

Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on Thursday January 23, 2014, 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
Dr. M. Apkon
Ms. C. Duboc
Mr. J. Francis
Mr. T. Penner
Ms. S. Baxendale
Ms. K. Delaney
Mr. B. Simpson
Dr. J. Wright
Ms. S. Younker, Corp. Secretary

Present:

Mr. A. Sheiner
Mr. T. Sullivan
Mr. R. Weese
Ms. P. Hubley
Dr. P. Campisi
Mr. A. Khanna
Ms. C. Reicin
Mr. L. Scott
Mr. R. Prichard
Mr. S. Smith

Regrets:

Mr. P. Reynolds
Ms. G. O'Brien
Mr. D. McKay

By Invitation:

Mr. J. Garner
Mr. J. Mainland
Dr. D. Daneman
Mr. T. Garrard

By Invitation:

Ms. S. O'Dowd
Dr. J. Kronick
Dr. J. Rossant
Ms. L. Harrison

Ms. M. Evans
Ms. M. Monk
Dr. S. Zlotkin

Ms. Sharon Younker, 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. Robert Harding, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order.

Mr. Harding welcomed Trustees and also welcomed Dr. Michael Apkon to his first meeting of the Board of Trustees. He reported that Dr. Apkon officially assumed the President & CEO role effective January 1st and has spent his first few weeks meeting staff and getting to know the organization.

Mr. Harding announced that today was Dr. Campisi's final Board meeting as his two year term as President of the MSA concludes tomorrow. He thanked Dr. Paolo Campisi for his contribution to the Board of Trustees and reported that Dr. James Robertson from the Department of Anaesthesiology will be the next MSA President.

CENTRE FOR CYSTIC FIBROSIS

Dr. Denis Daneman introduced Dr. Felix Ratjen and Dr. Christine Bear, Co-Directors of the Cystic Fibrosis Centre. Dr. Daneman provided the brief history of Cystic Fibrosis (CF) care at SickKids and the development of the Centre.

Dr. Ratjen and Dr. Bear presented an overview of CF which is a debilitating disease caused by mutations in the CF gene (CFTR). Currently there is no cure for CF, however over the past 50 years, through advances in CF research, education, and care, the average life span of an individual with CF in Canada has increased from 4 to 48 years. Dr. Ratjen explained that for the past three decades, SickKids has been a leader in CF research and clinical care and has implemented a multidisciplinary approach and the CF Centre continues to foster an environment rich in discovery and collaboration. SickKids researchers and clinicians specializing in diverse physiological systems have interacted to provide a comprehensive understanding of the disease. The clinical program for CF at SickKids is known as one of the leading care

facilities in the world and has a well-established reputation for its excellence in multidisciplinary care. The synergy between laboratory, clinical research and clinical care, places SickKids at the forefront for future CF therapy development and implementation in patients.

Dr. Bear presented the emerging therapeutic strategies that aim to repair the basic defect caused by the major mutation: F508del present in 90% of patients. She outlined the progress towards finding better drugs, understanding patient-to-patient variability, and creating methods to measure patient specific responses to drugs. SickKids continues to improve the lives of CF patients through its achievements, from being a part of clinical trials linked to the first drug (KALYDECO) targeting the basic defect caused by CF to identifying new genes that control the severity of CF. The vision of the future for CF patient care is individualized treatment for every CF patient.

Discussion ensued regarding opportunities for commercialization of research. It was noted that the CF program at SickKids is internationally recognized.

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 November 29, 2013, be approved as circulated;

and

THAT the Medical and Scientific Appointments be approved;

and

THAT the Amendments to the Women's Auxiliary By-Laws be approved.

MEDICAL ADVISORY COMMITTEE REPORT

Dr. James Wright, Chair of the Medical Advisory Committee (MAC) referred Trustees to the written report. He highlighted that there was a presentation on the SickKids physician credentialing process which also included the process for physician appointment and reappointment. He noted that a standardized approach for obtaining external references and a standardized physician offer letter have been implemented.

Dr. Wright highlighted the phenomenal 10% improvement in the "percent excellent" results of Pickers Inpatient Satisfaction survey and acknowledged Pam Hubley, Chief, Professional Practice and Nursing for her focus on this initiative.

EXECUTIVE REPORT

Dr. Michael Apkon presented his executive report. He thanked the Board for a warm welcome and for giving so much thought into the CEO transition. Dr. Apkon shared his experience through the transition. He received a very effective orientation to the organization and the local environment and his first week was focused on becoming more deeply connected, seeing the Hospital in greater depth, and trying to create a level of comfort among the staff.

Dr. Apkon reported that SickKids is a well run, efficient organization that leverages a very high level of employee engagement and shared the common themes he heard on his visits throughout the

organization. Dr. Apkon was impressed with the ability of the organization to achieve significant accomplishments during a time of limited growth in top line revenue, increasing volumes, growing case complexity, escalating cost of care, increasing pressures for advanced technology with escalating costs, rising patient and family expectations, and increased accountability. He outlined the opportunities and challenges. Next steps are to assess short and intermediate term priorities, and to move forward expeditiously with Project Horizon plan. Key areas to develop are the reduction of costs of care without compromising the quality of clinical care, increase revenues from non-government sources, and work with the Health Care delivery System to improve outcomes and maximize efficiencies through utilizing the system more effectively.

Dr. Apkon addressed the impact that shortfalls in revenue from the Ministry of Health and unrealized gains in the investment portfolio have had on the current financial position of the organization. He reported that the executive is focused on addressing the situation and outlined immediate steps that have been taken. Management has also advanced planning on next year's operating plan to test the assumptions with respect to volume and revenue opportunities.

Dr. Apkon announced that an anonymous donor and the Ministry of Health and Long Term Care (MOHLTC) have agreed to support the creation of the Medical Psychiatry Alliance which will see SickKids join forces with CAMH, Trillium Health Partners and The University of Toronto. SickKids will receive about \$9.5 million from the donor and Government support which will allow us to expand our tele-psychiatry program, expand our number of psychiatrists, psychologists, nurses and counselors, fund a nursing education program, and support a Chair in Child and Youth Mental Health. An announcement of the Initiative will be made on Tuesday morning at CAMH. Dr. Apkon acknowledged and congratulated Ted Garrard and his Foundation team, Mary Jo Haddad and Marilyn Monk who took the lead for SickKids.

Dr. Apkon congratulated Mr. Bob Harding on being named as a Member of the Order of Canada and Mr. David McKay on his appointment as CEO of the Royal Bank of Canada.

Dr. Apkon thanked Dr. Paolo Campisi for his contribution as President of the MSA.

FOUNDATION REPORT

Mr. Ted Garrard, President & CEO, SickKids Foundation, gave an update of the Foundation. Mr. Garrard was congratulated on being awarded Communicator of the Year by the International Association of Business Communicators.

COMMITTEE REPORTS

Board Quality Committee

Ms. Rose Patten, Chair, Board Quality Committee, reported on the January meeting of the Committee.

An overview of the mandate for Appropriateness of Care Committee (ACC) was provided, work to date was highlighted and areas of focus for current year were shared. There was a presentation on the SickKids Continuous Improvement Program which outlined the realized value and efficiencies achieved through this program in 2013 and priority areas for 2014. There was also a presentation on *SPEED (Streamlining the Patient Experience from Entry to Discharge)*. While Emergency Department (ED) visits and admission volumes continue to rise, length of stay (LOS) has decreased and wait times for inpatient beds continue to improve.

The Q2 Scorecard results were presented and the majority of key performance indicators related to quality are meeting the targets.

Finance & Audit Committee

Mr. Larry Scott, Chair F&A Committee reported on the January meeting.

A brief update on the Peter Gilgan Centre for Research and Learning (PGCRL) was provided. Following several weeks of concentrated construction effort and commissioning activities being completed,

Substantial Completion was achieved on December 23rd, 2013. SickKids has now assumed primary responsibility for the building operations, supported by EllisDon and other contractor staff.

KPMG provided a status update of the Internal Audit Plan and summary of the period's activities, as at December 31, 2013 and reported on two completed audits: Medical Credentialing and Fraud & Misconduct Management.

A report on the potential implications of a draft CRA policy on rebates for research activities was provided.

An overview of P8 YTD Financial Results was presented. Management is currently addressing a plan to improve the 2013/14 year end financial position.

Ms. Laurie Harrison provided an overview of the draft 2014/15 Operating Plan.

Human Resource Committee

Dr. Terry Sullivan on behalf of Mr. Dave McKay, reported on the HR Committee meeting. The Committee approved the 2013/14 Goals and Objectives. There was an update on the project to Strengthening the Hospital Physician Relationship, the Q2 Scorecard, Absenteeism and Turnover. The results of the Employee Engagement survey were presented. The organization achieved phenomenal results and had a 70% participation rate.

Investment & Pension

Ms. Kiki Delaney, Chair, Pension & Investment Committee, reported on the Committee meeting held in December. The Committee reviewed the performance of the pension, investment and trust funds as at September 30, 2013. Performance returns were reviewed for all investment managers. Two presentations were provided by investment managers. The Committee Terms of Reference were reviewed and approved.

Commercialization Task Force

Mr. Tim Penner, Chair of the Commercialization Task Force, provided an update on the activity of the Task Force, the mandate of which is to increase commercialization of the research done at the Hospital and ensure there is a sustainable program in place to support commercialization. There were several presentations to assist the Task Force in gaining a well rounded perspective on commercialization of research and related issues. There were presentations from over 10 researchers as well as Industry Partnerships & Commercialization, the office at SickKids with responsibility for technology transfer. Several conclusions were reached. Next meeting of the group will be in March; the goal is to bring some recommendations to the Board in May.

IN-CAMERA MEETING OF THE BOARD OF TRUSTEES

The Trustees held an in-camera session.

ADJOURNMENT

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

Robert Harding, Chair of the Board

Sharon Younker, Corporate Secretary