

Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on October 22, 2015 at 4:00 p.m. at The Hospital for Sick Children, Toronto, Ontario.

Present:  
Ms. R. Patten, Chair  
Dr. M. Apkon  
Ms. P. Hubley  
Mr. A. Khanna  
Dr. P. Laussen  
Ms. C. Duboc  
Mr. T. Penner  
Dr. T. Sullivan  
Mr. R. Prichard\*  
Ms. S. Younker, Corp. Secretary

Present:  
Mr. I. Rotenberg  
Ms. C. Reicin  
Mr. R. Weese  
Mr. S. Smith  
Ms. K. Taylor  
Dr. J. Robertson  
Mr. J. Natale  
Mr. A. Sheiner  
Ms. G. O'Brien

Regrets:  
Ms. K. Delaney  
Mr. S. Marwah, Vice-Chair  
Mr. L. Scott  
Mr. D. Guloien  
Mr. D. McKay  
Mr. S. Rafi

By Invitation:  
Dr. D. Daneman  
Ms. L. Harrison  
Ms. S. O'Dowd  
Mr. J. Mainland  
Ms. M. Monk  
Dr. S. Zlotkin

By Invitation:  
Dr. M. Salter  
Dr. C. Caldarone  
Ms. M. Evans  
Dr. L. Huang  
Mr. T. Garrard\*

Regrets:

*\*attended via telephone*

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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, Ms. Rose Patten, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order.

### **CHAIRS REMARKS**

Ms. Patten welcomed members to the meeting and introduced Dr. Sarah Muttitt the new Vice President, Information Management & Technology and Chief Information Officer.

Ms. Patten reminded Trustees of the list of educational activities that has been circulated and encouraged members to participate in these opportunities. Today's tour of the NICU was very informative for Trustees in understanding the challenges to delivering SickKids' excellent standard of patient care despite the physical environment restrictions.

### **LEARNING HEALTH SYSTEM AND SMART HEALTH IT – THE GEISINGER EXPERIENCE**

Dr. Mike Apkon introduced Dr. Alistair Erskine, MD, Chief Clinical Informatics Officer at the Geisinger Health System who provided Trustees with an external perspective on the strategic importance of clinical informatics in a learning health system. Dr. Erskine is responsible for sequencing future and innovative technologies at Geisinger and for harmonizing data across the clinical care, research and health plan enterprise. Dr. Erskine heads the Division of Applied Research and Clinical Informatics (DARCI) and serves as architect to Geisinger's Unified Data Strategy, ensuring that the data collected as a by-product of clinical, operational and research investigation are accessible for appropriate

secondary use and new discovery. Geisinger Health System is a vertically and horizontally integrated multi-hospital health system in Pennsylvania that has invested in clinical computing and informatics technology to fuel improvements in population health management, the quality of care, discovery, and innovation as it drives value-based care. Geisinger has used information technology to develop and deploy acute and chronic ProvenCare<sup>®</sup> bundles of care through population identification, procedure and illness bundle development, and workflow redesign.

Dr. Erskine presented how Geisinger hardwired the Learning Health System principles into changing provider behaviour and promoting patient activation; used its investment in Health IT to automate algorithms inside and outside its Electronic Health Record (EHR); and developed Healthcare Apps that work across EHRs.

Dr. Erskine demonstrated how clinical information systems play a central role in the clinical and research strategies of academic health systems; as well as in advancing the population health agenda and translational research agendas which are becoming increasingly dependent on harnessing informatics technology.

Discussion ensued regarding the Geisinger's annual investment in information systems; opportunities to monetize big data through partnerships; and mitigation of potential security breaches. Dr. Erskine recommended ways and timelines in which to implement and ensure adoption of new technologies in an organization. Dr. Erskine confirmed that implementing a clinical information system was a critically important first step in Geisinger's 20 year journey and that they consistently utilized the vendor product offering wherever possible to maximize the value, only building specialized modules when it was absolutely necessary.

Ms. Patten thanked Dr. Erskine for his insightful and inspiring presentation.

## **CONSENT AGENDA**

Ms. Patten 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 Board of Trustee minutes for the September 24, 2015 meeting be approved, as circulated;

THAT the Terms of Reference for the following Board of Trustee Committees be approved, as circulated:

- Board Quality Committee
- Finance and Audit Committee
- Governance and Nominating Committee
- Investment & Pension Committee

THAT the 2015/16 Board of Trustees Goals & Objectives be approved as circulated, and;

THAT the Medical and Scientific Appointments for September 2015 be approved.

## **EXECUTIVE REPORT**

Dr. Apkon presented his executive report and updated Trustees on events and activities since the last Board meeting.

Dr. Apkon reported that the search for the next Chair/Chief of Paediatrics is ongoing. An external review was conducted the week of September 28<sup>th</sup> by Dr. Gary Fleisher from Boston Children's and Dr. Allison Eddy from UBC who spent a total of three days onsite interviewing a range of stakeholders. They were exceptionally complimentary of both the Department of Paediatrics and Dr. Denis Daneman's leadership. The reviewers recognize how challenging it will be to find someone with Dr. Daneman's accomplishment, humility, supportiveness, and ability to cultivate talent. They provided an insightful assessment of the Department and its place within the University and Hospital. Dr. Apkon outlined some of the priorities for the next chair that were acknowledged by the reviewers including; responding to a new focus of funding on patient-oriented research; responding to an increased need to integrate the Department across a broader system; the development of a strategy to maintain, or improve, the fiscal foundation of the Department. Next steps include Dr. Daneman's presentation to the Search Committee next week and the assembly of a long list of candidates.

Dr. Apkon updated members on Motherisk.

Dr. Apkon reported on the fiscal environment and the challenges facing the organization as we begin the operating planning process for 2016/17. SickKids continues to see far less Ministry of Health and Long-term Care (MOHLTC) revenue than expected but continues to advance a government relations campaign around the challenges with the current funding mechanisms. Dr. Apkon outlined the cost pressures anticipated for 2016/17 resulting in a preliminary deficit forecasted at \$10MM and stated that he is very concerned with the five-year horizon. Other revenue opportunities and strategies to achieve economies of scale are being examined.

Dr. Apkon updated members on opportunities to grow SickKids presence within the health system. He reported on the status of discussions with an organization in the mental health space. Dr. Apkon stated that SickKids continues to explore opportunities for greater collaboration in ways that will allow SickKids to create scale without completely sacrificing autonomy or identity.

Dr. Apkon reported that following the federal election on October 19<sup>th</sup> SickKids has a new local representative in its riding of University-Rosedale, Chrystia Freeland. Management will be reaching out to her in the coming months and will be reviewing the Liberal election platform to see where we can leverage some of their commitments around health, innovation, and research.

Trustees discussed the financial and resource implications of partnership opportunities and the opportunity to address SickKids' funding challenges with the MOHLTC. It was recommended and management confirmed that they are aggressively pursuing various revenue opportunities including genetic testing.

## **MEDICAL ADVISORY COMMITTEE REPORT**

Dr. Denis Daneman on behalf Dr. Peter Laussen, Chair of the Medical Advisory Committee (MAC), who was unable to attend the MAC meeting in October, referred Trustees to the written report. Dr. Daneman highlighted the Point of Care Testing 2014/15 Annual Review stating that this initiative is being carefully monitored to confirm that the practice is more efficient for patient care and cost effective.

## **COMMITTEE REPORTS**

### **Finance & Audit Committee (F&A)**

Mr. Tim Penner, on behalf of Mr. Larry Scott, Chair, F&A, reported on the meeting held on October 14, 2015. Mr. Penner highlighted the approval of the F&A Goals and Objectives for 2015/16, outlined the result of four Internal Audits performed by KPMG for the Alternate Funding Agreements; Disaster Recovery Controls; Shoppers Drug Mart Pharmacy Controls; and Post Implementation Review of the PGCRL. Mr. Penner noted that the F&A have asked management to provide a final report on the PGCRL and any outstanding claims or issues.

Mr. Penner reported that there was a presentation on cyber security and personal health information. SickKids cyber security is rated as average and in order to improve this rating SickKids will need to strengthen network security, increase the ability to detect and act on security risks and upgrade and refresh applications on an ongoing commitment. Following a Privacy Impact Analysis with respect to personal health information there were five key recommendations identified to protect personal health information.

As a follow-up to information shared during the September Committee meeting, and at the request of the Committee, additional information was provided related to the December 31, 2014 actuarial valuation of the Hospital for Sick Children Employee Pension Plan. A benchmarking analysis on discount rates used for funding and accounting purposes by peers was provided and the findings showed that the current hospital assumptions are reasonable and no changes are recommended. The Committee is recommending to the Board of Trustees that the Actuarial Valuation as at December 31, 2014 be approved for filing with Financial Services Commission of Ontario (FSCO).

Mr. Penner reported that the Five Year Operating and Capital Plan were presented and noted that indications are that the current projected 5 year shortfall is \$383M and the 2016/17 shortfall is \$126M. The F&A discussed funding options for capital projects including Project Horizon. The F&A is bringing a motion forward for approval of \$4M for planning dollars for Project Horizon in order to remain on the proposed timeline to reduce the risk of significant delays.

Ms. Harrison reported the P5 Financial results, stating that emergency and inpatient activity continues to be higher than prior years and plan levels. Management is currently focused on the 2016/17 Operating Planning process.

### **MOTION:**

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

THAT the Employee Pension Plan Actuarial Valuation as at December 31, 2014 of the Employee Pension Plan be approved.

THAT the request for \$4M of planning dollars for Project Horizon, in advance of any government approval, in order to remain on the proposed timeline and to reduce the risk of significant delays in the overall project timelines be approved.

### **Board Quality Committee (BQC)**

Dr. Terry Sullivan, Chair of the BQC, reported on the meeting held on October 15, 2015. The BQC has built a Quality/Safety story into each of its meeting agendas, the October story related to a medication dosage error which demonstrated the importance of staff diligence when administering medications.

Ms. Marilyn Monk, EVP Clinical reported on the status of the IV pumps and the work being done to ensure appropriate maintenance and replacement of the equipment.

Dr. Sullivan reported that there were presentations on two Key Performance Indicators (KPIs) that are currently performing below target, Central Line Associated Blood Stream Infections (CLABSI) and Hand Hygiene Compliance. Management explained the challenges and presented initiatives to improve the results.

BQC members participated in a GEMBA Walk in the Paediatric Intensive Care Unit (PICU) to gain a deeper understanding of the physical working environment and to observe some of the current infrastructure challenges.

### **Governance & Nominating Committee (GNC)**

Mr. Ajit Khanna on behalf of Mr. Sabi Marwah, GNC Chair reported on the meeting that took place October 1, 2015. Mr. Khanna reported that the Board Effectiveness Survey results were reviewed by the GNC, the survey had 100% participation and three key themes were identified for action.

1. *Opportunity to recruit additional expertise to the Board in areas that align with the Hospital's strategic priorities such as technology, health service management and to ensure appropriate levels of diversity and gender.*
2. *Continue to look for opportunities to enhance Trustee engagement through improved quality and depth of dialogue of key Hospital strategies and challenges.*
3. *Increase Board education in terms of broad Health Care sector themes, emerging issues and the operational realities of the Hospital.*

Mr. Khanna reported that in June 2016 there will be two Trustee vacancies on the Board. The GNC reviewed the skills and knowledge of the current Board of Trustees and identified the needs of the organization over the next several years and identified several areas of focus for recruitment. These include construction/real-estate, government affairs, and a chartered accountant. The GNC will also be taking into account gender and diversity when looking at candidates. Mr. Khanna requested that Trustees submit any names of individuals who have the skills and knowledge that meet the criteria outlined above.

### **Investment & Pension Committee (IPC)**

Mr. Irwin Rotenberg reported on the IPC meeting that took place on September 15, 2015. Mr. Rotenberg reviewed the IPC report to the Board and gave an overview of the various reports that the investment committee use to monitor the pension fund and other funds. These reports highlight relative and absolute performance as well as various risk analysis

Mr. Rotenberg highlighted key numbers for Trustees stating that the Total Assets under Management is \$1.5B and reported that they are conservatively invested with 44% in equities and the remainder in cash, cash equivalents and high quality bonds. He reviewed the quarter and one-year investment returns for each of the funds and explained that we now have 10 and 20-year numbers that have achieved returns that have compounded at approximately 10 per cent annually placing the funds in the top 1 percentile for similar managed funds.

## **SICKKIDS FOUNDATION REPORT**

Mr. Ted Garrard, President, SickKids Foundation, referred members to his written report updating Trustees on the Foundation's activities. Mr. Garrard reported that the Foundation is performing very well and gave an update on their planning process for next year.

## **IN-CAMERA MEETING OF THE BOARD OF TRUSTEES**

An in-camera session of the Board of Trustees was held.

## **ADJOURNMENT**

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

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Rose M. Patten, Chair of the Board

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Sharon Younker, Corporate Secretary