

Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on May 25, 2017 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
 Mr. T. Penner
 Mr. J. Sullivan
 Dr. T. Sullivan
 Mr. M. Gertler*
 Mr. R. Prichard*
 Mr. L. Scott
 Ms. S. Younker, Corp. Secretary

Present:

Ms. C. Reicin*
 Mr. R. Weese*
 Ms. K. Taylor
 Ms. G. O'Brien
 Mr. D. Guloien
 Ms. C. Duboc*
 Dr. C. De Souza
 Dr. P. Laussen
 Mr. D. McKay

Regrets:

Mr. A. Sheiner
 Mr. S. Rafi
 Mr. J. Natale
 Mr. I. Rotenberg
 Ms. J. Van Clieaf
 Ms. K. Delaney

By Invitation:

Ms. L. Harrison
 Ms. M. Monk
 Dr. L. Huang
 Mr. J. Mainland
 Dr. M. Salter
 Ms. S. O'Dowd
 Dr. C. Caldarone

By Invitation:

Ms. M. Evans
 Ms. P. Hubley
 Dr. S. Zlotkin
 Mr. T. Garrard
 Mr. P. Goldthorpe
 Mr. P. Sawras

Regrets:

Dr. R. Cohn

**attended via telephone*

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.

CHAIR'S REMARKS

Ms. Patten welcomed Trustees and provided an update on the agenda.

PROJECT HORIZON

Mr. Peter Goldthorpe, Vice President, Transformation presented an update on Project Horizon (Project). Mr. Goldthorpe provided an overview of the current state of the campus and the impact on SickKids' ability to meet contemporary standards of care. The Facilities Development Plan includes the building of: a Patient Support Centre which enables space for administration, education and clinical research offices; a Patient Care Centre that addresses program areas in need of infrastructure renewal; and renovations to the existing Slight Family Atrium.

Mr. Goldthorpe explained the Ministry of Health and Long Term Care (MOHLTC) Capital Planning Process which consists of 5 stages. In 2015, a Stage 1 Proposal Submittal was provided to the MOHLTC outlining the compelling need for this Project along with a high level plan to address the many clinical and facilities challenges facing SickKids as a result of its aging physical plant. While the MOHLTC has not yet approved the Stage 1 Proposal Submittal, it did provide a planning grant to SickKids in order to advance the work. Although additional effort is required to satisfy the MOHLTC's Stage 1 requirements, the organization will simultaneously advance the work for Stage 2 (Functional Programming) to maintain the critical path of the Project. To continue to advance the work, SickKids

will need to approve an allocation of additional capital funds. Mr. Goldthorpe presented the components of the Functional Programming Process, timelines, governance structure as well as the development and funding options. The risks and mitigation strategies of the Project were outlined and discussed.

Dr. Apkon thanked Mr. Goldthorpe and reported that there has been increased focus and energy on the project with Mr. Goldthorpe's appointment. Dr. Apkon also reported that a Facilities Renewal and Real Estate Board Committee is being considered to provide oversight to the Project.

Discussion ensued regarding the compromises of redeveloping on the current site compared to a greenfield project. Mr. Goldthorpe confirmed that while there may likely be additional challenges with a redevelopment approach, the impact would be minimal and the cost would be far less than a greenfield project.

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 March 30, 2017 be approved; and

THAT the Medical and Scientific Appointments for March 2017, be approved

MEDICAL ADVISORY COMMITTEE (MAC)

Dr. Peter Laussen, Chair of the MAC reported on the MAC meeting that took place on May 3, 2017.

The MAC received a report that highlighted recent Safety Reports. A communication was reviewed by the MAC regarding research laboratory testing using human specimens which contain guidelines and the institutional framework to address innovative research testing of human biological specimens. The MAC provided feedback on the Physician communication initiative and reviewed next steps. There was a review of the Hospital By-laws as they pertain to the MAC. Amendments to the By-laws will be brought to the Board of Trustees in June and will address the MAC co-chair leadership model, a MAC Governance & Nominating Committee, a Peer Review Committee and quorum requirements for Board hearings. The MAC also reviewed the current Emergency Room Consultation Escalation Policy and the proposed escalation algorithm for Emergency Department (ED) consultations.

EXECUTIVE REPORT

Dr. Mike Apkon presented his executive report and updated Trustees on events and activities since the last Board meeting. Dr. Apkon canvassed the Trustees for questions on his written report, there being none he proceeded with his report.

Dr. Apkon addressed a media story in the Toronto Star regarding a Serious Safety Event that occurred at SickKids in 2016.

Dr. Apkon also provided an update on SickKids status and preparedness following two world events: the ransomware attack that affected the United Kingdom Healthcare system and the recent bombing in Manchester, England. He reported that SickKids cybersecurity approach and rapid response kept the organization largely immunized from the ransomware attack resulting in no impact to SickKids. The recent bombing in Manchester, England stressed the local hospitals with a flood of casualties many of

them children. He noted that while it is difficult to be prepared for all scenarios he highlighted the numerous activities that are undertaken at SickKids to prepare for situations like this.

Dr. Apkon reported on the impact of the Ontario budget announcement on SickKids. The increase in funding to SickKids for 2017/18 is in line with the revised expectations. The new Pharmacare for kids is a benefit to patients and may have a positive impact on the organization's benefit costs for employees.

Organizational Performance

Dr. Apkon reported that the organization achieved outstanding on 4 out of 5 of its key organizational performance indicators. He highlighted that significant achievements including the launch of Kids Health Alliance, the integration of Hincks-Dellcrest, contracting and launching the EPIC build, and advancing Project Horizon. The organization also reached a 50% reduction in the rate of Serious Safety Events by year end compared to the initial baseline. The organization continues to drive research successes with the most recent success rate for the Canadian Institute of Health Research (CIHR) grant competition far better than the national average. SickKids continues to have an impact through our Global Child Health and SickKids International initiatives.

EPIC Project

Dr. Apkon provided an update on the EPIC Project (Project). He reported that overall the Project is progressing well. With the team in place, configuration decisions are being made, the Price Waterhouse third party assurance work has been launched, and the hardware is just beginning to be installed. Dr. Apkon provided an update on the collaboration with Children's Hospital of Eastern Ontario (CHEO) which is progressing well.

2017/18 CEO Goals and Objectives

Dr. Apkon referred Trustees to his goals and objectives for the next year. He reported that they have been cascaded through the organization and highlighted a few areas of direct personal focus. Dr. Apkon also provided additional details with respect to the commercialization strategy and initiatives for 2017/18.

Discussion ensued. It was requested that the Serious Safety Event related to the media story be brought to the Board Quality and Safety Committee for further discussion. Discussion ensued with respect to SickKids preparedness for a catastrophic event.

COMMITTEE REPORTS

Finance & Audit Committee (FAC)

Mr. Larry Scott, Chair of the FAC, provided an update on the meeting that took place on May 12, 2017. Mr. Scott reported that KPMG provided an update on the 2016-17 audit plan. All 16/17 internal audits are now complete and the 2017/18 audits are now in the planning and scoping stages. There was also an update on progress of the EPIC Health Information System project and the partnership with CHEO was provided. The project is currently in the build phase with 15% completion to date with the project status remains satisfactory. SickKids remains on target for June 2018 Go Live. There was an update on the current status of Project Horizon including timing and project phasing, estimated costs, functional programming, governance, and development and funding options. A planning grant of \$5M has been received from the MOHLTC. The Project is now moving into Stage 2 – Functional Programming.

The Finance & Audit Committee recommended approval to the Board of Trustees to approve the revised project cost

MOTION:

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

WAS RESOLVED:

THAT the budget for Stages 1 and 2 of Project Horizon, be approved

Board Quality & Safety Committee (BQSC)

Dr. Terry Sullivan, Chair of the BQSC, reported on the meeting that took place on May 9th, 2017. Dr. Sullivan reported that prior to the formal meeting, Trustees participated in an educational tour of the Emergency Department (ED). Trustees were impressed with the efficiency and leadership of this area of the hospital. A safety story was shared. The Quality Improvement Plan (QIP) Status Report and Harm Index Report were presented. A number of initiatives being undertaken by both the Utilization Management Committee and the Choosing Wisely Campaign were also presented.

Human Resources Committee (HRC)

Mr. Dave McKay, Chair HRC reported on the HRC meetings held on May 15th. He noted for Trustees that the CEO's performance and compensation will be presented for discussion in the in-camera session of Independent Trustees following this meeting.

The HRC was provided with an overview of the organization performance results for 2016/7 which are attached to the Board report. Mr. McKay reported that SickKids had a very successful year with accomplishments such as launching the EPIC project, launching KHA, completing the integration with Hincks-Dellcrest, and reducing the Serious Safety Event rate by 50% over the prior year. All of the Organization Performance indicators achieved an "Outstanding" level of achievement, other than "Length of Stay" which, although improved from the prior year, did not achieve target. On an aggregate basis, the organization's overall results across the indicators, on a weighted basis, achieved a result of "Outstanding".

2016/17 Executive Performance and Compensation

Mr. McKay also reported that following the HRC's review and discussion of the executive performance and compensation recommendations for the period ending March 31, 2017, the HRC approved the incentive pay recommendations.

2017/18 CEO Objectives

The HRC reviewed, discussed and agreed to recommend the 2017/18 CEO's Objectives (attached to the Board report) to the Board of Trustees for approval, subject to the addition of one goal related to employee engagement.

MOTION:

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

THAT the 2017/18 CEO Objectives be approved as circulated

2017/18 Organizational Objectives

Mr. McKay reported that the HRC reviewed, discussed and agreed to recommend the 2017/18 Organizational Objectives (attached to the Board report) to the Board of Trustees for approval, without exception.

MOTION:

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

THAT the 2017/18 Organizational Objectives be approved as presented

Governance & Nominating Committee (GNC)

Mr. Sabi Marwah, Chair of GNC, reported on the GNC meeting that took place on May 18, 2017. The GNC discussed the Trustee recruitment of Ms. Yongah Kim, Senior Partner at McKinsey & Company who has an extensive background in healthcare consulting, and senior leadership skills. Following discussion the GNC agreed to recommend the appointment of Ms. Kim as Trustee at the June 2017 Annual Meeting.

MOTION:

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

THAT Yongah Kim be appointed as Trustee at the Board of Trustee Annual meeting on June 22, 2017

The GNC also reviewed the annual resolutions to be brought forward for approval at the June 2017 Annual Meeting which includes the appointment of new Trustees, reappointments of Trustees with term renewals, cross appointments with the Foundation, the annual appointments of the full Board of Trustees, appointment of Officers and Corporate Secretary, Committee Chairs and Membership, and the schedule of regular Board of Trustee meetings. The GNC also discussed of the creation of a new Facilities Renewal and Real Estate Board Committee to focus on the re-development of SickKids' properties.

The GNC also reviewed the status of the 2016/17 GNC and the Board of Trustees Goals and Objectives. The Committee was satisfied with the accomplishments of both the GNC and the Board of Trustees.

Proposed revisions to The Hospital By-Laws were presented to the GNC for review. The process undertaken was outlined and it was confirmed that the proposed revisions had been endorsed by the MAC and presented to the Medical Staff Committee of the Medical Staff Association. The proposed changes to the By-laws will be brought the Board for approval at the June 22, 2017 Board of Trustees meeting.

FOUNDATION REPORT

Mr. Ted Garrard (CEO SickKids Foundation) provided Trustees with an update on the first Campaign Cabinet meeting. Mr. Garrard introduced Lori Davidson who presented the Case for Support to raise \$1.3B in support of SickKids' campus renewal. Ms. Katie Taylor reported that the Foundation has done an incredible job in the development of the Case for Support and in launching the Campaign Cabinet. Ms. Taylor provided an update on several key events that are taking place in support of the Campaign.

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.

Rose M. Patten, Chair of the Board

Sharon Younker, Corporate Secretary