishing Recovery Alberta as a distinct employer. This transition was conducted in partnership with Health Shared Services PHC.
- In Dec 2025, Recovery Alberta transferred corporate staff from Alberta Health Services PHC in the areas of finance, communications, and medical affairs to enhance Recovery Alberta's ability to fulfill the mandate of a PHA under the *Provincial Health Agencies Act*.
- Recovery Alberta has continued to collaborate with PHAs and PHCs through ongoing committee work, as needed, to ensure seamless operations and healthcare delivery.

2.2 Work across the continuum of care, and with other PHAs, to ensure appropriate referrals, discharges, and transitions from acute care for clients needing mental health and addiction care (see Performance Measure).

- Recovery Alberta's Acute Care Addiction Recovery Program (ACARP) operates within acute care settings to address gaps in access to addiction medicine expertise and provide on-site supports for individuals presenting with substance use-related concerns. ACARP provides addiction medicine consultation for patients at risk of substance-related harms to support medical stabilization, immediate access to evidence-informed treatment, psychosocial supports, and coordinated referrals to ongoing treatment and wraparound services. In 2025-26, ACARP was expanded to include the University of Alberta Hospital, Foothills Medical Centre, and Rockyview General Hospital, joining the Royal Alexandra Hospital and Peter Lougheed Centre, for operation at the five busiest acute care hospitals in the province. In 2025-26, the programs completed over 11,000 referrals to outpatient care services.
- Community mental health beds are a common transition environment for patients discharged from psychiatric inpatient settings. In 2025-26, community mental health bed service providers were engaged to gather input on the draft Supported Living Framework that will improve access and referral processes, as well as better define levels of care

and expectations for providers. Input was gathered on intensity levels, client profile, and service delivery expectations as work progresses to define client care needs and match intensity across the continuum of care.

- Throughout 2025-26, Recovery Alberta continued to standardize workflow for Recovery Alberta-contracted community mental health bed-based services, focusing on placement and waitlist alignment. Standardizing patient flow system-wide will improve access and referral processes, address variabilities in service and support levels, and expand data gathering and capacity planning.
- In 2025-26, Recovery Alberta achieved standardization of referral pathways to bed-based Recovery Alberta-operated addiction treatment and withdrawal management sites.

2.3 Work with the Department of Public Safety and Emergency Services and Department of Mental Health and Addiction to modernize agreements for Correctional Health Services.

- In 2025-26, Recovery Alberta made significant progress in modernizing governance and advancing integrated service delivery for CHS. In partnership with the Correctional Services Division within the Department of Public Safety and Emergency Services and the Department of Mental Health and Addiction, this work clarified roles and accountabilities, enhanced decision-making structures, and a formalized inter-organizational agreement to strengthen coordination and position the system to better respond to the evolving needs of the correctional population.
- In Apr 2025, Recovery Alberta began drafting a Collaborative Agreement with the Correctional Services Division for healthcare services. In Mar 2026, the Department of Mental Health and Addiction signed a Memorandum of Understanding with the Department of Public Safety and Emergency Services. Following this, the Collaborative Agreement with the Correctional Services Division will be finalized in 2026-27.

2.4 Undertake province-wide planning efforts, including collaboration with the Department of Mental Health and Addiction, the Canadian Centre of Recovery Excellence (CoRE), and other organizations.

- Throughout 2025-26, Recovery Alberta was a key partner in the development of CoRE's evaluation and planning work. For example, Recovery Alberta participated in processes informing the development of CoRE's Performance Measurement Framework for the mental health and addiction system and population levels in Alberta. Recovery Alberta participated in consultation processes to select and define performance measures.
- In 2025-26, Recovery Alberta participated in the Department's Mental Health and Addiction Recovery Workforce Subcommittee. This subcommittee aims to provide practical, evidence-informed advice to support provincial workforce planning and implementation for mental health and addiction services, with membership spanning policy, healthcare, education, regulatory bodies, and more. The goal is to ensure a talent

pipeline that aligns with the Alberta Recovery Model and contributes to all areas of the sector.

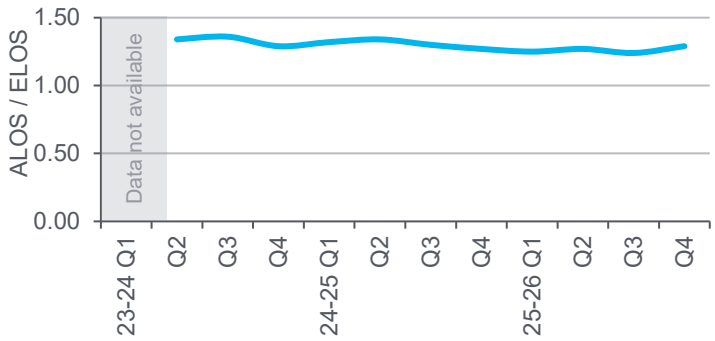
Performance Measure Summary

PM 2.A: Adult Acute Length of Stay / Expected Length of Stay

Days a client spends in acute care divided by days they are expected to stay, summed for all adults aged 18 and over. A value over one indicates a longer than expected hospital stay.

Target: Stable or improve

2023-24	1.33
2024-25	1.31
2025-26	1.27



Results

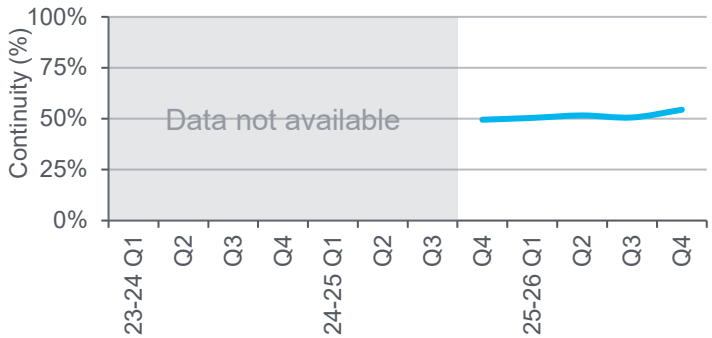
- Recovery Alberta operated 1,429 beds in both acute care hospitals and standalone hospital facilities in 2025-26.
- Recovery Alberta's ALOS / ELOS remained stable in 2025-26.
- Recovery Alberta is working on building enhanced escalation processes for complex cases to ensure patients with complex needs are identified early in their stay. We have worked with teams in other PHAs to better coordinate transitions and referrals. We have also developed processes to ensure timely assessment and acceptance of housing placements for patients ready for discharge.
- Work is being done across all PHAs regarding medical readiness for discharge and discharge planning in Connect Care. As a result, teams will be expected to begin discharge planning earlier in the admission process and identify barriers in a timely manner.

PM 2.B: Continuity of Opioid Agonist Therapy Treatment from Corrections to Community

The proportion of CHS clients who were prescribed OAT during their stay and who accessed OAT prescriptions or Recovery Alberta ODP or VODP within 60 days of CHS discharge.

Target: Stable or improve

2023-24	-
2024-25	49.6%
2025-26	51.7%



Results

- Following the launch of Connect Care in CHS in Nov 2024, performance measures such as this became possible. Alberta is the only jurisdiction in the country where correctional health services are fully integrated into a provincial clinical information system.
- Recovery Alberta's performance improved 4% between 2024-25 and 2025-26, where CHS clients who used OAT while in custody continued to access OAT medications, and/or Recovery Alberta ODP clinics or VODP in the 60 days following their release from corrections.
- Through grant funding from the Department of Mental Health and Addiction, CHS is working to further improve transitions to the community for clients upon release.

Goal: Safety & Accountability

Objective 3: Ensure programs and services provide safe, quality, and innovative care to Albertans

Recovery Alberta is committed to providing safe, quality services to Albertans in alignment with evidence-based best practices, Recovery Alberta policy, and Accreditation Canada requirements. We are also committed to creating a safe work environment for our staff and physicians as they provide care. We will work to improve the experience of Indigenous peoples needing care.

Actions and Achievements

3.1 Establish Recovery Alberta's quality and safety requirements, and begin work on a Clinical Quality Improvement Plan for the organization.

- In Apr 2025, Recovery Alberta approved the 2025-26 Connect Care Clinical System Improvement (CSI) Roadmap for mental health and addiction, as well as CHS that outlines many new builds and improvement initiatives. For example:
    - Progress has been made on waitlist management and in-system support for access coordination across the mental health system. Early work has advanced system optimization to enable access and accurate information.
    - Compassionate Intervention planning within CSI is ongoing. Progress has been made in 2025-26 on workflows that will support program delivery, with completion anticipated in 2026-27.
    - Work continues in CHS CSI to support medication management and medication reconciliation. A number of initiatives that align with this domain are being advanced and are in direct connection to recent results from the Accreditation Canada survey of CHS.
    - With the advancement of Connect Care in CHS in Nov 2024, a series of reporting tools and capabilities have been introduced to enable better point-of-care decision support, while facilitating more robust program reporting.
- In Feb 2026, Recovery Alberta refined processes for Quality Assurance Reviews. Quality Assurance Reviews assess a clinical adverse event or close call to identify and understand contributing system factors and causes, and to develop recommendations for system quality improvement.
- Over the course of 2025-26, Recovery Alberta continued work to establish Recovery Alberta's Quality Assurance Committees to carry out quality assurance activities as defined in the *Alberta Evidence Act*. These committees undertake the study, assessment, and evaluation of the provision of health services with a view to the continual improvement of the quality of healthcare, and the level of skill, knowledge, and competence of healthcare providers.

- Recovery Alberta continues to conduct regular quality improvement projects. For example, in 2025-26, the following was undertaken:
    - A quality improvement project was undertaken to optimize the referral-to-discharge operations for a day hospital in Edmonton. The initiative focused on strengthening consistency, reliability, and efficiency in the program's referral, intake, service delivery, and discharge processes. Programming improvements were made, such as revisions to referral processes, to improve access and increase capacity. As a result, comparing Jan-Mar 2026 to Jan-Mar 2025, the service had a 60% increase in clients with a reduction in wait time from 26 days to four days. Program improvements also led to further reduction in the number of ED visits and inpatient admissions for those who participated in the program.
    - The Calgary area has been working on a clinical informatics quality improvement project to help teams address gaps, monitor high-impact patient safety metrics, and support safe care transitions. A key outcome of the project has been improved Barcoded Medication Administration scanning compliance in inpatient units. Compliance increased from 87.7% in Jan 2025, to 94.2% in Mar 2026, representing a reduction of more than 4,500 scanning overrides per month. A joint initiative with Pharmacy at Alberta Health Services PHC resulted in scanning labels now being provided for all patient-supplied medications. This progress has led to a reduction in medication errors and the establishment of a Calgary-wide reporting framework that produces clinical safety data to guide ongoing quality improvement initiatives.

3.2 Support initiatives to better serve Indigenous clients and communities.

- Recovery Alberta has adopted the policy *Patient Access to Indigenous Spiritual Ceremony* that provides direction and support to honour Indigenous Spiritual Ceremony.
- Indigenous Awareness & Sensitivity training is a required organizational learning for employees of Recovery Alberta, and all PHAs and PHCs. In collaboration with the Indigenous Wellness Core in PCA, leadership of Recovery Alberta operated bed-based addiction treatment programs have received additional training for meaningful land acknowledgement and through the Bridging Ways: From Land to Leadership in Indigenous Health program in 2025-26.
- Recovery Alberta programming under the Virtual Addiction Medicine Services, including the Virtual Opioid Dependency Program (VODP) and Virtual Rapid Access Addiction Medicine (V-RAAM), has established partnerships with 11 Indigenous communities to provide community members with timely access to OAT medication and more robust supports to supplement in-person services. Communities include Stoney Nakoda, O'Chiese, Fort Chipewyan, Goodfish Lake, Mikisew Cree, Frog Lake, Siksika, Gift Lake Metis Settlement, Paddle Prairie Metis Settlement, Enoch Cree Nation, and Driftpile Cree Nation. VODP has also commenced offering designated virtual case management in partnership with Indigenous communities to provide more robust supports and supplement in-person services.

- Many Recovery Alberta community outpatient and outreach services work in collaboration with Indigenous communities or employ Indigenous Cultural Helpers to provide culturally appropriate care. For example, Recovery Alberta Outreach Services partner with Indigenous Elders in southern Alberta with The Medicine Within program, offering traditional ways of healing. This program collaborates with a local community group known as the Honouring Traditions and Reconciliation Society. The Medicine Within program focuses on mental health and addiction healing practices deeply rooted in Indigenous cultural traditions. Acknowledging the interconnectedness of physical, mental, and spiritual well-being, a comprehensive wellness strategy integrates traditional healing ceremonies, traditional medicine plants, and mindfulness practices. Services provide care to high-risk, underserved clients who have difficulty accessing services in a conventional way.
- Recovery Alberta continues to work with Indigenous service providers to offer Indigenous cultural and spiritual programming for bed-based addiction services and community mental health beds through ongoing partnerships with programs such as Blood Tribe Department of Health, Bonnyville Indian-Métis Rehab Centre, Poundmaker's Lodge Treatment Centres, Sunrise Healing Lodge Society, and NiGiNan Housing Ventures. In addition, Recovery Alberta has expanded bed-based addiction treatment capacity to new First Nations in 2025-26 through two new programs. Nayoskan Treatment Centre in Maskwacis is a cohort program that provides withdrawal management followed by addiction treatment for clients seeking addiction treatment for their substance-use. Recovery Alberta worked with Piikani First Nation to establish withdrawal management beds on its lands to help address the opioid and fentanyl crisis declared by the Nation.

3.3 Develop provincial models of care for key service areas to modernize care across the province and leverage innovative practices.

- In 2025-26, work launched to establish a provincial model of care for general community clinics. Work focused on refining Recovery Alberta's footprint into higher intensity clinical services and helping clients navigate services more efficiently. This initiative will help Recovery Alberta provide consistent and equitable services across the province. These actions are expected to better serve clients by establishing clear client pathways, improving quality of care, and reducing wait times.
- In 2025-26, work progressed on establishing a Community Mental Health Supported Living Framework. Community-located beds provide recovery-oriented services to stabilize individuals with mental health care needs that prevent them from living independently. These programs and services are key to the continuum of care by reducing inpatient lengths of stay, avoiding inpatient admissions or emergency visits, and addressing some of the root causes of houselessness. Modernization of the Supported Living Framework will clarify the expectations and increase the competence of service delivery while improving access, referral processes, and service eligibility.

3.4 Undertake program-based evaluation, facilitate research, and disseminate results through knowledge mobilization work, including through partnerships with the Canadian Centre of Recovery Excellence.

- Implemented innovative, targeted programs with reporting requirements involving measurement and/or evaluation. For example:
    - CanREACH builds workforce capacity by educating and equipping community-based primary care providers (physicians and other regulated healthcare professionals) with practical, evidence-informed skills to create and sustain practice changes with regards to the screening, identification, assessment, and treatment of child and youth mental health concerns. Evaluation found that that 98% of participants reported training enhanced their knowledge, 97% reported improved confidence in their ability to treat pediatric behavioural health problems, and 90% reported they would change their practice.
    - The Summit: Marion and Jim Sinneave Centre for Youth Resilience provides day hospital, walk-in, and intensive community treatment services (ICTS) to children, youth, and their families. These services are augmented by patient- and family-centred care supports ranging from family group sessions to horticulture and art therapy. The Summit has just completed year three of its initial four-year evaluation plan which includes several grants (including from the Department of Mental Health and Addiction) and funding from the Alberta Children's Hospital Foundation and Recovery Alberta operations. In 2025-26, 95% to 100% of clients across all program areas found the wait time for accessing services to be appropriate. In 2025-26, less than 5% of those who presented to walk-in were sent to the emergency department for further assessment or admission to inpatient units. Results from various clinical outcome measures show evidence suggesting improved clinical outcomes in the vast majority of day hospital and ICTS clients.
- Recovery Alberta also conducts evaluation and measurement projects related to operationally funded programs. For example:
    - A utilization-focused evaluation was undertaken for the Seniors Mental Health Program at the Centennial Centre for Mental Health and Brain Injury, an inpatient mental health program for seniors facing complex mental health challenges, and/or mood and thought disorders. The goal was to better understand the patient population and their reason for admission and other demographics. The evaluation found an increase in admissions in recent years and in response, the Centre implemented improved waitlist functions in Connect Care. Analysis also revealed an increase in the prevalence of addiction-related issues in patients in recent years.
- In Oct 2025, Recovery Alberta completed the formation and implementation of the Recovery Alberta Research Committee. This has allowed Recovery Alberta to build the foundation for a learning and innovating organization that continuously improves through evidence. Recovery Alberta supports mental health and addiction research in Alberta and has established a research approval process for projects requesting access to

Recovery Alberta resources, including staff, physician, and patient time. In 2025-26, the committee received 40 requests for support.

3.5 Improve safety and quality of care for clients by improving compliance in required organizational practices and Recovery Alberta Policy (see Performance Measure).

- Recovery Alberta has continued to monitor ongoing completion of suicide risk screen assessments in bed-based and correctional health settings, achieving excellent completion rates in accordance with Recovery Alberta policy. There is ongoing work to better adopt and optimize this tool in ambulatory settings.
- In 2025–26, CHS strengthened clinical quality and continuity of care by advancing discharge medication reconciliation processes across the system. In response to Accreditation Canada findings, the implementation of a provincial performance dashboard and a multidisciplinary prescriber model improved oversight, increased timely access to care, and supported safer, more consistent transitions from custody to community.
- Recovery Alberta continued advancing provincial Addiction Counsellor role clarity and legislative alignment to strengthen safe practice for non-regulated addiction counselling providers. This work supported clearer qualifications, practice expectations, and organizational guidance to promote legislative compliance, improve consistency, and enhance safety and quality of care across mental health and addiction services.

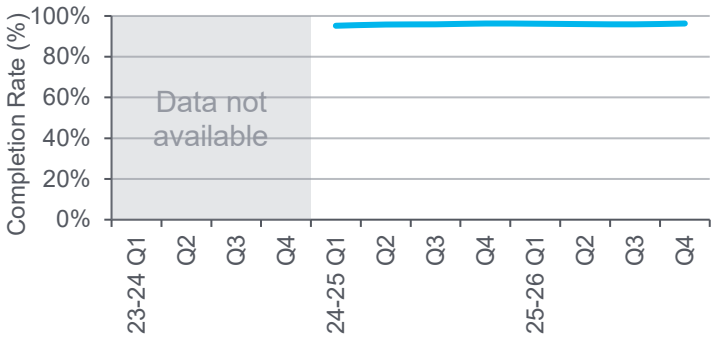
Performance Measure Summary

PM 3.A: Suicide Risk Screen Completion Rate in Inpatient, CHS, and Addiction Bed-Based Services

Proportion of clients who had a suicide risk screen administered upon admission.

Target: Stable or improve

2023-24	-
2024-25	95.5%
2025-26	96.1%



Results

- Recovery Alberta's completion of a suicide risk screen for clients in its operated bedded services and CHS remains high and stable, with a small increase in completions in 2025-26. Completion of suicide risk screens are directed by Recovery Alberta policy and in alignment with Accreditation Canada standards.
- Recovery Alberta continues to monitor suicide risk screening across service settings to ensure the safety of our clients.

Objective 4: Ensure accountability and transparency

Recovery Alberta believes in an evidence-informed and data-driven approach to decision making. We are committed to building and contributing to systems that support improved performance measurement, evaluation, and reporting on our programs and services. We ensure that services provided by or contracted through Recovery Alberta meet acceptable standards of care.

Actions and Achievements

4.1 Develop a Performance Measurement framework to evaluate, measure, and monitor Recovery Alberta programs and services.

- In 2025-26, the first phase of Recovery Alberta's Performance Measurement Framework was developed to focus on identifying high-level reporting measures, defining these measures, and providing a mechanism to view and monitor results.
- A first series of reporting performance measures were identified for inclusion in Recovery Alberta's inaugural Health & Business Plan, which included eight operational measures and three corporate measures. Following this, processes were established for regular monitoring of these measures and for addressing performance issues.
- A second phase of Recovery Alberta's Performance Measurement Framework was launched in early 2026 to identify a series of measures to internally monitor Recovery Alberta progress and performance. This work will continue into 2026-27, as Recovery Alberta builds a robust measurement strategy to better describe and elevate the addiction, mental health, and correctional health services space in its role as a PHA.

4.2 Undertake contract harmonization and streamlining of reporting requirements.

- In 2025-26, Recovery Alberta worked to harmonize all service provider contracts under a Master Services Agreement (MSA) to reduce duplicative reporting requirements and improve service delivery across Recovery Alberta's mental health and addiction contracts. The goal was for service providers with multiple contracts to now have one MSA.
- Recovery Alberta developed a MSA, while ensuring appropriate insurance and privacy clauses, standardizing service schedules, and establishing consistent reporting requirements across all contracts. Service schedules were updated for mental health treatment (bed-based and outpatient services), addiction bed-based treatment, infection prevention and control, and incident reporting.
- Transition to the MSA continues as service provider contracts are up for renewal and will continue into 2026-27.

4.3 Establish appropriate relationship agreements with partners (for example, CoRE, Health Shared Services).

- In 2025-26, Recovery Alberta worked on developing an Information Sharing Agreement and Information Management Agreement between Recovery Alberta, CoRE, the Department of Mental Health and Addiction, and Health Shared Services PHC. The agreements will be fully executed in 2026-27.
- These agreements are important for:
    - Enabling information sharing in compliance with legislation. Completing these agreements will establish clear governance, privacy, and security standards across all parties, enabling consistent, lawful, and responsible sharing of critical mental health and addiction data while protecting the personal health information of Albertans.
    - Strengthening collaboration between stakeholders. A shared agreement reduces ambiguity and friction, supporting timely data access, coordinated decision making, and improves the oversight and delivery of mental health and addiction programs and services across Alberta.
    - Providing accountability and transparency. By aligning expectations on data disclosure and setting up a data review committee, the agreement enhances transparency, accountability, and trust which is critical in the mental health and addiction sector.

4.4 Collaborate with contracted partners in addiction treatment to ensure bedspaces are properly utilized (see Performance Measure)

- Contracted service providers are required to maintain 90% occupancy for addiction bed-based treatment services. To help monitor this requirement, contracted service providers submit daily occupancy reporting to Recovery Alberta. This allows for ongoing monitoring and timely management of bed-based capacity.
- Recovery Alberta reports occupancy weekly, which is circulated to the Department of Mental Health and Addiction, Department of Assisted Living and Social Services, Recovery Alberta leadership and operations, Alberta Health Services PHC, Covenant Health, and CoRE. This report is used to support early trend detection, monitoring, and risk mitigation. It was established to support the Navigation and Support Centres to understand the system and help direct clients to services.
- Recovery Alberta is supporting the rollout of ABED by the Department of Mental Health and Addiction, a tool that provides information and availability of publicly funded addiction beds. Recovery Alberta is using ABED to support navigation and discharge planning for those looking for addiction support.

4.5 Collaborate with other PHAs and healthcare partners to manage acute care Alternate Level of Care (ALC) pressures (see Performance Measure)

- Recovery Alberta is collaborating with ACA and ALA on an interorganizational ALC taskforce to address ALC pressures across the healthcare system. ALC patients are those who no longer require acute care but remain in hospital while waiting for transfer to a more appropriate setting.
- Recovery Alberta implemented weekly ALC reporting to monitor ALC rates for psychiatric patients within the healthcare system, and collaborated with ALA to support their ALC reporting function. Recovery Alberta also created an internal team with expertise in bed management and patient flow from all areas of the province to help support the reduction of mental health and addiction ALC patients, including through assertive case management. This team assists with coordinating inter-ministerial services to support ALC discharges. Over the course of 2025-26, Recovery Alberta discharged 625 adult mental health and addiction ALC patients to various placements. For example, clients may be placed in an ALA continuing care bed. Freeing up these beds improves patient care, emergency inpatient flow, and access to acute care beds.
- Recovery Alberta is strengthening capacity through the Government of Alberta's Acute Care Action Plan. This plan will strengthen emergency, surgical, and inpatient care by increasing capacity and improving patient flow. As a result of this plan, in 2025-26 Recovery Alberta has:
    - Increased psychiatric acute care capacity through the addition of 12 acute care beds to Peter Lougheed Centre in Calgary.
    - Modified funding for 30 acute care beds from temporary to permanent.
    - Received funding to implement 30 high-intensity community mental health beds.
- Collaboration continues with ACA and ALA to address high-demand acute settings through innovative system-wide capacity strategies, including daily capacity monitoring, provincial load levelling, and off-service patient relocation when needed.

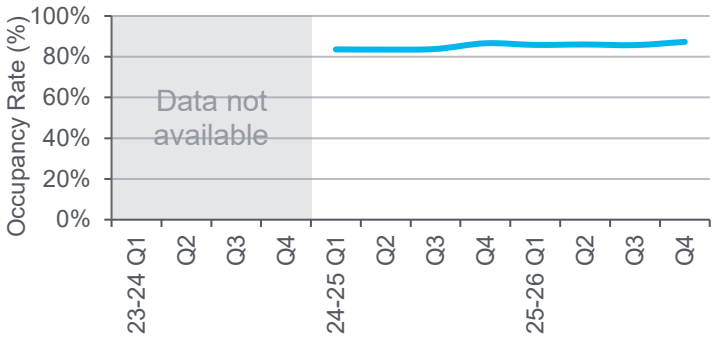
Performance Measurement Summary

PM 4.A: Occupancy for Adult Addiction Beds

Mean proportion of adult beds occupied at Recovery Alberta-operated and contracted addiction sites for adults aged 18 and over.

Target: Stable or improve

2023-24	-
2024-25	85.4%
2025-26	87.3%



Results

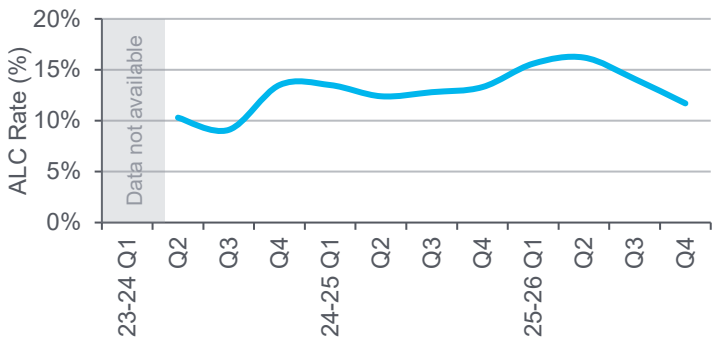
- Recovery Alberta operated and contracted 1,483 addiction beds in 2025-26.
- The occupancy rate of Recovery Alberta addiction beds has remained stable between 2024-25 and 2025-26. Values around 90% represent ideal occupancy rates, allowing for optimal efficiency and client flow.
- Recovery Alberta continues to undertake efforts to maintain appropriate use of bed-based services. Contracted service providers submit daily occupancy reporting to Recovery Alberta. This allows for ongoing monitoring and timely management of bed-based capacity.

PM 4.B: Adult Alternate Level of Care Rate in Acute Care

Proportion of beds that are occupied by a patient (aged 18 and over) designated as ALC, indicating a client requires a less acute level of care than the bed they currently occupy.

Target: Stable or improve

2023-24	11.0%
2024-25	13.0%
2025-26	14.4%



Results

- Recovery Alberta operated 1,429 beds in both acute care hospitals and standalone hospital facilities in 2025-26.
- Recovery Alberta's ALC rate increased by 1.4 percentage points, an overall 11% increase in 2025-26, compared to 2024-25. However, the rate began to improve toward the end of 2025-26, with 2025-26 Q4 having the lowest quarterly rate (11.4%) observed over the last two years. Recovery Alberta is improving day-to-day practice by introducing earlier, consistent action, and clear accountability across the system. We have enhanced discharge planning and ALC identification across all sites, along with structured escalation. Teams are using a province-wide ALC dashboard to identify patients sooner, track progress, and coordinate decisions across hospital, community, and housing partners.
- A dedicated complex care team with a province-wide focus on ALC and complex case management is actively managing these cases in collaboration with local site leadership. Routine review of long-stay patients and real time escalation to leadership are now embedded to remove barriers as they emerge.
- A standard ALC definition is now in practice, supported by clinical guidance and reinforced through new educational materials for front line staff and physicians.
- Recovery Alberta has built extensive relationships with ALA to promote efficient and effective movement of mental health and addiction ALC patients into their services.
- The Acute Care Action Plan is also easing pressures on acute care by expanding Recovery Alberta bedded capacity in hospital and community mental health spaces, as well as in ALA's continuing care environments. In 2026-27, Recovery Alberta will implement new community mental health beds using a phased approach. These high-intensity community beds will help reduce ALC pressures in the acute care system.
- According to CIHI, in 2024-25, Alberta's healthcare system had the second lowest ALC rate among the provinces at 14.5%.

Goal: Sustainability

Objective 5: Build and support an engaged, highly skilled workforce to achieve the service delivery mandate of Recovery Alberta

The quality of mental health, addiction, and correctional healthcare we provide for Albertans relies on the skills, expertise, and health of our workforce. Recovery Alberta works closely with our shared service partners to support our staff and physicians.

Actions and Achievements

5.1 Undertake organizational redesign work to better serve Albertans.

- Recovery Alberta is shifting its clinical operation's organizational structure from a zone-based geographic structure to a provincial programmatic structure. This alignment will strengthen our services through effective allocation of resources that will enhance patient and client care, as well as improve system responsiveness and adaptability to meet the changing needs of addiction, mental health, and corrections populations. It will also allow for greater consistency in service delivery and will build on established integrated care pathways. The new operational structure will be organized with the following clinical portfolios under Recovery Alberta's Chief Operations Officer:
    - Addiction Services
    - Forensic Psychiatry and Correctional Health Services
    - Psychiatry and Mental Health Services – Community
    - Psychiatry and Mental Health Services – Inpatient
- Similar restructuring of medical leaders and medical staff under Recovery Alberta's Chief Medical Officer was undertaken to align physicians to clinical portfolios. This will be completed in 2026-27.
- In 2025-26, significant work was undertaken to analyse our existing structure, define each of the above portfolios, and fill leadership roles for each portfolio. Senior Operating Officer and Senior Medical Director roles for most portfolios were filled as of Mar 31, 2026.
- Additional organizational development is underway within corporate functions to build efficient and effective operational supports for Recovery Alberta's workforce and to meet Recovery Alberta's PHA accountabilities.
- Staff transitions and completion of organizational redesign will take place in Summer 2026, including dissolution of the zone-based structure.

5.2 Support our staff and physicians through ongoing system change, continued refocusing work, and the ongoing establishment of Recovery Alberta as an independent organization.

- In Dec 2025, Recovery Alberta administered a Pulse Survey to employees and medical staff to engage with our people and inform activities aimed at building the foundation of Recovery Alberta's culture. As a result of this survey, Recovery Alberta launched its first internal staff newsletter, Recovery Alberta News, in Mar 2026 to help employees and medical staff stay connected with updates, helpful links, and practical tools.
- In Sep 2025, Recovery Alberta conducted a targeted physician workforce survey to better understand the current state of the medical staff workforce across Alberta and to gather actionable insights to inform strategic recruitment planning. In response to the survey, Recovery Alberta established a Physician Workforce Taskforce in Dec 2025 and began planning for a physician-focused newsletter.
- The Workforce Management (WFM) staff scheduling system was fully implemented in 2025-26. This system unified and standardized previous scheduling systems and ensured leaders and staff have the support they need to provide clients with the highest quality of care. This transition was conducted in partnership with Health Shared Services PHC.
- Work continued on the implementation of the eLeader program, an easy-to-use analytics platform that provides leaders with timely, reliable insights into budget, workforce, and purchasing performance. Implementation planning was conducted in partnership with Health Shared Services PHC. Recovery Alberta, along with other PHAs and PHCs, has been a member of the eLeader Steering Committee, helping to identify requirements for the new system. The program will launch in Summer 2026.

5.3 Ensure workforce competency through training and education offerings.

- Recovery Alberta is strengthening workforce capability, retention, and overall system capacity through coordinated professional development and practice support initiatives that build foundational knowledge to advanced clinical competencies across mental health and addiction services. These initiatives support staff in delivering recovery-oriented, evidence-informed and person-centred care across diverse practice settings. Examples include:
    - **PACES Learning Pathway (Provincial Addiction & Mental Health Curricula & Experiential Skills):** Provides accessible, self-paced, and personalized mental health and addiction education for all skill levels through e-learning modules, educational videos, simulated clinical scenarios, and virtual skill-building sessions. In 2025-26, there were over 10,000 enrolments.
    - **SPRAM (Suicide Prevention, Risk Assessment & Management)**: Builds foundational knowledge, skills, and competencies to help prevent suicide, identify risk, and provide effective support for employees, individuals, and their families. It complements formal training and is adaptable across a variety of roles and practice settings. In 2025-26, there were over 6,000 enrolments.

- **Alberta ODT Virtual Training Program (Opioid Dependency Treatment)**: Offers a specialized training pathway that builds capacity in evidence-informed treatment approaches for OUD. It supports prescribers, clinicians, and allied health professionals in delivering safe, effective, and compassionate care. In 2025-26, there were over 1,200 enrolments.
- **Trauma Training Initiative**: A two-part training program that builds foundational knowledge and practical skills for working with individuals and families affected by trauma and violence. This training supports professionals in creating safe, compassionate, and responsive environments across diverse practice settings. In 2025-26, there were over 45,000 enrolments.
- **Communities of Practice and Practice Support Leadership**: Ongoing leadership and facilitation of communities of practice and provincial practice support initiatives that foster peer learning, interdisciplinary collaboration, knowledge exchange, and continuous workforce development across the system.

- These initiatives strengthen Recovery Alberta's ability to meet emerging mental health, addiction, and correctional health service needs, as well as provide specific training to staff in a newly refocused healthcare system to support our workforce.

Performance Measurement Summary

PM 5.A: Recovery Alberta Employee Engagement

Engagement mean score from the Gallup survey of Employees.

Target: 3.50 / 5 in 2026-27

2023-24	-
2024-25	3.42 / 5
2025-26	-

- The next Gallup survey will be performed in 2026-27.
- In 2025-26, Recovery Alberta administered a Pulse Survey to employees and medical staff to assess engagement opportunities. As a result, we launched our newsletter in Mar 2026 and continue to promote engagement through various opportunities.

PM 5.B: Recovery Alberta Medical Staff Engagement

Engagement mean score from the Gallup survey of Medical Staff.

Target: 2.75 / 5 in 2026-27

2023-24	-
2024-25	2.66 / 5
2025-26	-

- The next Gallup survey will be performed in 2026-27.
- In 2025-26, Recovery Alberta administered a Pulse Survey to employees and medical staff to assess engagement opportunities. As a result, we launched our newsletter in Mar 2026 and continue to promote engagement through various opportunities.
- In Sep 2025, Recovery Alberta conducted a targeted physician workforce survey and as a result, established the Physician Workforce Taskforce and is working to implement a physician-focused newsletter.

Objective 6: Demonstrate fiscal responsibility through a balanced budget

Recovery Alberta will use multiple strategies to find savings and efficiencies that will allow us to work within current resource constraints, while also managing inflation and population growth pressures. Strategies include managing appropriate staff use and limiting discretionary spending.

Actions and Achievements

6.1 Achieve a balanced budget by finding efficiencies, including looking at duplicative programming.

- Recovery Alberta achieved a balanced budget with an operating surplus of $63 million in 2025-26. This was a result of higher than anticipated revenue and lower than anticipated expenses. The reasons for higher revenue and lower expenses are provided in the Financial Statement Discussion and Analysis section of this report.

6.2 Manage expenses by limiting discretionary spending, managing vacant positions, and achieving other efficiencies.

- Almost all of Recovery Alberta's budget is for direct patient care and clinical support services, which is considered non-discretionary spending. There are limited budget amounts that are somewhat discretionary, which include non-clinical travel and office supplies. Recovery Alberta continued to limit spending in these areas.

6.3 Conduct program reviews and prioritize initiatives to achieve the required savings.

- Recovery Alberta reviews programs and contracts on an ongoing basis to ensure they are delivered efficiently and effectively, and that public funding is maximized and aligned with Recovery Alberta's core services.
- Recovery Alberta is committed to transparency in identifying and communicating the risks, challenges, and opportunities associated with savings initiatives. Efforts are focused on identifying gaps and shifting resources to align with the Alberta Recovery Model in meeting the needs of Albertans efficiently and effectively.

6.4 Support the transfer and establishment of budgets to Recovery Alberta as system refocusing progresses.

- As part of system refocusing, staff and responsibilities for some corporate services and medical affairs were transferred from Alberta Health Services RHA to Recovery Alberta effective Dec 1, 2025. Recovery Alberta's budget for 2025-26 was restated to reflect these changes.

- In the refocused healthcare system, all PHAs including Recovery Alberta, obtain some of their clinical support and corporate services from three shared service providers (Health Shared Services PHC, Alberta Health Services PHC, and Alberta Precision Laboratories).

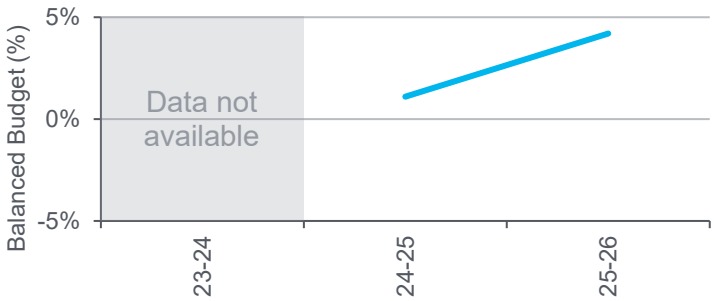
Performance Measure Summary

PM 6.A: Balanced Budget (within 1%)

Total revenues less total expenses, divided by total expenses. A positive number indicates a surplus.

Target: Within 1%

2023-24	-
2024-25	1.1%
2025-26	4.2%



Results

- Recovery Alberta was established as a PHA in Jul 2024. As a result, there is no financial information for the organization for the 2023-24 fiscal year.
- Recovery Alberta had operating surpluses in both 2024-25 and 2025-26 which were positive financial results and demonstrate the organization's commitment to financial accountability and prudent management of public funds.
- Efforts to build our workforce and address sustained staff vacancies will support progress on financial sustainability and achievement of balanced budgets.

Financial Information

Financial Statement Discussion and Analysis

For the year ended Mar 31, 2026

This *Financial Statement Discussion and Analysis* (FSD&A) provides an overview of Recovery Alberta's financial results and financial position for the year ended Mar 31, 2026. The FSD&A reports to stakeholders on how financial resources are being used to provide patient-focused, quality health services that are accessible and sustainable for Albertans.

It serves as an opportunity to communicate with stakeholders about Recovery Alberta's 2025-26 financial performance, as well as cost drivers, strategies, and plans to address financial risk and financial sustainability.

This FSD&A has been prepared by Recovery Alberta's management and should be read in conjunction with the Mar 31, 2026, audited financial statements, notes, and schedules.

Highlights

2025-26 was Recovery Alberta's first full year of operation. Revenues were $1.579 billion, largely transfers from Mental Health and Addiction. Expenses were $1.516 billion primarily for compensation costs for Recovery Alberta staff and contract payments to health service providers.

Recovery Alberta finished the year with an operating surplus of $63 million, representing 4.2% of total expenses.

Refocusing Healthcare

Refocusing work aims to improve health outcomes and access, provide seamless care between different healthcare providers, improve local decision-making, and prioritize the well-being and expertise of healthcare workers.

On Sep 1, 2024, Recovery Alberta assumed accountability for mental health, addiction, and correctional health services previously provided by Alberta Health Services RHA. On Dec 1, 2025, some corporate services staff and medical affairs staff were transferred from Alberta Health Services RHA to enhance Recovery Alberta's ability to support the refocusing of the healthcare system with the goal of improving health outcomes for Albertans.

The financial impact of transferring the related assets and liabilities, funding agreements, and applicable budgets is disclosed in Note 3 – Restructuring of Alberta Health Services RHA and Establishment of Recovery Alberta in the Financial Statements.

Financial Analysis

Recovery Alberta discloses its results from operations in its financial statements on the Statement of Operations and Schedule 1. In this report, actual financial results for 2025-26 operations are analysed in comparison to the budget and the prior year. A glossary of financial statement line definitions can be found at the end of this FSD&A. An analysis of Recovery Alberta's financial position compared to the prior year is also discussed in this section.

Annual Operating Surplus

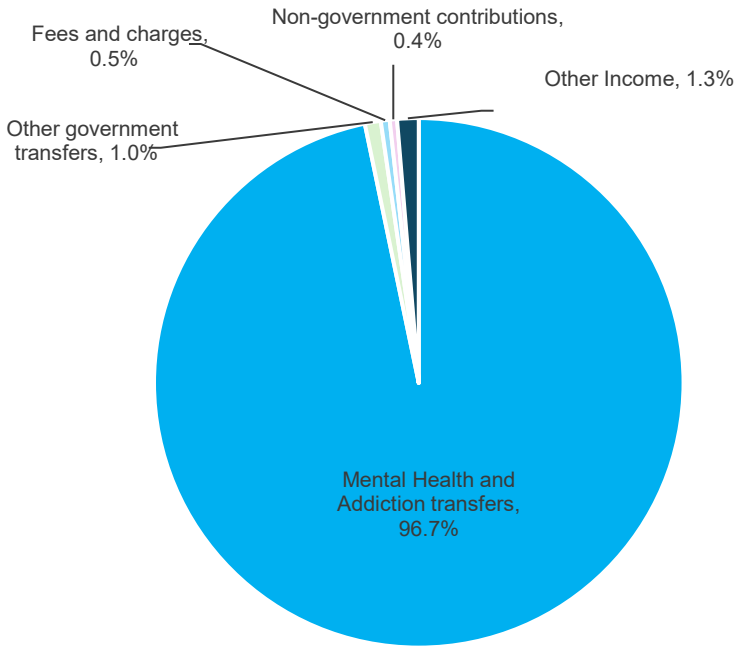
Recovery Alberta's annual operating surplus:

(in $ millions)	2025-26	2024-25 Restated*
Revenues	1,579	1,509
Expenses	1,516	1,492
Annual operating surplus	**63**	**17**
Accumulated surplus	**80**	**17**

*Recovery Alberta became operational on Sep 1, 2024. The 2024-25 amounts have been restated to also include mental health, addiction, and CHS operations from AHS RHA from Apr – Aug 2024 for comparison purposes.

Operations

Revenues



Recovery Alberta's total revenue amounted to $1,579 million, which was $121 million or 8.3% higher than the budget of $1,458 million, primarily due to additional base operating funding received from Mental Health and Addiction to fund increases related to collective bargaining agreements and higher than anticipated investment income.

Mental Health and Addiction transfers accounted for 96.7% of Recovery Alberta's total revenue in 2025-26.

(in $ millions)	Budget 2025-26	Actual 2025-26	Actual to Budget Variance	Actual 2024-25 Restated*	Year over Year Increase (Decrease)
Mental Health and Addiction transfers	1,426	1,527	101	1,455	72
Other government transfers	17	15	(2)	15	0
Fees and charges	3	9	6	4	5
Non-government contributions	3	7	4	5	2
Other income	9	21	12	30	(9)
Total revenues	**1,458**	**1,579**	**121**	**1,509**	**70**

*Recovery Alberta became operational on Sep 1, 2024. The 2024-25 amounts have been restated to also include mental health, addiction, and CHS operations from AHS RHA from Apr – Aug 2024 for comparison purposes.

Actual to Budget

Mental Health and Addiction transfers were higher than budget largely for compensation increases related to collective bargaining agreements.

Fees and charges were higher than budget due to increased activity for healthcare services that are billable to out-of-province or out-of-country residents, the Workers' Compensation Board, the federal government, and other provinces.

Other income was higher than budget due to higher investment income due to strong market performance and higher recoveries from external entities.

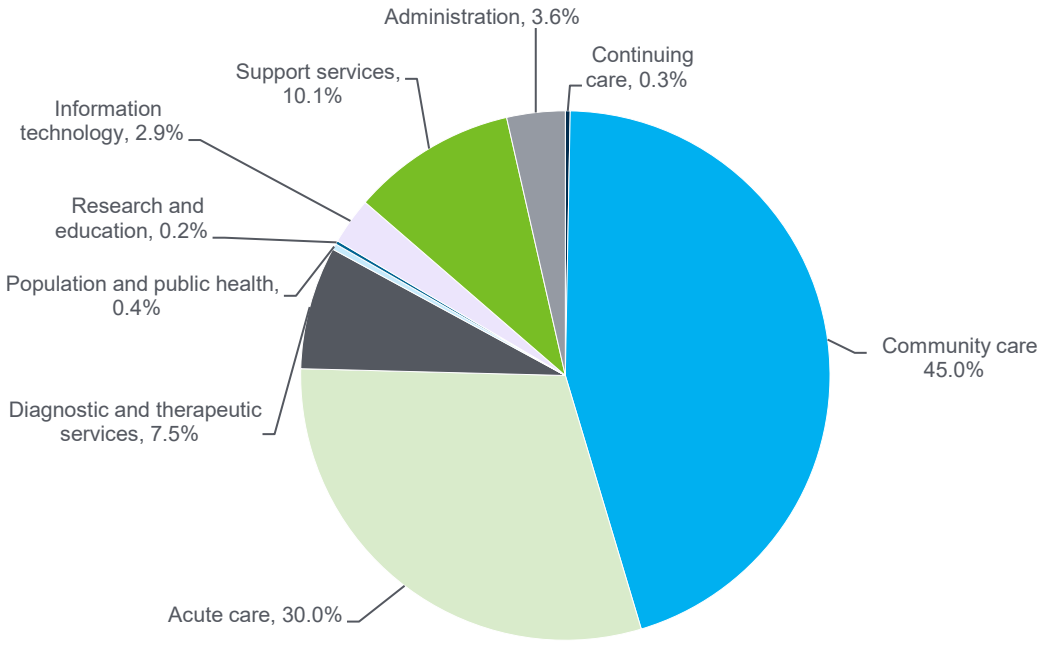
Year over Year

Mental Health and Addiction transfers were higher than the prior year due to increased funding for cost pressures related to population growth and inflation and compensation increases related to collective bargaining agreements.

Fees and charges were higher than budget due to increased activity for healthcare services that are billable to out-of-province or out-of-country residents, the Workers' Compensation Board, the federal government, and other provinces.

Other income was lower than the prior year due to lower investment income and recoveries from external entities.

*Expenses by Program**



*2025-26 actual expenses by program as a per cent of total 2025-26 actual expenses. A glossary of financial statement line definitions can be found at the end of this FSD&A.Emergency Medical Services is omitted from above graph as its percentage and amount are too small to be visible.

Expenses by program represent Recovery Alberta's major distinguishable activities and services. The distribution does not significantly change year-to-year. Community care, which consists of bed-based services, as well as mental health and addiction services via outpatient, virtual, and outreach, is the largest program at 45.0% of total expenses. The second largest program is acute care, which consists predominantly of mental health and addiction patient-care units at 30.0% of total expenses.

(in $ millions)	Budget 2025-26	Actual 2025-26	Actual to Budget Variance	Actual 2024-25 Restated*	Year over Year Increase (Decrease)
Continuing care	7	5	(2)	4	1
Community care	692	683	(9)	691	(8)
Acute care	388	455	67	428	27
Diagnostic and therapeutic services	116	114	(2)	116	(2)
Population and public health	5	6	1	6	-
Research and education	4	3	(1)	6	(3)
Information technology	43	43	-	43	-
Support services	157	153	(4)	154	(1)
Administration	46	54	8	44	10
Total expenses by program	**1,458**	**1,516**	**58**	**1,492**	**24**

*Recovery Alberta became operational on Sep 1, 2024. The 2024-25 amounts have been restated to also include mental health, addiction, and CHS operations from AHS RHA from Apr – Aug 2024 for comparable purposes.

Actual to Budget

Community care was lower than budget due to delays in implementation of new capacity projects to increase beds in the community partially offset by the impact of collective bargaining agreements.

Acute care was higher than budget due to increased costs related to collective bargaining agreements and increased overtime and relief costs due to vacancies.

Administration was higher than budget due to increased costs related to collective bargaining agreements.

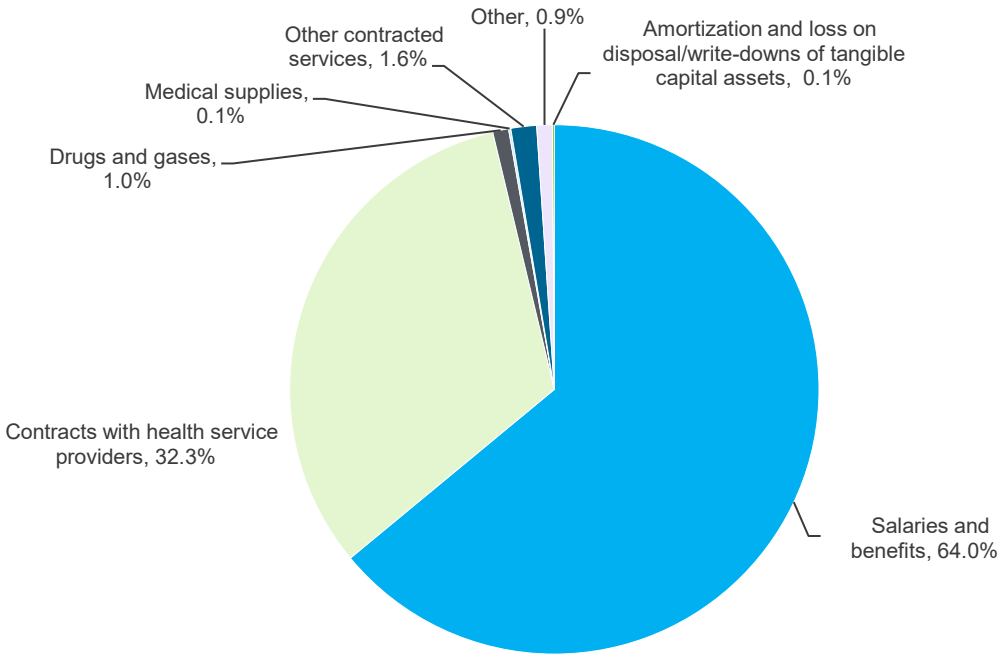
Year over Year

Community care was lower than the prior year primarily due to a change in the distribution of collective bargaining increases across programs. A higher proportion of the increases were allocated to community care in 2024-25 than 2025-26 resulting in a decrease in expenses between the two years.

Acute care was higher than the prior year due to increased costs related to collective bargaining agreements and a reduction in the number of vacancies.

Administration was higher than the prior year due to increased costs related to collective bargaining agreements and a reduction in the number of vacancies.

*Expenses by Object**



*2025-26 actual expenses by object as a per cent of total 2025-26 actual expenses. A glossary of financial statement line definitions can be found at the end of this FSD&A.

Recovery Alberta's total expenses amounted to $1,516 million, which was $58 million or 4.0% higher than the budget of $1,458 million. This is primarily due to increased costs related to collective bargaining agreements. Salaries and benefits are Recovery Alberta's largest expense at 64.0% of total expense. This does not include employees who work for contracted providers.

(in $ millions)	Budget 2025-26	Actual 2025-26	Actual to Budget Variance	Actual 2024-25 Restated*	Year over Year Increase (Decrease)
Salaries and benefits	901	970	69	1,008	(38)
Contracts with health service providers	488	489	1	394	95
Drugs and gases	14	15	1	13	2
Medical supplies	2	2	-	3	(1)
Other contracted services	31	24	(7)	28	(4)
Other	22	14	(8)	45	(31)
Amortization and loss on disposal/write-downs of tangible capital assets	-	2	2	1	1
Total expenses	**1,458**	**1,516**	**58**	**1,492**	**24**

*Recovery Alberta became operational on Sep 1, 2024. The 2024-25 amounts have been restated to also include mental health, addiction, and CHS operations from AHS RHA from Apr – Aug 2024 for comparison purposes.

Actual to Budget

Salaries and benefits were higher than budget due to higher costs related to the collective bargaining agreements, partially offset by vacancies.

Other contracted services were lower than budget due to physician-related costs such as medical fees and forensic sessional expenses being lower than anticipated.

Other was lower than budget primarily due to lower than anticipated costs for travel, supplies, membership fees and other sundry expenses.

Year over Year

Salaries and benefits were lower than the prior year due to recording of Transition Service Agreement (TSA) costs. In the prior year, Recovery Alberta incurred TSA costs under salary and benefits. Effective Sep 1, 2024, they were recorded in contracts with health service providers. The allocation offsets increases in spend related to activity, reduced vacancies, and collective bargaining impacts.

Contracts with health service providers were higher than the prior year due to TSA costs recorded in contracts with health service providers effective Sep 1, 2024, as well as the impact of inflationary increases.

Other was lower than the prior year due to the recording of TSA costs and the subsequent change effective Sep 1, 2024.

Note that for part of the 2024-25 fiscal year up to Sep 1, 2024, Recovery Alberta was still operating as part of Alberta Health Services RHA. This has led to a year-over-year misalignment of costs between Expense by Object (EBO) lines. In 2024-25 actuals were

reported in Salaries. In 2025-26, TSA costs are properly reported in the contracts with health service providers EBO category. The year-over-year explanations above account for this change.

Financial Position

(in $ millions)	2025-26	2024-25	Change
Financial assets	299	278	21
Liabilities	222	263	(41)
Net financial assets	77	15	62
Non-financial assets	7	4	3
Expended deferred capital revenue	5	2	3
Net assets	80	17	63

Financial Assets

Financial assets are the financial resources available to Recovery Alberta to settle its liabilities or to finance future operations.

At year end, Recovery Alberta's **cash** balance was $18 million, which is sufficient cash on hand to meet cash-flow requirements.

Accounts receivable decreased by $17 million primarily due to differences in the timing of operational transfers from Mental Health and Addiction. All operating transfers were received by Mar 31, 2026.

Due from Alberta Health Services Regional Health Authority decreased by $252 million due to the transfer of oversight for shared services in the year from Alberta Health Services RHA to Health Shared Services PHC.

Due from Health Shared Services PHC increased by $273 million due to the transfer of oversight for shared services in the year from Alberta Health Services RHA to Health Shared Services PHC. The majority of this balance is a consequence of the transfer of assets, liabilities, and funding agreements from Alberta Health Services RHA to Recovery Alberta effective Sep 1, 2024.

Liabilities

Liabilities represent Recovery Alberta's existing financial obligations at year end.

Accounts payable and accrued liabilities decreased $23 million mainly due to lower payroll accruals resulting from timing of payroll remittances.

Employee future benefits increased $6 million mainly due to corporate services and medical affairs employees that were transferred to Recovery Alberta in the year as part of the restructuring of Alberta's healthcare system.

Unspent deferred operating contributions decreased $24 million mainly due to the return of unspent funds from various expired grants to Mental Health and Addiction, which were subsequently renewed.

Non-Financial Assets

Non-financial assets are assets that are not intended to be monetized for settling Recovery Alberta's liabilities. Tangible capital assets are Recovery Alberta's only non-financial assets and include owned and leased equipment.

Net Assets

Recovery Alberta is in an overall positive net asset position, reflecting the amount by which assets exceed liabilities. This measure represents the net economic position of the organization from all years of operation.

(in $ millions)	2025-26	2024-25	Increase (Decrease)
Unrestricted surplus	79	16	63
Invested in tangible capital assets	1	1	-
Accumulated Surplus	**80**	**17**	**63**
Total Net Assets	**80**	**17**	**63**

Outlook

Recovery Alberta is committed to delivering and overseeing comprehensive and accessible recovery-oriented mental health and addiction services to Albertans, as well as CHS. For 2026-27, Recovery Alberta's budget is $1,730.1 million, an increase of 18.5% compared to 2025-26.

Recovery Alberta will continue to focus on financial sustainability while also making efforts to improve capacity and patient flow. The Acute Care Action Plan will allow Recovery Alberta to implement new community mental health beds. This will help reduce pressures within the broader healthcare system by fostering the appropriate community placement of alternate level of care patients. These community beds will give patients a safe place to continue treatment and recovery when they no longer need acute care, but still need structured, ongoing rehabilitation and recovery support with healthcare professionals. Overall, opening these beds will improve patient care, emergency inpatient flow, and access to acute care beds.

The organization will also continue to work toward operationalizing Compassionate Intervention, a program that will provide Albertans with bed-based addiction treatment. The program is expected to relieve some of the considerable pressures on the acute care system and reduce pressure on other areas such as law enforcement and the courts.

Recovery Alberta will manage its resources within the approved budget while responding to pressures related to population growth, wage increases, and inflation. The organization will continue to carefully review and prioritize resources to support operational sustainability.

Financial Reporting, Control and Accountability

Recovery Alberta's financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. The chart of accounts that Recovery Alberta uses to report expense by program and by object is based on the national standards from the Canadian Institute for Health Information (CIHI). Detailed site-based results are submitted to CIHI annually for analysis and reporting on Canada's healthcare system and the health of Canadians. Recovery Alberta's annual reports are available at www.recoveryalberta.ca.

Health Shared Services PHC has an established Internal Audit and Enterprise Risk Management (ERM) function. Internal Audit provides independent and objective assurance, advisory, and risk management services to senior management and the Board Chair of each PHA and PHC where Health Shared Services PHC has shared services agreements. Internal Audit's work takes a risk-based approach to evaluate and improve the effectiveness of Recovery Alberta's governance, risk-management practices, financials, and contracting controls.

Internal Audit conducts assurance and advisory projects on a system-wide financial management processes and information technology general controls across the health system, including Recovery Alberta.

Internal Audit and Enterprise Risk Management also supports Recovery Alberta's management with a consistent approach to identifying, assessing, monitoring, and reporting risks by maintaining an ERM policy and framework, facilitating risk assessments, supporting risk management plans, and coordinating risk reporting.

The Auditor General of Alberta is the appointed external auditor of Recovery Alberta. In addition to expressing an audit opinion on the Recovery Alberta annual financial statements, the Auditor General of Alberta also reports recommendations related to Recovery Alberta to the legislature. The Auditor General of Alberta's reports are available at www.oag.ab.ca.

Glossary of Financial Statement Line Definitions

Revenues

Mental Health and Addiction transfers comprise funding received from Mental Health and Addiction which may be unrestricted or restricted for operating. Unrestricted Mental Health and Addiction transfers are the main source of operating funding for the provision of mental health and addiction services to the population of Alberta, and all health services in Alberta correctional facilities. Restricted operating funding can only be used for specific purposes and is recognized when the related expenses are incurred.

Other government transfers comprise contributions from federal, provincial (other than Mental Health and Addiction and including those under other jurisdictions), municipal, and foreign governments that can be unrestricted or restricted for operating or capital purposes. Restricted amounts received are recognized as revenue when the related stipulations are met.

Fees and charges comprise patient revenue from health services provided to patients and collected from individuals, Workers' Compensation Board (WCB), federal and provincial governments, and other parties such as Alberta Blue Cross and other insurance companies.

Non-government contributions comprise contributions from donors and non-government entities that can be unrestricted or restricted for operating or capital purposes. Restricted amounts received are recognized as revenue when the related stipulations are met.

Other income comprises interest income, dividends, net realized gains and losses on disposal of investments, recoveries from external sources other than ancillary operations, and miscellaneous revenues that cannot be classified elsewhere.

Expenses by Program

Continuing care comprises mental health and addiction psychiatric long-term care.

Community care comprises community bed-based services such as withdrawal management, addiction treatment, and mental health supports. The provision of mental health and addiction services via outpatient, virtual, and outreach services.

Acute care comprises predominantly mental health and addiction patient-care units.

Diagnostic and therapeutic services comprise rehabilitation services such as physiotherapy, occupational therapy, respiratory therapy and speech-language pathology, and diagnostic and pharmacy services.

Population and public health comprise primarily health promotion and some harm reduction services.

Research and education comprise primarily of costs pertaining to formally organized mental health and addiction research and education.

Information technology comprises costs pertaining to the provision of service and consultation in the design, development, implementation, security, and support of information-technology services and systems.

Support services comprise building maintenance operations (including utilities), materials management (including purchasing, central warehousing, distribution, and sterilization), housekeeping, patient registration, health records, food services, emergency preparedness, and infection prevention and control.

Administration comprises human resources, finance, communications and general administration. General administration includes senior executives and many functions such as planning and development, quality assurance, patient safety, insurance, privacy, public relations, risk management, internal audit, legal, and coordination of virtual health services.

Expenses by Object

Salaries and benefits comprise compensation for hours worked, vacation and sick leave, other cash benefits (which includes overtime), employer-benefit contributions made on behalf of employees, and severance.

Contracts with health service providers comprise contracts with health service providers whom Recovery Alberta contracts for mental health and addiction services. These health-

service providers incur expenses similar to Recovery Alberta, such as salaries and benefits, clinical supplies and other expenses. Furthermore, clinical support and corporate services are being provided by contracted health service providers under a shared service agreement.

Drugs and gases comprise all drugs used by Recovery Alberta, including medicines, certain chemicals, anesthetic gas, oxygen, and other medical gases used for patient treatment. Drugs used for purposes other than patient treatment such as diagnostic reagents, are not included in this category and are reported in other expenses.

Medical supplies comprise general medical supplies used in treating and examining patients, such as gloves, needles, and sutures.

Other contracted services comprise payments to those under contract that are not considered to be employees. This category includes payments to physicians for referred-out services and purchased services.

Other expenses comprise expenses not classified elsewhere, including personal protective equipment.

Amortization and losses on disposals/write-downs of tangible capital assets comprise periodic charges to expenses representing the estimated portion of the cost of the respective tangible capital asset that expired through use and age during the period. A loss on disposal/write-down of capital assets occurs when the net book value (defined as historical cost less accumulated amortization) exceeds the proceeds/fair value from the disposal/write-down.

Recovery Alberta

FINANCIAL STATEMENTS

MARCH 31, 2026

Statement of Management Responsibility for Financial Reporting

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Schedule of Expenses by Object

Schedule 2 – Schedules of Remuneration and Benefits

Schedule 3 – Schedule of Segment Disclosures

Recovery Alberta

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements for the year ended March 31, 2026 are the responsibility of management and have been reviewed and approved by senior management. The financial statements were prepared in accordance with Canadian Public Sector Accounting Standards and include certain disclosures required by the financial directives issued by the Ministry of Mental Health and Addiction, and of necessity include some amounts based on estimates and judgment.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public funds;
- safeguard the assets and properties of the "Province of Alberta" that are the responsibility of Recovery Alberta.

Recovery Alberta carries out its responsibility for the financial statements through the Board. The Board meets with management and the Auditor General of Alberta to review financial matters, and approves the financial statements upon finalization of the audit. The Auditor General of Alberta has free access to the Board.

The Auditor General of Alberta provides an independent audit of the financial statements. His examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and procedures which allow him to report on the fairness of the financial statements prepared by management.

[Original signed by]

Kerry Bales
Chief Executive Officer
Recovery Alberta

[Original signed by]

Jennifer Ocloo CPA, CMA
Executive Lead, Finance
Recovery Alberta

October 6, 2026

Auditor General OF ALBERTA

To the Board Chair of Recovery Alberta and the Minister of Mental Health and Addiction

Report on the Financial Statements

Opinion

I have audited the financial statements of Recovery Alberta, which comprise the statement of financial position as at March 31, 2026, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes and schedules to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Recovery Alberta as at March 31, 2026, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Recovery Alberta in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

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

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

In preparing the financial statements, management is responsible for assessing Recovery Alberta's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Recovery Alberta's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Recovery Alberta'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 Recovery Alberta's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Recovery Alberta 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.

I 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 I identify during my audit.

[Original signed by]

Phillip D. Peters FCPA, FCA, KC
Auditor General of Alberta

October 6, 2026
Edmonton, Alberta

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2026 *(with comparative figures for the nine-month period ended March 31, 2025)*			
	2026		2025
	Budget (Note 4)	Actual	Actual *(9 months)*
Revenues:			
Ministry of Mental Health and Addiction transfers			
Base operating	$ 1,334,617	$ 1,412,888	$ 726,840
One-time base operating		17,930	85,350
Other operating	91,036	96,498	68,771
Recognition of spent deferred capital contributions		15	14
Other government transfers (Note 5)	17,333	15,326	9,865
Fees and charges	3,000	8,517	2,415
Non-government contributions (Note 6)	2,867	7,026	2,512
Other income (Note 7)	9,186	20,706	12,461
Net effect of restructuring transaction (Note 3)		-	679
TOTAL REVENUES	**1,458,039**	**1,578,906**	**908,907**
Expenses:			
Continuing care	6,833	4,466	2,688
Community care	692,342	683,227	414,507
Acute care	387,831	455,387	251,646
Emergency medical services		64	-
Diagnostic and therapeutic services	116,212	113,827	70,787
Population and public health	4,777	5,488	3,346
Research and education	4,327	3,283	3,542
Information technology	42,486	43,289	25,188
Support services (Note 8)	157,389	152,871	93,314
Administration (Note 9)	45,842	54,012	27,201
TOTAL EXPENSES (Schedules 1 and 3)	**1,458,039**	**1,515,914**	**892,219**
ANNUAL OPERATING SURPLUS	**-**	**62,992**	**16,688**
Accumulated surplus, beginning of year/period	-	**16,688**	-
Accumulated surplus, end of year/period (Note 18)	**$ -**	**$ 79,680**	**$ 16,688**

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31		
	2026	2025
	Actual	Actual
Financial Assets:		
Cash	$ 18,027	$ 28
Accounts receivable (Note 11)	8,496	25,659
Due from Alberta Health Services Regional Health Authority	-	251,863
Due from Health Shared Services	272,739	-
	299,262	277,550
Liabilities:		
Accounts payable and accrued liabilities (Note 12)	105,870	128,479
Employee future benefits (Note 13)	77,096	71,211
Unspent deferred operating contributions (Note 14)	39,020	63,237
Unspent deferred capital contributions (Note 15)	-	14
	221,986	262,941
NET FINANCIAL ASSETS	**77,276**	**14,609**
Non-Financial Assets:		
Tangible capital assets (Note 17)	7,117	4,198
	7,117	4,198
NET ASSETS BEFORE SPENT DEFERRED CAPITAL CONTRIBUTIONS	84,393	18,807
Spent deferred capital contributions (Note 16)	4,713	2,119
NET ASSETS	**79,680**	**16,688**
Net Assets is comprised of:		
Accumulated surplus (Note 18)	79,680	16,688
	$ 79,680	**$ 16,688**

Contractual Obligations and Contingent Liabilities (Note 19)

The accompanying notes and schedules are part of these financial statements.

Approved by:

[Original signed by]

_____

Kerry Bales
Board Chair
Recovery Alberta

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED MARCH 31, 2026 *(with comparative figures for the nine-month period ended March 31, 2025)*			
	2026		2025
	Budget[(i)]	Actual	Actual *(9 months)*
Annual operating surplus		$ 62,992	$ 16,688
Effect of changes in tangible capital assets:			
Acquisition of tangible capital assets:			
Purchased		(3,311)	(155)
Leased		(942)	(355)
Contributed		(462)	-
Amortization and loss on disposals/write-downs of tangible capital assets		1,796	1,049
Effect of other changes:			
Net increase (decrease) in spent deferred capital contributions		2,594	(169)
Net decrease in prepaid expenses		-	5,279
Net debt transferred as a result of restructuring transaction		-	(7,049)
Net effect of restructuring transaction		-	(679)
Increase in net financial assets for the year/period		**62,667**	**14,609**
Net financial assets, beginning of year/period		**14,609**	-
Net financial assets, end of year/period		**$ 77,276**	**$ 14,609**

(i) No budget values are presented as no budget was approved for the Statement of Change in Net Financial Assets for the year ended March 31, 2026, or the nine-month period ended March 31, 2025 (Note 4).

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026 *(with comparative figures for the nine-month period ended March 31, 2025)*	2026	2025
	Actual	Actual *(9 months)* (Note 22)
Operating transactions:		
Annual operating surplus	$ 62,992	$ 16,688
Non-cash items:		
Amortization and loss on disposals/write-downs of tangible capital assets	1,796	1,049
Recognition of spent deferred capital contributions	(784)	(286)
Change in employee future benefits	5,357	6,090
Net effect of restructuring transaction	-	(679)
(Increase) decrease in:		
Accounts receivable	17,163	(16,881)
Due from Alberta Health Services Regional Health Authority	(26,548)	(60,584)
Due from Health Shared Services	7,006	-
Prepaid expenses	-	5,279
Increase (decrease) in:		
Accounts payable and accrued liabilities	(23,335)	53,503
Unspent deferred operating contributions	(24,547)	(3,549)
Cash provided by operating transactions	19,100	630
Capital transactions:		
Purchased tangible capital assets	(3,311)	(155)
Cash applied to capital transactions	(3,311)	(155)
Financing transactions:		
Restricted capital contributions received	2,902	131
Payments on obligations under capital leases	(692)	(606)
Cash provided by (applied to) financing transactions	2,210	(475)
Increase in cash	**17,999**	**-**
Cash, beginning of year/period	28	28
Cash, end of year/period	**$ 18,027**	**$ 28**

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Note 1 Authority, Purpose and Operations

Recovery Alberta was legally established as a Provincial Health Agency (PHA) under the *Provincial Health Agencies Act* (Alberta), effective July 1, 2024, as a result of the Government of Alberta's initiative to refocus the healthcare system. Effective September 1, 2024, Recovery Alberta assumed responsibility for the delivery, oversight and coordination of mental health and addiction services in Alberta, with the transfer of related powers, duties, responsibilities and functions from Alberta Health Services Regional Health Authority (AHS RHA) (Note 3).

Mental health and addiction health services are services provided through provincially approved recovery-oriented facilities and programs. These services include inpatient care at acute care hospitals and standalone psychiatric hospitals; outpatient care delivered through community health clinics, outreach teams, walk-in services, and virtual options; bed-based addiction care; bed-based community mental health care; coordinated access through Access phone lines; and health promotion and education initiatives. In addition, Recovery Alberta is responsible for providing correctional facilities health services, which are health services provided in all provincial correctional settings.

Pursuant to Part 2 of the *Provincial Health Agencies Act, RSA 2000* (Alberta), effective June 21, 2024, Recovery Alberta, as a PHA, is responsible for the delivery, oversight and coordination of health services in the health services sector or sectors for which it was established. For the purposes of the Act, Recovery Alberta is responsible for carrying out the following functions, which include but are not limited to:

(a) deliver mental health and addiction health services or arrange for the delivery of mental health and addiction health services,
(b) oversee the delivery of mental health and addiction health services by the parties with whom the provincial health agency has entered into agreements to deliver mental health and addiction health services and ensure the accountability of those parties,
(c) monitor and evaluate the delivery of mental health and addiction health services in the mental health and addiction health services sector,
(d) ensure that mental health and addiction health services are delivered in the mental health and addiction health services sector in a manner that is responsive to the needs of individuals and communities and supports the integration of mental health and addiction health services,
(e) support reasonable access to quality mental health and addictions health services in the mental health and addictions health services sector.

Recovery Alberta is accountable to the Minister of Mental Health and Addiction (the Minister) for the delivery, oversight and coordination of the mental health and addiction services for Albertans.

The Recovery Alberta financial statements include the assets, liabilities, revenues and expenses associated with its responsibilities.

Note 2 Significant Accounting Policies and Reporting Practices

(a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards. In addition, the financial statements include certain disclosures required by the financial directives issued by the Ministry of Mental Health and Addiction (MHA).

(b) Revenue Recognition

All revenues are recorded on an accrual basis, except when the accrual cannot be determined within a reasonable degree of certainty or when estimation is impracticable. Revenues from transactions with performance obligations are recognized when Recovery Alberta provides the promised goods and/or services to a payor. Revenue from transactions with no performance obligations are recognized at their realizable value when Recovery Alberta has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset. Unallocated costs comprising of materials and services contributed by related parties in support of Recovery Alberta's operations, are not recognized in these financial statements.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(i) Government Transfers

Transfers from MHA, PHAs, provincial health corporations (PHCs), other Province of Alberta ministries, and other government entities including federal bodies are referred to as government transfers. Government transfers are monetary or tangible capital asset transfers where the government making the transfer does not receive any goods or services directly in return, expect to be repaid in the future, or expect a direct financial return.

Government transfers are recorded as deferred contributions when the stipulations together with Recovery Alberta's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, Recovery Alberta complies with the communicated use of the transfer.

All other government transfers, without stipulations for the use of the transfer, are recorded as revenue when the transfer is authorized and Recovery Alberta meets the eligibility criteria.

Deferred contributions consist of unspent deferred operating contributions (Note 14), unspent deferred capital contributions (Note 15), and spent deferred capital contributions (Note 16). The term deferred contributions in these financial statements refers to the components of deferred contributions as described.

(ii) Non-Government Contributions

Non-government contributions are received from individuals, corporations, and other not-for-profit organizations. Non-government contributions may be unrestricted or externally restricted for operating or capital purposes.

Unrestricted non-government contributions are recorded as revenue in the year received or in the year the funds are committed to Recovery Alberta if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted non-government contributions are recorded as deferred contributions if the terms for their use, or the terms along with Recovery Alberta's actions and communications as to their use create a liability. These resources are recognized as revenue as the terms are met and, when applicable, Recovery Alberta complies with the communicated use.

In-kind contributions of services and materials from non-related parties are recorded at fair value when such value can reasonably be determined. While volunteers contribute a significant amount of time each year to assist Recovery Alberta, the value of their services is not recognized as revenue and expenses in the financial statements because fair value cannot be reasonably determined.

(iii) Fees and Charges and Other Income

Fees and charges and other income are considered revenue arising from exchange transactions with performance obligations. These are recognized in the year that goods are delivered or services are provided by Recovery Alberta. Amounts received for which goods or services have not been provided by year end are recorded as deferred contributions.

Other income includes an allocation of investment income recognized by AHS RHA until February 28, 2026, and by Health Shared Services (HSS) from March 1, 2026 going forward. Prior to March 1, 2026, AHS RHA managed cash and portfolio investments centrally and allocated investment income to Recovery Alberta using the same pro-rate methodology currently applied by HSS. At year end, cash and portfolio investments are managed centrally by HSS with the income allocated to Recovery Alberta on a pro-rata basis for Recovery Alberta's share of the income generated from cash and portfolio investments. The investment income recognized by HSS is used as the basis for the income allocation and includes bank interest and income arising from portfolio investments.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(c) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Expenses include grants and transfers under shared cost agreements. Grants and transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

(d) Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial liabilities are contractual obligations to deliver cash or another financial asset to another entity or to exchange financial instruments with another entity under conditions that are potentially unfavourable to Recovery Alberta.

All of Recovery Alberta's financial assets and financial liabilities are initially recorded at their fair value and are subsequently measured at cost or amortized cost. Amortized cost is the amount at which a financial instrument asset or a financial instrument liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Recovery Alberta's financial instruments include cash, accounts receivable, due from AHS Regional Health Authority, due from Health Shared Services, and accounts payable and accrued liabilities.

Contractual obligations are evaluated for the existence of embedded derivatives. Recovery Alberta measures and recognizes embedded derivatives separately from the host contract when the economic characteristics and risk of the embedded derivative are not closely related to those of the host contract, when it meets the definition of a derivative, and when the entire contract is not measured at fair value. An election can be made to either measure the entire contract at fair value or measure the value of the derivative component separately when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for Recovery Alberta's normal course of business are not recognized as financial assets or liabilities. Recovery Alberta does not have any embedded derivatives.

Financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported as a realized loss on the Statement of Operations.

A financial liability or a part thereof is derecognized when it is extinguished.

Recovery Alberta has not presented a Statement of Remeasurement Gains and Losses, as no activities would result in remeasurement gains or losses.

(e) Cash

Cash is held for the purpose of meeting short-term commitments rather than for investment purposes.

(f) Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(g) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, or betterment of the assets. Cost includes overhead directly attributable to construction and development as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Contributed tangible capital assets from non-related entities are recognized at their fair value at the date of the contribution when fair value can be reasonably determined. When Recovery Alberta cannot determine the fair value, it records such contributions at nominal value.

The costs less residual values of tangible capital assets are amortized over their estimated useful lives on a straight-line basis as follows:

	Useful Life
Equipment	3-20 years

Leases of tangible capital assets which transfer substantially all benefits and risks of ownership to Recovery Alberta are accounted for as tangible capital assets and are amortized over the shorter of the term of the lease or their estimated useful lives. Obligations under capital leases are recorded at the present value of the minimum lease payments excluding executory costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of Recovery Alberta's rate for incremental borrowing and the interest rate implicit in the lease.

Tangible capital assets are written down to their net recoverable amount when conditions indicate that they no longer contribute to Recovery Alberta's ability to provide goods and services or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Write-downs are recorded as part of amortization and loss on disposals / write-downs of tangible capital assets.

Intangibles and other assets inherited by right and that have not been purchased are not recognized in these financial statements. Similarly, works of art, historical treasures, and collections are not recognized as tangible capital assets.

(h) Employee Future Benefits

(i) Defined Benefit Pension Plans

Local Authorities Pension Plan (LAPP) and Management Employees Pension Plan (MEPP)

Recovery Alberta participates in the LAPP and MEPP, both of which are multi-employer registered defined benefit pension plans. Recovery Alberta accounts for these plans on a defined contribution basis. Accordingly, the pension expense recorded for these plans in these financial statements is comprised of the employer contributions that Recovery Alberta is required to pay for participating employees during the fiscal year. LAPP and MEPP set the employer contribution rates on an annual basis based on actuarially pre-determined amounts that are expected to provide the plans' future benefits.

(ii) Defined Contribution Pension Plans

Group Registered Retirement Savings Plans (GRRSPs)

Recovery Alberta sponsors GRRSPs for certain employee groups. Under the GRRSPs, Recovery Alberta matches a certain percentage of any contribution made by plan participants up to certain limits.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

Supplemental Pension Plan (SPP)

The SPP supplements the benefits under Recovery Alberta registered plans that are limited by the *Income Tax Act* (Canada). Recovery Alberta contributes a percentage of an eligible employee's pensionable earnings, in excess of the limits of the *Income Tax Act* (Canada). The SPP provides participants with an account balance at retirement based on the contributions made to the plan and investment income earned on the contributions based on investment decisions made by the participant.

(iii) Other Benefit Plans

Accumulating Non-Vesting Sick Leave

Sick leave benefits accumulate with employees' service and are provided by Recovery Alberta to certain employee groups of Recovery Alberta, as defined by employment agreements, to cover illness-related absences that are outside of short-term and long-term disability coverage. Benefit amounts are determined and accumulate with reference to employees' earnings at the time they are paid out. The cost of the accumulating non-vesting sick leave benefits is expensed as the benefits are earned.

Recovery Alberta recognizes a liability and expense for accumulating non-vesting sick leave benefits using an actuarial cost method as the employees render services to earn the benefits. The liability and expense is determined using the projected benefit method pro-rated for service and professional actuarial estimates of expected discount rate, inflation, rate of compensation increase, termination and retirement dates, sick leave accumulation and utilization, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

Recovery Alberta does not record a liability for sick leave benefits that do not accumulate beyond the current reporting year as these are renewed annually.

Other Benefits

Recovery Alberta provides its employees with basic life, accidental death and dismemberment, short-term disability, long-term disability, extended health, dental, and vision benefits through benefits carriers. Recovery Alberta fully accrues its obligations for employee non-pension future benefits.

(i) Reserves

Certain amounts, as approved by the Recovery Alberta Board, may be set aside in accumulated surplus for use by Recovery Alberta for future purposes. Transfers to, or from, are recorded to the respective reserve account when approved. Reserves include Invested in Tangible Capital Assets.

(j) Measurement Uncertainty

The financial statements, by their nature, contain estimates and are subject to measurement uncertainty. Measurement uncertainty exists when there is a difference between the recognized or disclosed amount and another reasonably possible amount. These estimates and assumptions are reviewed at least annually. Actual results could differ from the estimates determined by management in these financial statements, and these differences could require adjustment in subsequent reporting years.

The amount recorded for amortization of tangible capital assets is based on the estimated useful life of the related assets while the recognition of spent deferred capital contributions depends on when the terms for the use of the funding are met and, when applicable, Recovery Alberta complies with its communicated use of the funding. The amounts recorded for accumulating non-vesting sick leave are based on various assumptions including the estimated service life of employees, drawdown rate of sick leave banks and rate of salary escalation.

Note 2 Significant Accounting Policies and Reporting Practices (continued)

(k) Inter-Entity Transactions

Inter-entity transactions are those conducted between Recovery Alberta and other entities within the Province of Alberta reporting entity.

In accordance with PS 3420 Inter-entity transactions, the accounting treatment for these transactions includes the following:

- Inter-entity transactions involving the transfer of assets or liabilities are recognized by both the transferring and receiving entities.
- Inter-entity transactions are recorded at the carrying amount, with any applicable adjustments, as determined at the transaction date.
- Where the exchange amount differs from the carrying amount, the difference is recognized as an expense or revenue in the Consolidated Statement of Operations.

(l) Future Accounting Changes

On April 1, 2026, Recovery Alberta will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- **The Conceptual Framework for Financial Reporting in the Public Sector**
  The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation**
  Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

On April 1, 2029, Recovery Alberta will adopt PS 3251 – Employee Benefits.

- **PS 3251 – Employee Benefits**
  This standard will replace and consolidate two old standards, PS 3250 – Retirement benefits and PS 3255 – Post-employment benefits, Compensated Absences and Termination Benefits. The application of the standard will improve the understandability of the financial reporting of employee benefits and provide better information for accountability purposes.

On April 1, 2030, Recovery Alberta will adopt the amendments to PS 3150 – Tangible Capital Assets.

- **PS 3150 – Tangible Capital Assets**
  The amendments standardize capital asset accounting by incorporating Government Not for Profit standards, clarifying recognition and disclosure requirements related to collections, works of art and historical treasures.

Management is currently assessing the impact of the conceptual framework and these standards on the Recovery Alberta financial statements.

Note 3 Restructuring of AHS RHA and Establishment of Recovery Alberta

(a) Restructuring Transaction

As a result of the Government of Alberta's initiative to refocus the healthcare system, and in accordance with the Government of Alberta's ministerial orders related to the restructuring of AHS RHA, all responsibilities and the oversight and coordination of the delivery of mental health and addiction services, along with related assets, liabilities, and funding agreements were transferred from AHS RHA to Recovery Alberta effective September 1, 2024. Recovery Alberta is associated with AHS RHA since both entities are accountable to their respective Ministries within the Government of Alberta. Recovery Alberta did not provide or receive any compensation related to the transfer of assets and liabilities.

		September 1, 2024
Financial assets:		
Cash	$	28
Due from AHS RHA		191,279
Accounts receivable		8,778
		200,085
Liabilities:		
Accounts payable and accrued liabilities		75,227
Employee future benefits		65,121
Unspent deferred operating contributions		66,786
		207,134
Non-financial assets:		
Tangible capital assets		4,737
Prepaid expenses		5,279
		10,016
Spent deferred capital contributions		2,288
Net effect of restructuring transaction	**$**	**679**

The tangible capital assets transferred to Recovery Alberta included equipment with a cost of $18,203 and accumulated amortization of $13,466 (Note 17). Obligations under capital leases transferred to Recovery Alberta were $1,522.

The related sector contractual obligations were also transferred to Recovery Alberta. Contracts transferred to Recovery Alberta for $262,703 were related to the continuum of mental health and addiction services and supports, from prevention and intervention to treatment and recovery.

Recovery Alberta entered into a Transition Services Framework Agreement (TSFA), Cooperation Agreement and Information Management and Information Sharing Agreement with AHS RHA effective September 1, 2024. Together, these agreements governed the relationship between AHS RHA and Recovery Alberta. Under the TSFAs, AHS RHA agreed to provide transition services to Recovery Alberta. The transition services included all clinical and corporate support services provided by AHS RHA to itself including but not limited to nutrition, food, linen & environmental services, capital management, information technology, protective services, pharmacy services, human resources, financial operations, Alberta Precision Laboratories (APL) services, and health information management. Laboratory and pathology services continue to be provided by APL, a wholly owned subsidiary controlled by AHS RHA. The corporate services were provided by AHS RHA until they were transferred to HSS effective December 1, 2025. The corporate services include, but are not limited to, capital management, information technology, human resources, financial operations, and health information management.

AHS RHA provided cash management services, including investment and portfolio oversight, on behalf of Recovery Alberta until February 28, 2026. Therefore cash-settled assets and liabilities are reflected in the 'Due from AHS RHA' line in the table above. Effective March 1, 2026, $279,745 was transferred to HSS to provide these services on behalf of Recovery Alberta and is therefore reflected in the 'Due from HSS' line in the Statement of Financial Position as at March 31, 2026.

Note 3 Restructuring of AHS RHA and Establishment of Recovery Alberta (continued)

(b) Post-restructuring Transfer

In accordance with the Government of Alberta's ministerial orders issued, additional transfers of assets and liabilities were executed between AHS RHA and other entities within the Government of Alberta reporting entity to further align financial resources with the revised organizational structure. These transfers have been accounted for as inter-entity transfers as they do not meet the definition of restructuring transactions.

In accordance with the Government of Alberta's ministerial orders, the following transfers occurred:

Effective December 1, 2025, additional positions together with certain related assets and liabilities were transferred from AHS RHA to Recovery Alberta to support the operational responsibility that was transferred on September 1, 2024.

The assets and liabilities were transferred at their carrying amounts and Recovery Alberta did not provide or receive any consideration related to this transfer.

		December 1, 2025
Financial assets:		
Due from AHS RHA	$	1,334
Liabilities:		
Accounts payable and accrued liabilities	$	476
Employee future benefits		528
Unspent deferred operating contributions		330
	$	1,334

Note 4 Budget

The year ended March 31, 2026 Statement of Operations budget was approved by the Board on March 31, 2025 and approved by the Minister of Mental Health and Addiction on May 12, 2025. No budget was prepared or approved for the Statement of Change in Net Financial Assets as the assets and liabilities that were transferring from AHS RHA to Recovery Alberta, as part of the restructuring transaction, were still being identified at the time of budget submission.

Note 5 Other Government Transfers

	Budget (Note 4)	2026	2025 *(9 months)*
Recognition of spent deferred capital contributions (Note 16)	$	$ 591	$ 221
Restricted operating (Note 14)	7,616	6,757	4,125
Unrestricted operating	9,717	7,978	5,519
	$ 17,333	**$ 15,326**	**$ 9,865**

Other government transfers include $11,871 (2025 - $6,548) (Note 20) transferred from the Province of Alberta, $3,455 (2025 - $3,317) from government entities outside the Province of Alberta and exclude amounts from MHA as these amounts are separately disclosed on the Statement of Operations.

Note 6 Non-Government Contributions

	Budget (Note 4)	2026	2025 *(9 months)*
Recognition of spent deferred capital contributions (Note 16)	$	$ 178	$ 51
Restricted operating (Note 14)	2,767	5,825	1,688
Unrestricted operating	100	1,023	773
	$ 2,867	**$ 7,026**	**$ 2,512**

Note 7 Other Income

	Budget (Note 4)	2026	2025 *(9 months)*
Other Province of Alberta Ministries (Note 20)	$	$ 2,887	$ 1,356
Other[(i)]	9,186	17,819	11,105
	$ 9,186	**$ 20,706**	**$ 12,461**

(i) Other primarily relates to an allocation of $6,915 (2025 - $5,251) investment income from HSS and AHS RHA (Note 20), and other recoveries for services provided to third parties.

Note 8 Support Services

	Budget (Note 4)	2026	2025 *(9 months)*
Facilities operations	$ 71,155	$ 69,519	$ 41,522
Patient health records, food services, and transportation	35,445	33,634	19,122
Housekeeping, laundry, and linen	22,976	22,842	12,324
Materials management	7,013	4,489	4,132
Ancillary operations	4,607	3,257	2,730
Other	16,193	19,130	13,484
	$ 157,389	**$ 152,871**	**$ 93,314**

Note 9 Administration

	Budget (Note 4)	2026	2025 *(9 months)*
General administration	$ 22,739	$ 29,096	$ 13,317
Human resources	11,431	9,994	6,860
Finance	6,334	9,584	3,620
Communications	5,338	5,338	3,404
	$ 45,842	**$ 54,012**	**$ 27,201**

Note 10 Financial Risk Management

Recovery Alberta is exposed to a variety of financial risks associated with its financial instruments. These financial risks include market risk, credit risk, and liquidity risk.

(a) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk is comprised of three types of risk: price risk, interest rate risk, and foreign currency risk. Recovery Alberta does not hold portfolio investments or debt, and therefore market risk is minimal.

(i) Interest Rate Risk

Recovery Alberta has fixed interest rate loans for all debt, thereby mitigating interest rate risk from rate fluctuations over the term of the outstanding debt. The fair value of fixed rate debt fluctuates with changes in market interest rates, but the related future cash flows will not change.

(b) Credit Risk

Credit risk is the risk of loss arising from the failure of a counterparty to fully honour its contractual obligations. Recovery Alberta's receivables are exposed to credit risk, however, these amounts are largely due from MHA and HSS; therefore, the credit risk is minimal. Recovery Alberta periodically reviews the collectability of its other accounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts.

(c) Liquidity Risk

Liquidity risk is the risk that Recovery Alberta will encounter difficulty under both normal and stressed conditions in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. Recovery Alberta's accounts payable and accrued liabilities are exposed to liquidity risk; however, the risk is minimal as, effective December 1, 2025, HSS is responsible for settling the majority of Recovery Alberta's obligations mainly through funding provided by MHA.

The following are contractual maturities of the remaining financial liabilities as at March 31, 2026 based on expected undiscounted cash flows.

	Due in less than 1 year	Due in 1-5 years	Due after 5 years
Payroll payable and related accrued liabilities	$ 85,494	$ -	$ -
Trade accounts payable and accrued liabilities	18,855	-	-
	$ 104,349	**$ -**	**$ -**

Obligations under capital leases are disclosed in Note 12(a).

Note 11 Accounts Receivable

	2026			2025
	Gross	Allowance for Doubtful Accounts	Net	Net
Patient accounts receivable	$ 2,585	$ 57	$ 2,528	$ 2,037
Other capital transfers receivable	221	-	221	-
Other operating transfers receivable[(i)]	2,198	-	2,198	19,812
Other accounts receivable	3,549	-	3,549	3,810
	$ 8,553	**$ 57**	**$ 8,496**	**$ 25,659**

(i) Other operating transfers receivable includes $nil (2025 - $15,943) contributions receivable from MHA.

Note 12 Accounts Payable and Accrued Liabilities

	2026	2025
Payroll payable and related accrued liabilities	$ 85,494	$ 121,166
Trade accounts payable and accrued liabilities	18,855	6,042
Obligations under capital leases[(a)]	1,521	1,271
	$ 105,870	**$ 128,479**

(a) Obligations under capital leases include vehicle leases for fleet vehicles.

The obligations will be settled between 2027 and 2031 and have an implicit interest rate payable of 3.44% (2025 – 3.97%).

Recovery Alberta is committed to making principal payments for obligations under capital leases as follows:

Year ended March 31	Minimum Contract Payments
2027	$ 543
2028	454
2029	315
2030	144
2031	65
	$ 1,521

Note 13 Employee Future Benefits

	2026	2025
Accrued vacation pay	$ 64,385	$ 59,136
Accumulating non-vesting sick leave[(a)]	12,711	12,075
	$ 77,096	**$ 71,211**

(a) Accumulating Non-Vesting Sick Leave

Sick leave benefits are paid by Recovery Alberta; there are no employee contributions and no assets set aside to support the obligation.

	2026	2025
Funded status – deficit	$ 14,236	$ 13,978
Unamortized net actuarial loss	(1,525)	(1,903)
Accrued benefit liability	**$ 12,711**	**$ 12,075**

Key assumptions used in the determination of the accumulating non-vesting sick leave liability are:

	2026	2025
Estimated average remaining service life	13 years	13 years
Draw down rate of accumulated non-vesting sick leave bank	24.10%	24.10%
Discount rate – beginning of year	3.63%	5.00%
Discount rate – end of year	3.92%	3.63%
Rate of compensation increase per year	2025-26 3.00% 2026-27 3.00% Thereafter 2.75%	2024-25 2.00% 2025-26 3.00% 2026-27 3.00% Thereafter 2.75%

Note 13 Employee Future Benefits (continued)

(b) Local Authorities Pension Plan (LAPP)

(i) Recovery Alberta Participation in the LAPP

The majority of Recovery Alberta employees participate in the LAPP. Recovery Alberta's employees comprise approximately 4% (2025 – 4%) of the total membership in LAPP. Recovery Alberta is not responsible for future funding of the plan deficit other than through contribution increases. As Recovery Alberta is exposed to the risk of contribution rate increases, the following disclosure is provided to explain this risk.

The LAPP provides for a pension of 1.4% for each year of pensionable service based on the average salary of the highest five consecutive years up to the average Canada Pension Plan's Year's Maximum Pensionable Earnings (YMPE), over the same five consecutive year period and 2.0% on the excess, subject to the maximum pension benefit limit allowed under the *Income Tax Act* (Canada). The maximum pensionable service allowable under the plan is 35 years.

(ii) LAPP Surplus

The LAPP carried out an actuarial valuation as at December 31, 2024 and these results were then extrapolated to December 31, 2025.

	December 31, 2025	December 31, 2024
LAPP net assets available for benefits	$ 76,076,000	$ 70,698,830
LAPP pension obligation	53,514,754	51,141,682
LAPP surplus	**$ 22,561,246**	**$ 19,557,148**

The 2026 and 2025 LAPP contribution rates are as follows:

Calendar 2026		Calendar 2025	
Employer	**Employees**	**Employer**	**Employees**
7.52% of pensionable earnings up to the YMPE and 10.32% of the excess	6.52% of pensionable earnings up to the YMPE and 9.32% of the excess	8.45% of pensionable earnings up to the YMPE and 11.65% of the excess	7.45% of pensionable earnings up to the YMPE and 10.65% of the excess

(c) Pension Expense

	2026	2025 *(9 months)*
Local Authorities Pension Plan	$ 47,575	$ 37,754
Defined contribution pension plans and group RRSPs	3,904	2,654
Other pension plans	135	66
	$ 51,614	**$ 40,474**

Note 14 Unspent Deferred Operating Contributions

(a) Changes in the unspent deferred operating contributions balance are as follows:

	2026				2025
	MHA	Other Government[i]	Non-Government	Total	Total
Balance, beginning of year/period	$ 59,227	$ 540	$ 3,470	$ 63,237	$ -
Balance transferred from AHS RHA September 1, 2024 (Note 3)	-	-	-	-	66,786
Transfers to/from provincial health entities[ii]	-	330	-	330	-
Received or receivable during the year	92,890	9,075	4,226	106,191	71,157
Unspent deferred operating contributions returned	(21,595)	-	-	(21,595)	(104)
Transferred to unspent deferred capital contributions[iii]	(39)	-	(24)	(63)	(18)
Recognized as revenue	(96,498)	(6,757)	(5,825)	(109,080)	(74,584)
Balance, end of year/period	**$ 33,985**	**$ 3,188**	**$ 1,847**	**$ 39,020**	**$ 63,237**

(i) The balance includes $100 (2025 - $36) of unspent deferred operating contributions received from government entities outside the Province of Alberta. The remaining balance all relates to the Province of Alberta (Note 20).
(ii) The balance includes $330 of contributions transferred from AHS RHA on December 1, 2025.
(iii) The transfer is mainly comprised of restricted capital funding that was used for approved expenditures that did not meet the definition of a tangible capital asset.

(b) The unspent deferred operating contributions balance at the end of the year is externally restricted for the following purposes:

	2026				2025
	MHA	Other Government	Non-Government	Total	Total
Community care	$ 33,925	$ 3,019	$ 950	$ 37,894	$ 57,572
Acute care	54	-	416	470	2,884
Diagnostic and therapeutic services	-	102	134	236	1,962
Other	6	67	347	420	819
	$ 33,985	**$ 3,188**	**$ 1,847**	**$ 39,020**	**$ 63,237**

Note 15 Unspent Deferred Capital Contributions

Changes in the unspent deferred capital contributions balance are as follows:

	2026				2025
	MHA	Other Government[i]	Non-Government	Total	Total
Balance, beginning of year/period	$ -	$ 14	$ -	$ 14	$ -
Received or receivable during the year	14	2,587	238	2,839	113
Transferred to spent deferred capital contributions	(53)	(2,601)	(262)	(2,916)	(117)
Transferred from unspent deferred operating contributions[ii]	39	-	24	63	18
Balance, end of year/period[iii]	**$ -**	**$ -**	**$ -**	**$ -**	**$ 14**

(i) The balance relates to the Province of Alberta.
(ii) The transfer is mainly comprised of restricted capital funding of approved expenditures that did not meet the definition of a tangible capital asset.
(iii) The unspent deferred capital contributions balance at the end of the year of $nil (2025 - $14) is externally restricted for purpose of equipment purchases.

Note 16 Spent Deferred Capital Contributions

Changes in the spent deferred capital contributions balance are as follows:

	2026				2025
	MHA	Other Government[(i)]	Non-Government	Total	Total
Balance, beginning of year/period	$ 77	$ 1,589	$ 453	$ 2,119	$ -
Balance transferred from AHS RHA on September 1, 2024 (Note 3)	-	-	-	-	2,288
Balance transferred from AHS RHA	-	328	134	462	-
Transferred from unspent deferred capital contributions	53	2,601	262	2,916	117
Recognized as revenue	(15)	(591)	(178)	(784)	(286)
Balance, end of year/period	**$ 115**	**$ 3,927**	**$ 671**	**$ 4,713**	**$ 2,119**

(i) The balance relates to the Province of Alberta (Note 20).

Note 17 Tangible Capital Assets

Cost	2025	Additions[a]	Disposals/ Write-downs	2026
Equipment	$ 16,746	$ 3,773	$ (116)	$ 20,403
Leased equipment	1,877	942	-	2,819
	$ 18,623	**$ 4,715**	**$ (116)**	**$ 23,222**

Accumulated Amortization	2025	Amortization Expense	Disposals/ Write-downs	2026
Equipment	$ 13,819	$ 1,101	$ (113)	$ 14,807
Leased equipment	606	692	-	1,298
	$ 14,425	**$ 1,793**	**$ (113)**	**$ 16,105**

Cost	Balance transferred as at September 1, 2024 (Note 3)	Additions[a]	Disposals/ Write-downs	2025
Equipment	$ 16,681	$ 155	$ (90)	$ 16,746
Leased equipment	1,522	355	-	1,877
	$ 18,203	**$ 510**	**$ (90)**	**$ 18,623**

Accumulated Amortization	Balance transferred as at September 1, 2024 (Note 3)	Amortization Expense	Disposals/ Write-downs	2025
Equipment	$ 13,466	$ 443	$ (90)	$ 13,819
Leased equipment	-	606	-	606
	$ 13,466	**$ 1,049**	**$ (90)**	**$ 14,425**

	Net Book Value	
	2026	2025
Equipment	$ 5,596	$ 2,927
Leased equipment	1,521	1,271
	$ 7,117	**$ 4,198**

(a) Additions

Additions include tangible capital assets contributed from other sources of $462 (2025 – $nil).

Note 18 Accumulated Surplus

Accumulated surplus is comprised of the following:

	2026			2025
	Unrestricted Surplus	Invested in Tangible Capital Assets[a]	Total	Total
Balance, beginning of year/period	$ 15,880	$ 808	$ 16,688	$ -
Annual operating surplus	62,992	-	62,992	16,688
Net investment in tangible capital assets	(75)	75	-	-
Balance, end of year/period	**$ 78,797**	**$ 883**	**$ 79,680**	**$ 16,688**

(a) Invested in Tangible Capital Assets

Invested in tangible capital assets represents the portion of accumulated surpluses that has been invested in the acquisition of Recovery Alberta's assets.

Reconciliation of invested in tangible capital assets:

	2026	2025
Tangible capital assets (Note 17)	$ 7,117	$ 4,198
Less funded by:		
Spent deferred capital contributions (Note 16)	(4,713)	(2,119)
Obligations under capital leases (Note 12)	(1,521)	(1,271)
	$ 883	**$ 808**

Note 19 Contractual Obligations and Contingent Liabilities

(a) Contractual Obligations

Contractual obligations are Recovery Alberta's obligations to others that will become liabilities in the future when the terms of those contracts or agreements are met.

The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

Year ended March 31	Services[i]	Other[ii]	Capital Projects	Total
2027	$ 262,991	$ 12,330	$ 123	$ 275,444
2028	10,869	12,331	-	23,200
2029	1,584	55	-	1,639
2030	744	55	-	799
2031	460	55	-	515
Thereafter	-	-	-	-
March 31, 2026	**$ 276,648**	**$ 24,826**	**$ 123**	**$ 301,597**
March 31, 2025	$ 528,485	$ 9,001	$ -	$ 537,486

(i) Service obligations include $2,107 with AHS RHA, through APL, $39,190 with Acute Care Alberta (ACA), through AHS PHC, and $154,146 with HSS in contractual commitments under the Transition Services Framework Agreements (Note 3).

(ii) Other obligations include contractual commitments to fund nursing recruitment and retention strategies in rural and remote areas of Alberta.

Note 19 Contractual Obligations and Contingent Liabilities (continued)

(b) Contingent Liabilities

(i) Legal Claims

Recovery Alberta is subject to legal claims during its normal course of business. Recovery Alberta recognizes a liability when the assessment of a claim indicates that a future event is likely to confirm that a liability has been incurred at the date of the financial statements and the amount of the contingent loss can be reasonably estimated.

Recovery Alberta has been named in 2 legal claims (2025 – 1 claim) related to conditions in existence at March 31, 2026 where the likelihood of the occurrence of a future event confirming a contingent loss is not determinable. Of these, 2 claims have $701 in specified amounts and 0 claims have no specified amounts (2025 – 1 claim with no specified amounts). The resolution of indeterminable claims may result in a liability, if any, that is different than the claimed amount.

(ii) Collective Agreements

Recovery Alberta currently has 1 (2025 – 5) collective agreement that has expired as at March 31, 2026.

Note 20 Related Parties

Transactions with related parties are included within these financial statements, unless otherwise stated.

Recovery Alberta was established as part of the Government of Alberta's initiative to refocus the healthcare system, which resulted in the establishment of separate health sector entities, including also HSS, Assisted Living Alberta (ALA), Primary Care Alberta (PCA), and Acute Care Alberta (ACA). Transactions between Recovery Alberta and these related parties are disclosed below. A significant portion of transactions with AHS RHA, ACA, and HSS relates to services provided under transition service agreements.

The Minister appoints the sole member of the Board. The viability of Recovery Alberta's operations depends on transfers from MHA. Transactions between Recovery Alberta and MHA are reported and disclosed in the Statement of Operations, the Statement of Financial Position, and the Notes to the Financial Statements, and are therefore excluded from the tables below.

Related parties also include key management personnel of Recovery Alberta. Recovery Alberta has defined key management personnel to include those disclosed in Schedules 2A and 2B of these financial statements, except management reporting to CEO direct reports. Related party transactions with key management personnel primarily consist of compensation related payments and are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length.

Recovery Alberta is a related party with respect to those entities consolidated or included on a modified equity basis in the financial statements of the Province of Alberta. Entities consolidated or included on a modified equity basis have been grouped with their respective ministry and transactions between Recovery Alberta and the other ministries are recorded at their exchange amount as follows:

	Revenues[a]		Expenses	
	2026	2025 *(9 months)* (Note 22)	2026	2025 *(9 months)* (Note 22)
AHS RHA[b]	$ 6,594	$ 5,251	$ 173,580	$ 155,584
ACA[c]	246	-	34,729	-
HSS[d]	326	-	49,820	-
ALA	105	-	2,689	-
PCA	40	-	-	-
Ministry of Assisted Living and Social Services[e]	7,210	4,937	-	151
Ministry of Primary and Preventative Health Services[f]	2,615	-	-	-
School Boards[g]	1,379	938	6,146	9,269
Other ministries	3,554	2,177	44	-
Total for the year/period	**$ 22,069**	**$ 13,303**	**$ 267,008**	**$ 165,004**

	Receivable from		Payable to	
	2026	2025 (Note 22)	2026	2025
AHS RHA[b]	$ -	$ 251,864	$ -	$ -
HSS[d]	272,739	-	-	-
Ministry of Assisted Living and Social Services[e]	293	1,153	254	-
Ministry of Primary and Preventative Health Services[f]	403	-	754	-
School Boards[g]	221	363	418	397
Other ministries	901	140	6,007	-
Balance, end of year	**$ 274,557**	**$ 253,520**	**$ 7,433**	**$ 397**

Note 20 Related Parties (continued)

(a) Revenues from Province of Alberta ministries include other government transfers of $11,871 (2025 - $6,548) (Note 5), and other income of $2,887 (2025 - $1,356) (Note 7).

(b) Revenue from AHS RHA comprises an allocation of investment income recognized by AHS RHA (Note 7). Expenses with AHS RHA relate primarily to corporate and clinical support services provided by AHS RHA in accordance with the TSFA. The provision of transition services was subsequently restructured with clinical support services being provided by ACA, through AHS PHC, and corporate support services being provided by HSS effective December 1, 2025. The prior period-end receivable related primarily to the restructuring transaction and represented Recovery Alberta's share of cash and investments centrally managed by AHS RHA. The receivable from AHS RHA was unsecured, non-interest bearing and had no fixed terms of repayment.

(c) Expenses with ACA relate primarily to clinical support services provided by ACA, through AHS PHC, in accordance with the TSFA.

(d) Revenue from HSS primarily comprises an allocation of investment income recognized by HSS (Note 7). Expenses with HSS primarily relate to corporate support services provided under the TSFA. Recovery Alberta operates in facilities governed by a master lease agreement between HSS and Alberta Infrastructure (AI), effective March 1, 2026, formerly between AHS RHA and AI. Recovery Alberta does not hold the master lease directly; rather, access to and use of the facilities is provided through the TSFA with HSS. The year-end receivable was transferred from AHS RHA to HSS effective December 1, 2025 with HSS undertaking all managerial responsibilities related to it. The receivable from HSS is unsecured, non-interest bearing and had no fixed terms of repayment.

(e) Transactions with the Ministry of Assisted Living and Social Services relate to various health programs promoting wellness aimed to improve quality of life and integration of patients back in community living.

(f) Transactions with the Ministry of Primary and Preventative Health Services (PPHS) relate to mental health services provided by physicians under Alternative Relationship Plans which are overseen by PPHS and programs to prevent sexually transmitted and blood-borne infections.

(g) Transactions with the School Boards relate to providing health programs in schools promoting Mental Health in Children and Youth. The provincial School Boards are accountable to and funded by the Ministry of Education and Childcare.

During the year, Recovery Alberta purchased pharmaceutical inventory from ACA and all other inventory from HSS and AHS RHA. Inventory is consumed immediately upon receipt, with pharmaceutical inventory procurement, management, and storage being centrally managed by ACA, and all other inventory procurement, management, and storage being centrally managed by HSS.

At March 31, 2026, Recovery Alberta has recorded contributions from other ministries within the Province of Alberta, excluding MHA, of $3,088 (2025 - $576) related to unexpended deferred operating revenue (Note 14) and $3,927 (2025 - $1,589) related to expended deferred capital revenue (Note 16). These amounts are excluded from the table above and are disclosed separately in the respective notes.

Contingent liabilities in which Recovery Alberta has been jointly named with other government entities within the Province of Alberta are disclosed in Note 19.

Note 21 Segment Disclosure

The Schedule of Segment Disclosures – *Schedule 3* is intended to enable users to better understand the reporting entity and identify the resources allocated to the major activities of Recovery Alberta.

Recovery Alberta's revenues, as reported on the Statement of Operations, are most informatively presented by source and are not reasonably assignable to the reportable segments. For each reported segment, the expenses are directly or reasonably attributable to the segment.

The segments have been selected based on the presentation that is adopted for the financial reporting, planning and budget processes, and represent the major distinguishable activities of Recovery Alberta.

Segments include:

(a) Continuing care

Continuing care is comprised of mental health and addiction psychiatric long-term care.

(b) Community care

Community care is comprised of community bed-based services such as withdrawal management, addiction treatment, and mental health supports. The provision of addiction and mental health and addiction services via outpatient, virtual, and outreach services.

(c) Acute care

Acute care is comprised predominantly of mental health and addiction patient-care units.

(d) Emergency medical services

Emergency medical services is comprised of ground ambulance, air ambulance, patient transport, and central dispatch. Also includes community paramedic programs, as well as other programs that support the learning, development, quality, and safety of emergency medical services professionals.

(e) Diagnostic and therapeutic services

Diagnostic and therapeutic services is comprised of rehabilitation services such as physiotherapy, occupational therapy, respiratory therapy and speech-language pathology, diagnostic, and pharmacy services.

(f) Population and public health

Population and public health is comprised primarily of health promotion and some harm reduction services.

(g) Research and education

Research and education is comprised primarily of costs pertaining to formally organized mental health and addiction research and education.

(h) Information technology

Information technology is comprised of costs pertaining to the provision of service and consultation in the design, development, implementation, security and support of information technology services and systems.

(i) Support services

Support services is comprised of building maintenance operations (including utilities), materials management (including purchasing, central warehousing, distribution, and sterilization), housekeeping, patient registration, health records, food services, emergency preparedness, and infection prevention and control.

Note 21 Segment Disclosure (continued)

(j) Administration

Administration is comprised of human resources, finance, communications, and general administration. General administration includes senior executives and many functions such as planning and development, quality assurance, patient safety, insurance, privacy, public relations, risk management, internal audit, legal, and coordination of virtual health services.

Note 22 Corresponding Amounts

Certain amounts have been reclassified to conform to 2026 presentation.

Note 23 Subsequent Events

Effective April 1, 2026, as a result of the Government of Alberta's initiative to refocus the healthcare system and in accordance with the Government of Alberta's ministerial orders related to the restructuring of AHS RHA, responsibility for all legal claims was transferred from AHS RHA to the named successors in ministerial order 815/2026, including Recovery Alberta. Those transferred to Recovery Alberta include 24 legal claims related to conditions in existence at March 31, 2026 where the likelihood of the occurrence of a future event confirming a contingent loss is not determinable. Of these, 20 claims have $18,265 in specified amounts and 4 have no specified amounts.

Note 24 Approval of Financial Statements

The financial statements were approved by the Board on October 6, 2026, and submitted to the Ministry of Mental Health and Addiction.

SCHEDULE 1 – SCHEDULE OF EXPENSES BY OBJECT FOR THE YEAR ENDED MARCH 31, 2026

(with comparative figures for the nine-month period ended March 31, 2025)

	2026		2025
	Budget (Note 4)	Actual	Actual *(9 months)*
Salaries and benefits	$ 900,532	$ 970,243	$ 565,117
Contracts with health service providers	487,695	488,936	296,170
Drugs and gases	13,832	14,740	7,754
Medical supplies	2,531	2,057	1,181
Other contracted services	31,406	23,787	11,974
Other[(a)]	22,043	14,355	8,974
Amortization and loss on disposals/write-downs of tangible capital assets (Note 17)		1,796	1,049
	$ 1,458,039	**$ 1,515,914**	**$ 892,219**
(a) Significant amounts included in Other are:			
Travel	$ 3,513	$ 3,276	$ 1,607
Office supplies and courier	5,917	2,028	1,442
Housekeeping, laundry and linen, staff wearing apparel, plant maintenance and biomedical engineering supplies	2,033	1,444	955
Food and dietary supplies	1,341	1,255	890
Minor equipment purchases	533	1,101	573
Building rent	787	1,072	441
Equipment expense	1,655	995	748
Building and ground expenses	336	359	198
Education	532	347	232
Licenses, fees, and memberships	326	193	77
Insurance and liability claims	25	39	24
Utilities	3	9	3
Telecommunications	47	8	5
Other	4,995	2,229	1,779
	$ 22,043	**$ 14,355**	**$ 8,974**

SCHEDULE 2 - SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2026

SCHEDULE 2A – BOARD REMUNERATION FOR THE YEAR ENDED MARCH 31, 2026

	Term	2026 Remuneration	2025 Remuneration
Board Chair			
Kerry Bales	Since Jul 1, 2024	$ -	$ -
Total Board		**$ -**	**$ -**

The Board Chair did not receive honoraria for this position.

SCHEDULE 2B - EXECUTIVE REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2026

	2026						
For the Current Fiscal Year	FTE [a]	Base Salary [b]	Other Cash Benefits [c]	Other Non-Cash Benefits [d]	Subtotal	Severance [e]	Total
Board Direct Reports							
Kerry Bales – Chief Executive Officer[h]	1.00	$ 425	$ 6	$ 83	$ 514	$ -	$ 514
CEO Direct Reports							
Chief Operating Officer[i]	1.00	298	1	57	356	-	356
Chief Medical Officer[f, i]	0.77	351	11	81	443	-	443
Lead, Communications[i]	1.00	158	-	51	209	-	209
General Counsel[i]	1.00	211	3	53	267	-	267
Lead, Strategy, Planning and Performance[i]	1.00	175	-	36	211	-	211
Lead, Medical Affairs[g]	0.84	146	-	43	189	-	189
Lead, People and Culture[i]	1.00	187	-	43	230	-	230
Lead, Finance[i]	1.00	175	1	45	221	-	221
Total Executive	**8.61**	**$ 2,126**	**$ 22**	**$ 492**	**$ 2,640**	**$ -**	**$ 2,640**
Management Reporting to CEO Direct Reports	**4.25**	**$ 807**	**$ 6**	**$ 181**	**$ 994**	**$ -**	**$ 994**

	2025						
For the Prior Fiscal Period	FTE [a]	Base Salary [b]	Other Cash Benefits [c]	Other Non-Cash Benefits [d]	Subtotal	Severance [e]	Total
Board Direct Reports							
Kerry Bales – Chief Executive Officer	0.75	$ 319	$ 5	$ 79	$ 403	$ -	$ 403
CEO Direct Reports							
Chief Operating Officer	0.58	163	1	46	210	-	210
Interim Chief Medical Officer	0.40	212	-	-	212	-	212
Lead, Communications	0.33	48	-	16	64	-	64
General Counsel	0.35	70	3	18	91	-	91
Lead, Strategy, Planning and Performance	0.58	86	5	22	113	-	113
Lead, Medical Affairs	0.58	91	-	24	115	-	115
Lead, People and Culture	0.58	99	-	25	124	-	124
Lead, Finance	0.58	91	-	29	120	-	120
Total Executive	**4.73**	**$ 1,179**	**$ 14**	**$ 259**	**$ 1,452**	**$ -**	**$ 1,452**
Management Reporting to CEO Direct Reports	**3.37**	**$ 708**	**$ 3**	**$ 163**	**$ 874**	**$ -**	**$ 874**

SCHEDULE 2C - EXECUTIVE SUPPLEMENTAL PENSION PLAN

Certain employees will receive retirement benefits that supplement the benefits limited under the registered plans for service. The Supplemental Pension Plan (SPP) is a defined contribution plan. The amounts in this table represent the total SPP benefits earned by the individual during the fiscal year. The current period benefit costs for SPP included in other non-cash benefits disclosed in Schedule 2B are prorated for the period of time the individual was in their position directly reporting to the Board or directly reporting to the Chief Executive Officer. Only individuals holding a position directly reporting to the Board or Chief Executive Officer during the current fiscal year are disclosed.

	2026		2025			
	SPP		SPP			
	Current Period Benefit Costs[1]	Total	Total	Account Balance[2] April 1, 2025	Change During the Year[3]	Account Balance[2] March 31, 2026
Kerry Bales - Chief Executive Officer	$ 25	$ 25	$ 15	$ 320	$ 46	$ 366
Chief Operating Officer	10	10	4	7	10	17
Chief Medical Officer	13	13	-	-	13	13
Lead, Communications[4]	-	-	-	-	-	-
General Counsel[4]	-	-	-	-	-	-
Lead, Strategy, Planning and Performance[4]	-	-	-	-	-	-
Lead, Medical Affairs[4]	-	-	-	-	-	-
Lead, People and Culture[4]	-	-	-	-	-	-
Lead, Finance[4]	-	-	-	-	-	-

(1) The SPP current period benefit costs are Recovery Alberta contributions earned in the period.
(2) The account balance represents the total cumulative earned contributions to the SPP as well as cumulative investment gains or losses on the contributions.
(3) Changes in the account balance include the current benefit costs and investment gains or losses related to the account.
(4) The incumbent's pensionable earnings were below the threshold for enrollment in the SPP.

FOOTNOTES TO THE SCHEDULES OF REMUNERATION AND BENEFITS FOR THE YEAR ENDED MARCH 31, 2026

Definitions

a. For this schedule, full time equivalents (FTE) are determined by actual hours earned divided by 2,022.75 annual base hours (2025 – 2,022.75 hours).

b. Base salary is regular salary and includes all payments earned related to actual hours earned other than those reported as other cash benefits.

c. Other cash benefits include, as applicable, honoraria, acting pay, membership fees, car allowance, and lump sum payments. Relocation expenses are excluded from compensation disclosure as they are considered to be recruiting costs to Recovery Alberta and not part of compensation unless related to severance. Expense reimbursements are also excluded from compensation disclosure except where the expenses meet the definition of the other cash benefits listed above.

d. Other non-cash benefits include:
   - Employer's current period benefit costs of the supplemental pension plan as defined in Schedule 2C
   - Employer's share of employee benefit contributions and payments made on behalf of employees including pension, health care, dental and vision coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, and long and short-term disability plans
   - Vacation accruals, and
   - Employer's share of the cost of additional benefits including sabbaticals or other special leave with pay.

e. Severance includes direct or indirect payments to individuals upon termination which are not included in other cash benefits or other non-cash benefits.

Executive

f. The incumbent held the position of Interim Chief Medical Officer until August 4, 2025 at which time they were appointed to Chief Medical Officer. The incumbent's remuneration while Interim Chief Medical Officer was as per the terms of a Medical Administrative Services Agreement. The incumbent became an employee of Recovery Alberta with their appointment as Chief Medical Officer.

g. As a result of restructuring, the incumbent ceased to be a direct report to the Chief Executive Officer effective February 2, 2026.

Termination Obligations

h. In the case of termination without just cause by Recovery Alberta, the incumbent shall receive severance pay in the amount of the lesser of (i) 52 weeks' salary and benefits; or (ii) the greater of the number of weeks between the date of termination and the term date of June 30, 2030; or the minimum notice period required by the Alberta *Employee Standards Code*.

i. The incumbent's termination benefits have not been predetermined, and as such is deemed to be the minimum notice period required by the Alberta *Employee Standards Code*.

SCHEDULE 3 - SCHEDULE OF SEGMENT DISCLOSURES FOR THE YEAR/PERIOD ENDED MARCH 31

(with comparative figures for the nine-month period ended March 31, 2025)

	2026							
	Salaries and benefits	Contracts with health service providers	Drugs and gases	Medical supplies	Other contracted services	Other	Amortization and loss on disposals/ write-downs of tangible capital assets	Total
Continuing care	$ 125	$ 4,336	$ -	$ -	$ -	$ 5	$ -	$ 4,466
Community care	467,105	193,948	8,134	806	4,990	7,605	639	683,227
Acute care	389,902	42,085	6,616	1,193	10,045	4,632	914	455,387
Emergency medical services	-	64	-	-	-	-	-	64
Diagnostic and therapeutic services	77,930	34,361	5	79	547	818	87	113,827
Population and public health	5,212	199	1	5	-	64	7	5,488
Research and education	2,349	923	-	-	-	11	-	3,283
Information technology	863	42,426	-	-	-	-	-	43,289
Support services	12,872	138,981	(16)	(26)	51	871	138	152,871
Administration	13,885	31,613	-	-	8,154	349	11	54,012
Total	**$ 970,243**	**$ 488,936**	**$ 14,740**	**$ 2,057**	**$ 23,787**	**$ 14,355**	**$ 1,796**	**$ 1,515,914**

SCHEDULE 3 - SCHEDULE OF SEGMENT DISCLOSURES FOR THE YEAR/PERIOD ENDED MARCH 31 (CONTINUED)

(with comparative figures for the nine-month period ended March 31, 2025)

	2025 *(9 months)*							
	Salaries and benefits	Contracts with health service providers	Drugs and gases	Medical supplies	Other contracted services	Other	Amortization and loss on disposals/ write-downs of tangible capital assets	Total
Continuing care	$ 341	$ 2,347	$ -	$ -	$ -	$ -	$ -	$ 2,688
Community care	281,518	116,947	4,543	423	5,175	5,394	507	414,507
Acute care	218,534	22,128	3,207	708	4,366	2,283	420	251,646
Diagnostic and therapeutic services	46,925	22,812	4	40	486	500	20	70,787
Population and public health	3,151	140	-	2	-	44	9	3,346
Research and education	1,493	2,043	-	-	-	6	-	3,542
Information technology	642	24,546	-	-	-	-	-	25,188
Support services	7,693	84,068	-	5	847	618	83	93,314
Administration	4,820	21,139	-	3	1,100	129	10	27,201
Total	**$ 565,117**	**$ 296,170**	**$ 7,754**	**$ 1,181**	**$ 11,974**	**$ 8,974**	**$ 1,049**	**$ 892,219**

Appendices

Appendix A: Patient Concerns

Support for Patient Concerns & Feedback is provided to Recovery Alberta by Alberta Health Services PHC as a shared service. Currently, data is combined across Covenant Health, Alberta Health Services PHC, Cancer Care Alberta PHC, Emergency Health Services PHC, Give Life Alberta PHC, and Recovery Alberta. Work will be initiated in Sep 2026 to separate data according to PHA and PHCs.

Recovery Alberta is required to have a Patient Concerns Resolution Process (PCRP) to review and respond to feedback, commendations, and concerns from patients and families. When a concern is received, a Patient Concerns Consultant gathers information and works with Recovery Alberta operational and/or medical leadership to resolve the concern. If the complainant is not satisfied with the response received, the concern will be escalated to higher levels of operational/physician leadership. If the complainant remains unsatisfied following internal escalation within Recovery Alberta, the concern will be forwarded to the Recovery Alberta Patient Concerns Officer (PCO) who will determine if the PCRP has been followed and whether other options exist to resolve the concern. If the complainant believes the decision of the PCO to be unfair, they have the right to contact the Alberta Ombudsman to request an external review regarding administrative fairness. For more information, visit Patient Concerns & Feedback.

All reported concerns and commendations are tracked and monitored to identify areas for broader improvement. The table below summarizes the volume and type of feedback received, and the concerns that required escalation to the PCO. Data is combined for Covenant Health, Alberta Health Services, Cancer Care Alberta, Emergency Health Services, Give Life Alberta and Recovery Alberta.

Concerns and Commendations*, **	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Total Number of Commendations	1,495	2,142	2,138	2,009	2,228	2,336
Total Number of Concerns	11,602	12,728	12,689	12,469	13,827	14,244
Total Number of Concerns reviewed by PCO	18	19	14	9	17	12
Percent of Actions Arising from Concerns Resolved in 30 Days or Less	76%	74%	71%	70%	72%**	67%

*Data includes Covenant Health, Alberta Health Services, Cancer Care Alberta, Emergency Health Services, Give Life Alberta and Recovery Alberta. A project to segregate the FACT data will be initiated in Sep 2026. Due to the nature of concerns data, it is not possible to provide a rate or percentage because there is no meaningful denominator that can be used. Members of the public who have not yet accessed services may identify concerns or multiple people (i.e. patients, friends or families) may identify the same concern. The number of concerns and commendations is provided for information on the volume of feedback received by the Patient Relations Department. Successful management of concerns is being monitored through the percentage closed within guidelines and the number of concerns escalated.
**Date timestamps used to calculate the percentage of concerns closed in 30 days or less were adjusted as of Nov 26, 2024, with the implementation of RL6.

Appendix B: Public Interest Disclosure Act

The *Public Interest Disclosure (Whistleblower Protection) Act* (PIDA) protects employees when disclosing certain kinds of wrongdoing they observe in the Recovery Alberta workplace. The *Whistleblower Policy* is aligned with PIDA.

PIDA's purpose is to:

- Facilitate the disclosure and investigation of significant and serious matters at Recovery Alberta that may be unlawful, dangerous to the public, or injurious to the public interest.
- Protect those who make a disclosure from reprisal.
- Implement recommendations arising from investigations.
- Provide for the determination of appropriate remedies arising from reprisals.
- Promote confidence in the public sector.

The Recovery Alberta Designated Officer co-ordinates all PIDA disclosures pertaining to Recovery Alberta, including those that may originate externally via Alberta's Public Interest Commissioner.

A Disclosure of Wrongdoing online form was launched in Oct 2025 to provide a way for employees to report wrongdoing at Recovery Alberta. The form ensures all relevant information is included to ensure the disclosure can be processed.

In compliance with legislated reporting requirements, from Apr 1, 2025, to Mar 31, 2026, Recovery Alberta reports as follows:

- One disclosure was received by or referred to the Designated Officer.
- One disclosure was acted on by the Designated Officer.
- One disclosure is being investigated by the Designated Officer.

Recovery Alberta counts the reporting or referral of a matter to the Designated Officer as a disclosure under PIDA if the allegation(s), if founded, would constitute wrongdoing by Recovery Alberta or by a member of the Recovery Alberta workforce, where wrongdoing is defined in PIDA and the Whistleblower Policy.

Common reasons for not commencing an investigation under PIDA and the Whistleblower Policy are:

- The subject matter of the concern does not have a public interest component and/or is based solely on a perceived wrong perpetrated against the person reporting the concern.
- After collecting and reviewing records and meeting with officials who have knowledge of the matter, a determination is made that the allegation, if founded, will not meet the definition of wrongdoing under PIDA and the *Whistleblower Policy*.
- The allegation pertains to an individual who is not a member of the Recovery Alberta workforce or other circumstances outside the authority of Recovery Alberta to investigate.
- The allegation is more appropriately dealt with elsewhere.
- The allegation relates to a decision, action, or matter that results from a balanced and informed decision-making process on a public policy or operational issue.
- The allegation is anonymous without contact information, and the disclosure does not contain sufficient particulars to form the basis of an investigation.

Common actions taken by the Designated Officer to manage a disclosure that is not subject to an investigation include:

- Referring the matter to another department for action.
- Referring the matter to an external agency for action.
- Providing the reporting person with contact information for a more appropriate organization to receive their concern.

Appendix C: Performance Measurement Details

When reporting performance measures, historical data have been provided for 2023-24 when possible. As a newly formed PHA, and with the transition from legacy information and medical documentation systems (for example, Meditech, ASIST, paper charts, etc.) to Connect Care (fully implemented in Nov 2024), high-quality historical data is not consistently available for all performance measures across all quarters.

Using data from dynamic sources such as Connect Care may result in variation due to the date on which the data are extracted. This may cause some small variations between performance measure values in our 2025-28 Health Plan and 2025-26 Annual Report for historical data. The most current data, which are included in this Annual Report, should be used for comparison.

Throughout this report, all narrative text and data include Recovery Alberta operated and contracted services, unless otherwise specified. This report excludes mental health and addiction services provided by Provincial Health Corporations (for example, Alberta Health Services PHC) and other healthcare organizations (for example, Covenant Health and Carewest), as well as those contracted directly by the Department of Mental Health and Addiction (for example, recovery communities).

Definitions of our Performance Measures are provided below.

Performance Measure	Definition
PM 1.A: Wait Time for Adult Mental Health and Addiction Core Community Outpatient Services (Median)	• Median number of days from referral to first appointment for an adult (age ≥18). • Includes Recovery Alberta core treatment services offered in a community outpatient setting where a referral results in a scheduled therapeutic intervention. Excludes walk-in, single-session visits (i.e., same-day, non-urgent services with no scheduled follow-up), urgent and crisis services, and specialty community services. • Source: Connect Care and legacy information systems
PM 1.B: Wait Time for Child and Youth Mental Health and Addiction Core Community Outpatient Services (Median)	• Median number of days from referral to first appointment for a youth (age ≤ 17). • Includes Recovery Alberta core treatment services offered in a community outpatient setting where a referral results in a scheduled therapeutic intervention. Excludes walk-in, single-session visits (same-day, non-urgent services with no scheduled follow-up), urgent and crisis services, and specialty community services. • Source: Connect Care and legacy information systems
PM 1.C: Wait Time for Adult Addiction Treatment (Median)	• Median number of days from referral received to planned admission for an adult (age ≥ 18) for bed-based addiction treatment. • Data prior to Mar 31, 2026, includes four out of five Recovery Alberta bed-based addiction treatment locations. • Source: Connect Care

PM 2.A: Adult Acute Length of Stay / Expected Length of Stay	• The ratio of the sum of the number of days all clients spend receiving acute care (acute length of stay) divided by the total number of days that would be expected for similar patients (expected length of stay). This ratio is calculated for discharged patients. • Includes clients in acute adult beds in Recovery Alberta acute inpatient and standalone inpatient settings. Excludes clients in sub-acute and forensic settings. • Acute length of stay excludes ALC days. • Expected length of stay is reported for typical patient stays based on comparisons to similar clients in national databases, and is adjusted for factors such as age, sex, and diagnosis. • A value less than one represents shorter than expected hospital stay and a value greater than one represents a longer than expected hospital stay. • Source: Discharge Abstract Database, filtered by Recovery Alberta Connect Care departments.
PM 2.B: Continuity of Opioid Agonist Therapy Treatment from Corrections to Community	• Percent of CHS clients who were prescribed OAT during their stay and who accessed OAT prescriptions and/or Recovery Alberta ODP or VODP within 60 days of discharge. • Includes clients with an OAT medication dispense (identified through Pharmaceutical Information Network (PIN) data) and/or those who visited Recovery Alberta VODP or ODP clinics within 60 days post-discharge from CHS. • Clients are counted in quarter or fiscal year in which they were released from CHS. • Source: Connect Care and Pharmaceutical Information Network.
PM 3.A: Suicide Risk Screen Completion Rate in Inpatient, CHS, and Addiction Bed-Based Services	• Percentage of clients that had a suicide risk screen during their inpatient admission. • Includes admissions to Recovery Alberta units at acute care hospitals, standalone psychiatric hospitals, correctional health services, and Recovery Alberta-operated addiction bed-based services. Excludes community outpatient services, community bed-based mental health services, and contracted addiction bed-based services. • CHS is excluded prior to Nov 2024, at which time it began using Connect Care. • Source: Connect Care.

PM 4.A: Occupancy for Adult Addiction Beds	• Mean percentage of adult addiction beds occupied at Recovery Alberta-operated and contracted sites. • Includes both Recovery Alberta-operated and contracted providers, covering three adult bed types—withdrawal management, addiction treatment, and recovery beds. • Source: Connect Care and Contracted Data Daily Submission Form.
PM 4.B: Adult Alternate Level of Care Rate in Acute Care	• Percentage of adult acute inpatient days occupied by a mental health and addiction ALC client in acute care hospitals and standalone psychiatric hospitals. • Includes adult clients in acute beds in Recovery Alberta units at acute care hospitals and standalone psychiatric hospitals. Excludes clients in sub-acute and forensic settings. • In a hospital setting, a client may be designated as Alternate Level of Care (ALC) if they occupy a bed but do not require the intensity of services provided in that care setting and could be discharged. The client requires a different, less acute level of care than the bed they are currently occupying. • Source: Connect Care
PM 5.A: Recovery Alberta Employee Engagement	• Engagement mean score from the Gallup survey of Employees • The engagement mean is calculated by Gallup as the mean score (on a 5-point scale) from 13 engagement questions administered in the survey. Engagement is defined as how committed an individual is to their organization, their role, their manager, and their coworkers. • Source: Gallup Survey
PM 5.B: Recovery Alberta Medical Staff Engagement	• Engagement Mean score from the Gallup survey of Medical Staff • The Engagement Mean is calculated by Gallup as the mean score (on a 5-point scale) from 13 engagement questions administered in the survey. Engagement is defined as how committed an individual is to their organization, their role, their manager, and their coworkers. • Source: Gallup Survey
PM 6.A: Balanced Budget (within 1%)	• Total revenues less total expenses, divided by total expenses. • A positive number indicates a surplus. • Source: Recovery Alberta Financial Statements and Internal Reporting

Glossary

Acute Care Addiction Recovery Program (ACARP)
A program that operates within acute care settings to address gaps in access to addiction medicine expertise and provides on-site supports for individuals presenting with substance use-related concerns. ACARP provides addiction medicine consultation of patients at risk of substance-related harms to support medical stabilization, immediate access to evidence-informed treatment, psychosocial supports, and coordinated referrals to ongoing treatment and wraparound services.

Correctional Health Services (CHS)
Services that provide care across the continuum in provincial correctional facilities. These facilities oversee adult clients and youth clients that are remanded and receive custodial sentences of two years less a day. CHS supports the health of all clients in these facilities and offers services that span public health, primary care, acute care, emergency care, mental health and addiction care, and more.

Health Shared Services PHC
A PHC that launched Dec 2025 to provide vital services to clinical and non-clinical teams across Alberta's healthcare system. The organization works alongside PHAs and PHCs, providing expertise, systems, and resources related to finance, contract procurement, supply management, capital management, data and analytics, information technology, clinical informatics, health information management, human resources, workplace health and safety, health professions, medical affairs, privacy, legal, ethics and compliance, and internal audit.

Opioid Agonist Therapy (OAT)
Medications that are a best-practice treatment for OUD. These medications help clients stop using opioids, and alleviate cravings and withdrawal symptoms. Examples of medications include Suboxone® (buprenorphine/naloxone), injectable Sublocade® (buprenorphine extended-release), and methadone.

Opioid Dependency Program (ODP)
A Recovery Alberta program offered in clinics across the province, providing care for Albertans with OUD. The program provides initiation and maintenance of OAT medications, medical and psychosocial supports, and links to other addiction treatment services for clients.

Opioid Use Disorder (OUD)
The chronic use of opioids that causes clinically significant distress or impairment. Symptoms of this disease include an overpowering desire to use opioids, increased opioid tolerance, and withdrawal syndrome when opioids are discontinued.

Police and Crisis Teams (PACT)
Teams that pair police officers with mental health professionals to respond to 911 calls involving mental health crises. These teams assess, stabilize, and connect individuals in crisis with appropriate community-based supports, helping divert them away from emergency departments or unnecessary justice-system involvement.

Provincial Health Agency (PHA)
One of four agencies in Alberta governed by the *Provincial Health Agencies Act*. PHAs are responsible for the delivery of healthcare services, and the oversight and coordination of the delivery of healthcare services in the sector(s) for which it was established. The PHAs are Recovery Alberta: Mental Health and Addiction Services, Acute Care Alberta (ACA), Assisted Living Alberta (ALA), and Primary Care Alberta (PCA).

Provincial Health Corporation (PHC)
Corporations that deliver or coordinate the delivery of healthcare services. They may also deliver or coordinate the delivery of services related to the administration and operation of the healthcare system. Examples include Health Shared Services PHC and Alberta Health Services PHC.

Recovery-Oriented Systems of Care (ROSC)
A coordinated network of personalized services and supports providing a continuum of care options for people at risk of, or suffering from, mental health and addiction challenges. These systems are person-centred, and build on the strengths and resiliencies of individuals, families, and communities. Recovery-oriented systems of care aim to improve the health, wellness, and quality of life for individuals living with mental health or substance use challenges.

Rapid Access Addiction Medicine (RAAM)
A program that provides low-barrier assessment, treatment, and referral for individuals experiencing substance use issues and behavioural addiction concerns. A virtual program is also available through Virtual RAAM (V-RAAM).

Standalone Psychiatric Hospital
Standalone facilities, distinct from acute care hospitals, deliver targeted psychiatric services across the continuum. Services support patients with psychiatric or psychological disorders, and/or who require care related to psychoactive substance use. Beds in these settings include acute, rehabilitation, forensics, and concurrent disorders.

Transition Service Agreement (TSA)
A legally binding document that specifies corporate and clinical support services to be provided to new healthcare organizations. These agreements address capacities necessary for the continuity of services for operations.

Virtual Opioid Dependency Program (VODP)
A virtual program that provides Albertans across the province with timely, evidence-informed virtual care for OUD. The VODP provides same-day access to OAT without a waitlist and is available to clients in communities throughout the province. The program supports treatment initiation, transition planning, and continuity of care by connecting clients to local pharmacists, primary care providers, community treatment options, and recovery supports.