Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on Thursday, March 21, 2013, at 4:00 p.m. at The Hospital for Sick Children, Toronto, Ontario.

Present:
Mr. R. Harding, Chair
Ms. R. Patten, Vice-Chair
Mr. S. Marwah, Vice-Chair
Ms. M.J. Haddad
Ms. K. Delaney
Ms. C. Duboc
*Mr. J. Francis
Ms. G. O'Brien
Mr. T. Penner
Ms. C. Reicin

Present:
Mr. P. Reynolds
Mr. R. Prichard
Mr. L. Repar
Mr. T. Sullivan
Ms. P. Hubley
Dr. J. Wright
Dr. P. Campisi
*Mr. L. Scott

Regrets:
Mr. A. Khanna
Mr. T. Long
Mr. D. McKay
Mr. B. Simpson
Mr. S. Smith

By Invitation:
Mr. J. Garner
Mr. J. Mainland
Ms. M. Monk
Dr. D. Daneman
Mr. T. Garrard

By Invitation:
Ms. S. O'Dowd
Dr. J. Kronick
Dr. J. Rossant
Ms. S. Younker
Dr. S. Zlotkin

Regrets:
Ms. F. Mauti

Ms. Megan Evans, Corporate Secretary, confirmed that notice of the meeting had been duly sent to all Trustees and that a quorum was present in person or by phone, all in accordance with the Hospital's by-laws. Accordingly, Mr. Bob Harding, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order.

Mr. Harding thanked Trustees for meeting with him on the individual assessments and requested that all completed skills assessments and government contact information be returned to Ms. Sharon Younker as soon as possible.

NURSING & PROFESSIONAL PRACTICE STRATEGY

Ms. Mary Jo Haddad, President & CEO introduced Ms. Pam Hubley, Chief Professional Practice & Nursing. Ms. Hubley provided an overview on the Professional Practice & Nursing portfolio. The Professional Practice & Nursing portfolio is committed to advancing the SickKids vision through the development of innovative leading practices in all of the health disciplines including nursing, occupational therapy, pharmacy, social work, physical therapy, speech language pathology, audiology, dietetics, respiratory therapy, perfusion, child life, spiritual care, psychology, music and art therapy. Integration of practice, education and research is emphasized, as is advancing practices in Family Centered Care and interprofessional collaboration. SickKids has approximately 1,700 Registered Nurses, 200 nursing specialists (including Nurse Practitioners, Advanced Practice Nurse Educators, Clinical Informatics Nurses and Clinical Research Nurse Coordinators), a handful of nurse scientists and approximately 600 health professionals from the various disciplines mentioned above.

As an innovator in collaborative practice models, SickKids has been leading the implementation of Nurse Practitioner roles in acute care settings across Canada. Currently, SickKids has 100 Advanced Practice Nurses and has developed Nurse Practitioner led clinics and new models of care using new and emerging technologies. The Nursing & Professional Practice portfolio will continue to advance its culture of quality, safety and excellence with practice improvements; develop authentic healing partnerships with children and families; build
skills and capacity across all health disciplines to use and or generate innovative research by increasing the number of health clinician scientists at SickKids and continue to support revenue generating strategies through SickKids International.

CONSENT AGENDA

Mr. Harding referred Trustees to the consent agenda items. No questions were raised.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

THAT the minutes of the Board of Trustees meeting held on January 24, 2013, be approved as circulated;

and

THAT the medical staff appointments & re-appointments be approved as tabled.

MEDICAL ADVISORY COMMITTEE REPORT

Dr. Jim Wright, Chair of the Medical Advisory Committee (MAC) referred Trustees to the written reports for February and March of 2013.

Dr. Wright advised that the structure and alignment of the Quality Management Council (QMC) and MAC meetings have been reviewed and suggestions have been made on how to improve efficiency and effectiveness of these meetings. A chart of the committee and sub-committee structure, policy approval, accountabilities and draft work plan will be presented at the next QMC meeting.

Dr. Wright advised that at the February meeting, the Committee reviewed the Health Records Annual Report. A review was provided on the volume of work and turnaround times for the Research Ethics Board for 2012. Initiatives emerging from that review were also discussed including the appointment of two Vice-Chairs; designing and implementing a new set of processes; website improvements and the development of a Key Performance Indicator (KPI) dashboard.

Dr. Wright advised that at the March meeting, the Committee discussed hospital wide patient care policies which must be approved by at least one Hospital committee. An update was provided on the draft Quality Improvement Plan (QIP) for 2013/14. The Committee reviewed and endorsed the quality indicators, priority rankings and targets of the 2013/14 QIP. The Neurological Determination of Death policy was reviewed and approved. An update was also provided on the progress of the joint SickKids/UHN provincial program in Vascularized Composite Allotransplantation.

EXECUTIVE REPORT

Ms. Haddad presented her executive report.

Appreciation

Ms. Haddad expressed her appreciation and gratitude to: Mr. Paul Reynolds for Canaccord Genuity’s tremendous contribution and support for the upcoming Great Camp Adventure Event which will take place in September and to Mr. Sabi Marwah for Scotia Bank’s tremendous contribution and support for the Caribbean SickKids Program in Cancer & Blood Disorders.
Organizational Engagement Results

Ms. Haddad advised that this year’s organizational engagement results were outstanding. SickKids received a 68% response rate which made the results of the survey very reliable and representative of the organization’s engagement. SickKids received a 74.5% organizational engagement rate which significantly exceeds Metrics@Work comparable hospitals’ organizational engagement average scores of 66.2%. SickKids’ job engagement also achieved superior results with 76.6% exceeding the Metrics@Work comparable hospitals’ average of 74.2%.

Health System Funding Reform

Ms. Haddad advised that SickKids has received a letter from Deputy Minister, Saad Rafi acknowledging SickKids’ submission on the Health System Funding Reform. The Ministry has agreed to create a sub-group to focus on issues specific to children’s hospitals.

Strategic Capital and Facilities Framework

Ms. Haddad confirmed that management will be meeting with the Deputy Minister to present SickKids’ capital strategy. Progress reports on the project will be reported up through the Finance and Audit Committee.

Appointment Chief Otolaryngology, Head & Neck Surgery

Ms. Haddad requested approval of Dr. Blake Papsin as Chief, Otolaryngology, Head & Neck Surgery. Dr. Wright advised that a search and review process was undertaken in determining Dr. Papsin’s appointment.

Dr. Blake Papsin is the Director of the Cochlear Implant Program and the inaugural chair of the Cochlear Americas Chair in Auditory Development at the University of Toronto. He has been at SickKids since 1996.

Dr. Papsin’s clinical focus is surgical rehabilitation of hearing loss. His laboratory investigates the growth and development of the auditory system after cochlear implantation. He has published 174 peer-reviewed journal articles, 41 book chapters and has spoken widely on the subject of surgical rehabilitation of hearing loss.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

THAT Dr. Blake Papsin be appointed as Chief Otolaryngology, Head & Neck Surgery for a five year term, effective April 1, 2013.

Ms. Haddad also advised on the following appointments:

- Dr. Jim Drake has been re-appointed as Chief Neurosurgeon for a third 5 year term;
- Dr. Peter Judd has been re-appointed Dentist-in-Chief for a second 5 year term; and
- Dr. Andrew Howard has been appointed as interim head Orthopaedics effective June 1, 2013.

Boomerang

SickKids’ new venture, Boomerang Health offering psychology, speech language pathology, occupational therapy, physiotherapy and sports medicine services will officially open on April 16th.
COMMITTEE REPORTS

Finance and Audit Committee

On behalf of Mr. Larry Scott, Mr. Sabi Marwah reported on the March 2013 meeting of the Committee.

The Committee was provided with an update on the Centre for Research and Learning (CRL). Substantial completion is projected for July 2013. The schedule is tight and mitigation plans are being developed in case of further delays. Notice of lease termination was delivered to UHN on February 28, 2013 for the five floors leased in the UHN owned MaRS facility. Q3 financial results were discussed. The Q3 consolidated forecast projects a favorable year-end variance from plan of $4.7M including a $2.7M variance in SERP investment income. The SERP will be fully funded by March 31 and the Hospital will not need to make any further contributions for several years. The Committee approved the 2013/14 Capital Plan and 5 Year Cash Flow. The Committee was provided with an update on the Legal entity review as well as the Insurance review. No issues were identified in either of the reviews presented.

2013/14 Operating Plan

Ms. Laurie Harrison, VP Finance & CFO, provided an overview of the 2013/14 Operating Plan. Ms. Harrison reviewed five years of historical data and the 2013/14 plan activity for inpatient, ambulatory, and surgical. Additional clinical pressures in oncology, critical care, transplant, neurosurgery, dialysis, mental health and new programs such as obesity and genetics/genomic medicine were presented. The 2013/14 net operating budget before SERP investment income projects a deficit of $3.5M and, after SERP investment income, $3.5M. Planned net revenues from commercial services and SKI are $15M. Ms. Harrison presented key assumptions as they relate to Ministry of Health and Long-Term Care (MOH) funding and wages. The 2013/14 Patient Care Operating Plan outlined two scenarios: under Scenario 1 (no reinvestments from Case for Support) there is a projected deficit of $4.2M and under Scenario 2 (potential reinvestment from Case for Support) there is a projected deficit of $7.0M. Mitigating strategies for balancing the budget were outlined and it was noted that management is committed to balancing the budget for 2013/14. Ms. Harrison presented an overview of the 2013/14 Operating Plan for Research.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

THAT the 2013/14 Operating Plan be endorsed as presented. Management will provide an update at the May/June 2013 Board of Trustees meeting for final approval.

Discussion ensued regarding the Patient Care deficit for 2013/14 and the clinical pressures. Mitigating strategies were reviewed and it was reported that management continues to work with the TC LHIN to address the issues that impact SickKids’ ability to continue to deliver quality patient care.

2013/14 Capital Plan

Ms. Harrison provided an overview of the 2013/14 Capital Plan highlights. The Plan for 2013/14 net spending is $43.4M resulting in a cash shortfall of $7.1M. The shortfall will be mitigated through requests for additional external funding, and timing of project commencements. Spending will be constrained to existing resources. The Plan for 2014 -18 results in excess cash of $9.5M, with depreciation approaching $40M by 2017/18. Working Capital Deficit for 2013/14 is projected to be $41M and debt level $7M. Ms. Harrison presented a detailed 5 Year Cash Flow with key assumptions, noting that the cash flow model is highly sensitive to pension assumptions which are subject to significant volatility and likely to change.

Capital Projects

Capital projects were presented for approval: Single Sign-On Implementation and the Radiopharmaceutical Treatment Room (MIBG) will be funded through the Hospital’s capital plan; and Autism Spectrum Disorders – Genome to Outcomes which will be funded through external sources.
MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

THAT the following be approved as endorsed by the Finance & Audit Committee:

1. 2013/14 Capital Plan and 5 Year Cash Flow, subject to required spending constraints as noted;

2. Major capital projects:
   a. Single Sign-On Implementation
   b. Radiopharmaceutical Treatment Room (MIBG)
   c. Research Autism Spectrum Disorders - Genome to Outcome

Board Quality Committee

Ms. Rose Patten reported on the March 2013 meeting of the Committee.

A discussion was held around the decision making processes with respect to the hospital formulary and the use of high cost drugs. The Committee reviewed and approved the Committee Goals and Objectives for 2012/13. The Committee was provided with reports from the January and February Quality Management Council. The Committee was provided with an overview and provided an endorsement for the 2013/14 Operating Plan. The Hospital continues to face ongoing pressures due to emerging new programs, centralization of provincial programs, limited availability of space, increasing demands on service and continued Emergency Department volume growth. The Committee also reviewed and approved the Quality Improvement Plan. Hospitals are required to post their annual quality improvement plans on their website. The Q3 results from the scorecard were presented. Detailed action plans were given for all targets currently tracking red.

Governance & Nominating Committee

Ms. Claire Duboc on behalf of Mr. Stuart Smith reported on the February 2013 meeting of the Committee.

The Committee was provided with the results of the Accreditation Canada surveys. Survey results were excellent. Accreditation Canada’s on-site visit will take place in October of 2013. The Committee discussed the Board and Committee Goals and Objectives and agreed that a consistent format be developed and adapted for use by all the Committees. An update was provided on Trustee terms and succession planning. The Chairs of both the Hospital and Foundation Board will be working together to take the lead on an initiative to find top-level candidates to develop a roster of Trustee/Directors for future needs. Further discussion on succession planning will take place at the next meeting of the Committee.

Ms. Duboc advised that the February 7, 2013 GNC meeting was also a joint meeting with the Foundation’s GNC. The Committees discussed each Committee’s activities over the past year and their Trustee/Director recruitment strategies. They also discussed the Joint Hospital/Foundation Governance Model. There was consensus that the Joint Hospital/Foundation Governance model is working well and that both organizations benefit greatly from coordination and communication at the Board level.

Human Resources Committee

On behalf of Mr. Dave McKay, Dr. Terry Sullivan reported on the March 2013 meeting of the Committee.

The Committee reviewed and approved the 2012/13 Committee Goals and Objectives and Terms of Reference. The Committee was provided with an overview of the 3rd Quarter Human Resources key performance metrics. The key metrics focus on leadership development; health & safety; organizational and job engagement. All metrics have met or exceeded their targets for the 3rd Quarter. The Committee was provided with an overview of Human Resources strategic priorities. The Committee discussed the 2012 Employee Engagement Results which were outstanding. A presentation was provided on Strengthening the Hospital and Physician Relationship. A project is being undertaken that will assess and take into account all aspects of the Hospital and Physician relationship. The review will result in recommendations and accountabilities to ensure a strong
and sustainable framework for the future. The Committee reviewed the public sector salary disclosure list. Due to the change in SickKids performance year, the 2013 Salary Disclosure list will see an upswing in the remuneration reported.

**Investment & Pension Committee**

Ms. Kiki Delaney reported on the March 2013 meeting of the Committee.

The Committee reviewed the performance of the pension, investment and trust funds as at December 31, 2012. The Committee was advised that all performance results for the period up to December 31, 2012 were ranked in the top quartile. Performance returns were reviewed for all investment managers. Two presentations were provided by investment managers. The Committee approved a motion to terminate the mandates for one of the investment managers and other portfolios will be transferred pro rata to the equity managers. The Committee approved the Statement of Investment Policies and Procedures for all Funds and agreed to invite another investment manager to provide a presentation at the end of March.

**IN-CAMERA MEETING BOARD OF TRUSTEES**

The Trustees held an in-camera session.

**ADJOURNMENT**

There being no further business for discussion, the meeting was adjourned.

*These Minutes have been redacted in accordance with the Freedom of Information and Protection of Privacy Act.*