

Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on January 21, 2016 at 4:00 p.m. at The Hospital for Sick Children, Toronto, Ontario.

Present:  
Ms. R. Patten, Chair  
Mr. S. Marwah, Vice-Chair  
Dr. M. Apkon  
Mr. A. Khanna  
Dr. P. Laussen  
Ms. C. Duboc  
Mr. S. Smith  
Dr. T. Sullivan  
Mr. L. Scott  
Dr. J. Robertson  
Ms. S. Younker, Corp. Secretary

Present:  
Mr. I. Rotenberg  
Ms. C. Reicin  
Mr. R. Weese  
Ms. K. Taylor  
Mr. J. Natale  
Mr. A. Sheiner  
Mr. D. Guloien  
Ms. G. O'Brien  
Mr. S. Rafi  
Ms. J. Van Clieaf

Regrets:  
Ms. K. Delaney  
Mr. T. Penner  
Mr. D. McKay  
Mr. R. Prichard

By Invitation:  
Dr. D. Daneman  
Ms. L. Harrison  
Dr. L. Huang  
Mr. T. Garrard  
Ms. S. O'Dowd  
Ms. M. Monk

By Invitation:  
Dr. M. Salter  
Ms. M. Evans  
Ms. P. Hubley  
Mr. J. Mainland  
Dr. S. Zlotkin

Regrets:  
Dr. C. Caldarone

*\*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. Ms. Patten updated members on Trustee-attended events, the Fireside Chat rescheduled to March 8<sup>th</sup>, 2016, and the Medical Staff Association Board Hosted reception on February 2, 2016.

Ms. Patten acknowledged Dr. James Robertson, President of the Medical Staff Association (MSA) whose term as President is completed on January 22<sup>nd</sup>, 2016. She thanked Dr. Robertson for his contribution to the MSA and the Board of Trustees. Ms. Patten also congratulated Dr. Stanley Zlotkin for his Order of Ontario award.

### **DEPARTMENT OF PAEDIATRICS**

Dr. Denis Daneman presented his end-of-term report of the activities and accomplishments, as well as the challenges and threats of the Department of Paediatrics during his 10 years as Paediatrician-in-Chief.

Dr. Daneman reported that in Clinical Care there have been vast improvements achieved with respect to access and wait times, most evident in the metrics in the Emergency Department, but also in many other ambulatory and in-patient settings. All of the education programs (Undergraduate and Postgraduate) in the department are fully accredited and highly competitive. The SickKids

Department of Paediatrics remains number one in Canada and number two in North America for publication numbers and citations. He noted that a significant number of new areas of research have been opened up and research funding has doubled-to-tripled in these past 10 years.

Dr. Daneman reported that recruitment, retention and reward have been a significant focus in the past 10 years. The attrition rate has been extremely low, while job and institutional engagement has been very high. The Department has recruited over 85 new faculty members, maintained competitive salary structures until recently and experienced 20 retirements. Dr. Daneman stated that the pressure on the Canadian dollar, as well as other examples of financial distress in the health care system, provides the basis for financial resources being at the forefront of issues involved in out-of-country and even out of institution recruitment and new sources of funds will need to be identified.

Dr. Daneman acknowledged that continued growth and evolution of the clinical, educational and research are essential to the continued success of the Department of Paediatrics.

Discussion ensued regarding the challenges and opportunities. Ms. Patten thanked Dr. Daneman for his report and his significant contribution to SickKids over the past 10 years.

## **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 minutes of the Board of Trustees meeting of November 19, 2015 be approved;

THAT the Medical and Scientific Appointments for November and December, 2015 be approved; and

THAT the Human Resource Committee Terms of Reference be approved, as circulated.

## **EXECUTIVE REPORT**

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

### **Leadership**

Dr. Apkon acknowledged Dr. Daneman for his excellent leadership over the last decade stating that he has effectively stewarded the Department of Paediatrics to not only be one of the most impactful, high performing, and expert departments of paediatrics in the world but has also positioned it remarkably well for the future. He has recruited an incredible faculty at all levels and a particularly impressive junior faculty. Dr. Daneman has been a significant contributor to SickKids and a broad thinker about its future.

Dr. Apkon provided an update on the Chief of Paediatrics recruitment process.

### **Board Retreat Follow-up**

Dr. Apkon reported on a number of follow-up discussions that have occurred. He outlined his discussions with the Deputy Minister of Health and senior staffers. Dr. Apkon also reported on the

Government's release of a whitepaper called "Patients First" which calls for extensive transformation with the Community Care Access Centres being collapsed into the LHINs and primary care being encouraged to take a more prominent role in the organization of sub-LHIN health systems. Dr. Apkon outlined the opportunities and challenges with the strategy, as well as ongoing discussions within the healthcare community and SickKids.

Dr. Apkon also provided an update on potential partnership opportunities.

### **Operating Plan**

Dr. Apkon reported that the hospital is well into the budgeting process for 2016/17 and is anticipating another very challenging year. He reported that there is a great deal of uncertainty about the revenue for next year and outlined the issues. Dr. Apkon stated that it is very clear that the Health-Based Allocation Model (HBAM) formula simply does not work for SickKids and that the government is struggling with a formulaic approach to finding a solution without necessarily changing the structure of the formula. He reported that management has identified \$15M in expense reductions which will balance the budget but will be forced to rethink some plans we have had historically in order to preserve service and to continue to invest in priorities such as Caring Safely, compliance, and security. Dr. Apkon presented several initiatives that are focused on sustainability such as the optimization working group, efforts to ensure documentation/coding and reporting are accurately reflecting the complexity of work done, and managing resource consumption through the utilization of a new decision support tool.

### **Motherisk**

Dr. Apkon updated Trustees on the status of Retired Justice Susan Lang's independent review of Motherisk Drug Testing Laboratory. Dr. Apkon reported on the outcome of the review, recommendations and management's action plans. Dr. Apkon also reported that SickKids received notice of a Class Action Law Suit on January 20, 2016. Trustees discussed the issues related to Motherisk.

### **MEDICAL ADVISORY COMMITTEE REPORT**

Dr. Peter Laussen, Chair of the Medical Advisory Committee (MAC), reported on the meetings held on December 2, 2015 and January 6, 2016. Dr. Laussen referred members to the reports and noted that the MAC reviewed a number of quality of care issues including staff fatigue, integrated sedation service as well as policies regarding clinical lab testing and service of legal papers. The Research Ethics Board (REB) presented their annual report which outlined the REB process and the role of the REB including staffing issues, workload measures, and turnaround time.

### **COMMITTEE REPORTS**

#### **Finance & Audit Committee (FAC)**

Mr. Larry Scott, Chair of the FAC Committee, reported on the meeting held on January 12, 2016. Mr. Scott referred Trustees to the FAC Board Report and provided further insights on several agenda items. The FAC was presented an overview of the external audit plan for year ending March 31, 2016 by Ernst & Young which the Committee approved. KPMG reviewed the progress year-to-date of the internal audit plan and presented the results of three internal audit reports. Mr. Scott reported that the internal audit process has improved and the audits are progressing on plan. There was an update on two high exposure risks on the Enterprise Risk Register regarding Finance; inadequate funding, and failure to execute the capital plan within the forecasted timeframe. Mr. Scott acknowledged that the pace of capital spending has increased considerably over previous year and is forecasting to be 70% this year. There was also an update on insurance claims reporting and the 2015/16 insurance premiums. The Committee was provided a final report on the PGCRL capital and authorized management to negotiate and finalize the PGCRL contract close-out. Management brought forward

the 525 University Avenue lease extension which expires on June 30, 2017 which will be brought back for discussion at the March FAC Committee meeting.

The FAC was provided an update on the 5 Year Operating and Capital Plan which identified significant gaps. Minor Capital projects for 2016/17 were brought forward to the FAC for recommendation to the Board for approval in the January meeting so that management can begin the projects now in order to allow sufficient time for completion by March 31, 2017. Revisions to the Board Delegation of Banking Authority – Payment Instruments (Schedule B) were also brought forward for recommendation for approval by the Board.

**MOTION:**

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

**THAT** the Board of Trustees approve the expenditure of \$5.7M for certain clinical and diagnostic equipment and facilities renovations and upgrades (which will be included in the 2016/17 Capital Plan) prior to March 31, 2016.

**THAT** the changes to the Banking Authority – Payment Instruments “Schedule B” be recommended to the Board of Trustees for approval.

**Investment & Pension Committee (IPC)**

Mr. Irwin Rotenberg, Chair of the IPC, reported on the meeting held on December 9, 2015. Mr. Rotenberg referred Trustees to the IPC Board report and provided further insights on the various reports that the IPC uses to monitor investment performance. These reports highlight relative and absolute performance as well as various risk analysis. Mr. Rotenberg outlined the returns to September 2015 and reported that December total portfolio values are slightly ahead of September's. Mr. Rotenberg highlighted that Total Assets is over \$1.5B. Currently, the asset mix is very conservative with just under 40% in equities and the remainder in cash, cash equivalents and high quality government bonds. He outlined some of the Committee's investment strategies under consideration including moving up the hedge against the Canadian dollar.

**Board Quality Committee (BQC)**

Dr. Terry Sullivan, Chair of the BQC, reported on the meeting held on January 14, 2016. Dr. Sullivan referred Trustees to the BQC report and provided further insights on several agenda items. The BQC reviewed a positive Quality/Safety story regarding the responsiveness of the Emergency Department (ED) team. A follow-up presentation was made on the Bedside Paediatric Early Warning System which is an evidence-based tool to help caregivers more easily detect life-threatening deteriorations in a child's condition so that appropriate interventions can be provided earlier in their care. The Committee also had the opportunity to gain a deeper understanding of three Healthcare Acquired Conditions (HACs) as they related to the Caring Safely initiative: Surgical Site Infections (SSIs); Catheter Associated Urinary Tract Infections (CAUTI), and Preventable Falls (Falls) causing harm. There was also a high overview of the actions taking place in preparation for the submission of the annual Quality Improvement Plan (QIP) in March 2016 and the Board's accountability for approving SickKids' QIP and for holding management responsible for performance.

Dr. Sullivan reported that management provided an update on Motherisk and outlined action plans to address the recommendations from the review conducted by Justice Lang.

**Human Resource Committee (HRC)**

Dr. Terry Sullivan, on behalf of Mr. Dave McKay, Chair of the HRC, reported on the meeting held on December 7, 2015. Dr. Sullivan referred Trustees to the HRC report and provided further insights on several agenda items.

**SICKKIDS FOUNDATION REPORT**

Mr. Ted Garrard, President, SickKids Foundation, referred members to his written report updating Trustees on the Foundation's activities. Trustees congratulated Mr. Garrard and the Foundation for their success.

**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