

Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on September 24, 2018 at 3:45 p.m. at The Hospital for Sick Children, Toronto, Ontario.

Present:

The Hon. Sabi Marwah, Chair
 Dr. Michael Apkon
 Mr. Tim Penner
 Mr. Bharat Masrani
 Dr. Terry Sullivan
 Mr. Robert Prichard
 Ms. Clara Angotti
 Mr. Frank Vettese
 Ms. Beth Wilson
 Mr. Andrew Sheiner
 Dr. Edward Barrett
 Mr. Robert Weese
 Ms. Sharon Younker, Corp. Sec.

Present:

Mr. Dave McKay
 Mr. Meric Gertler
 Ms. Kathleen Taylor
 Ms. Gail O'Brien
 Mr. Donald Guloien
 Ms. Clair Duboc
 Ms. Judy Van Clieaf
 Mr. Joseph Natale
 Mr. Irwin Rotenberg
 Ms. Yongah Kim
 Dr. Jeremy Friedman

Regrets:

Ms. Kiki Delaney
 Mr. Saad Rafi
 Ms. Cheryl Reicin
 Mr. John Sullivan

By Invitation:

Ms. Laurie Harrison
 Dr. Lennox Huang
 Mr. Jeff Mainland
 Dr. Michael Salter
 Ms. Susan O'Dowd
 Dr. Ronni Cohn

By Invitation:

Dr. Stanley Zlotkin
 Ms. Pam Hubley
 Mr. Ted Garrard
 Mr. Peter Goldthorpe
 Dr. Christopher Caldarone

Regrets:

Ms. Megan Evans
 Ms. Marilyn Monk

**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, the Hon. Sabi Marwah, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order.

CHAIR'S REMARKS

The Hon. Marwah welcomed Trustees and provided an update on the agenda. The Hon. Marwah welcomed Dr. Jeremy Friedman who was appointed the Chair of the Medical Advisory Committee in June and is an ex-officio member of the Board.

EDUCATION SESSION

Child Health Institute

Dr. Michael Apkon introduced Dr. Ronald Cohn, Paediatrician-In-Chief, who presented an overview of the background and planning activities underway to establish the Child Health Institute (CHI). Dr. the Cohn explained that the CHI will provide an opportunity to increase SickKids' leadership role within the areas of population health, policy initiatives, implementation science and knowledge translation. The CHI will provide a hub for researchers, educators and practitioners to bridge theory and practice, enabling these individuals to identify, address and prevent pervasive health inequalities facing children and youth. Planning activities including completion of a situational analysis, consultation sessions and the development of a Steering Committee have guided the direction setting for the Institute to date. Through these exercises, key domains – global child health as well as children that are at-risk, disadvantaged and medically / chronically complex – were identified which will both leverage the strengths of the Hospital and provide a synergistic opportunity to further ongoing efforts at the Centre and Hospital levels.

Across each domains the core functions of the CHI – prediction, prevention, treatment and care, policy and knowledge translation and implementation – will be operationalized and realized.

Dr. Cohn reported that the Child Health Institute (CHI) is poised to create a unified voice for child health research, care, policy and knowledge transfer to specifically address inequities related to health status and outcomes at the local, national and international levels, furthering SickKids' vision.

Discussion ensued with respect to links to the Kids Health Alliance (KHA), opportunities for external membership of the CHI, and the governance structure.

CONSENT AGENDA

The Hon. Marwah 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 consent agenda be approved as circulated

- Minutes – May 28, 2018
- Minutes – August 3, 2018
- Minutes – September 4, 2018
- Medical, dental & scientific staff appointments – August, 2018

THAT the Terms of Reference for the following Committees be approved:

- Facilities & Real Estate Committee
- Finance & Audit Committee
- Board Quality & Safety Committee
- Investment & Pension Committee

MEDICAL ADVISORY COMMITTEE (MAC)

Dr. Jeremy Friedman, Chair MAC, reported on the MAC meetings that occurred in August and September, 2018. Dr. Friedman highlighted MAC discussion on Physician recruitment and retention with the resignation of several high profile physician leaders. He reported that the search processes underway have identified many of the best and brightest candidates both internally and externally. He reported that SickKids has a history of long tenure within its faculty compared to other comparable organizations in healthcare. The Medical Staff Association has performed exit interviews with physicians that have resigned to ensure that we are not missing anything that needs to be address. Dr. Friedman reported that the faculty is excited about the future with Epic and the new campus, Project Horizon.

EXECUTIVE REPORT

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

Leadership

Dr. Apkon update members on the status of several leadership transitions and reported that there are two appointments being brought forward for Board approval.

Chief, Department of Paediatric Laboratory Medicine

Dr. Apkon reported that he is bringing forward Dr. George Yousef for appointment as the Chief,

Department of Paediatric Laboratory Medicine. Following an extensive international search Dr. Yousef was the unanimous choice of the Search Committee. Dr. Yousef is an anatomical pathologist and was the Divisional Head of Molecular Diagnostics at St. Michael's Hospital in Toronto. He is a Professor and Vice-Chair and the director of postgraduate research of the department of Laboratory Medicine at the University of Toronto and a Full Scientist and the director of the CELIC Centre for molecular innovation at the Li Ka Shing Knowledge Institute of St. Michael's Hospital.

Chief of Surgery and Perioperative Services

Dr. Apkon announced that following a search for the Surgeon-in-Chief & Chief of Perioperative Services, Dr. James Drake was the unanimous choice of the Search Committee. Dr. Drake assumed his appointment in the Department of Surgery, Division of Neurosurgery in 1988, and has been on the surgical staff at The Hospital for Sick Children in the Division of Paediatric Neurosurgery since then. Dr. Drake's primary research and clinical interests relate to engineering applications to neurosurgery including hydrocephalus, image guided surgery and robotics.

MOTION:

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

THAT Dr. George Yousef be appointed Chief, Department of Paediatric Laboratory Medicine for a 5 year term effective September 24, 2018, and

THAT Dr. James Drake be appointed Surgeon-in-Chief & Chief of Perioperative Services for a 5 year term effective September 24, 2018

Government Update

Dr. Apkon provided an update on the provincial landscape including the new Premier's council on improving healthcare and hallway medicine and his recent meetings with newly appointed government officials. As well as discussion with the Toronto Academic Health Science Network (TAHSN) about moving towards a clinically-integrated network and a more formal structure.

Kids Health Alliance Update

Dr. Apkon reported that the fifth affiliate hospital has joined KHA over the summer. The Epic co-governance structure with CHEO has been implemented and work on looking for scale of economies is underway.

Operational highlights

Dr. Apkon provided an update on operations stating that finances are on track and identified ongoing risks to the operating plan for 2018/19.

Epic implementation

Dr. Apkon referred Trustees to the written report on the status of the Epic implementation. He reported that there are issues related to the standardization in the workflow and the amount of workflow that is prescribed. Dr. Apkon stated that we continue to work through the optimization of Epic.

Indigenous Cultural Safety

SickKids has recently implement an Indigenous cultural safety training program, developed a statement of responsibility for research on indigenous children, initiated land use acknowledgement, and addressed misuse of culturally-insensitive artifacts and artwork throughout the organization.

Project Horizon

Dr. Apkon provided a status report on Project Horizon. He reported that the City approval have been granted for the organization to move to the next phase of the project and the organization is starting to work on the interim physical space plan.

CEO Transition

Dr. Apkon provided his insights and recommendations with respect to the organizations focus and potential risks through transition to a new CEO.

Recognition

Dr. Apkon thanked the senior management team, SickKids Foundation, the Board of Trustees and The Hon. Sabi Marwah for their support and contribution during his tenure as President and CEO of SickKids.

The Hon. Sabi Marwah thanked Dr. Apkon on behalf of the Board of Trustees and the Senior Management for his work in moving SickKids forward on so many important initiatives and wished him success as he moves back to the United States to take on the President and CEO role at Tufts Medical Centre in Boston, Mass.

COMMITTEE REPORTS

Facilities and Real Estate Committee (FREC)

The Hon Marwah chaired the meeting on behalf of Mr. John Sullivan, Chair of the FREC, and reported on the meeting that took place just prior to the Board meeting.

Mr. Peter Goldthorpe presented an update on the capital budget for the Patient Support Centre. The new estimated cost has increased by 13% due to; the refinement of the construction cost categories and escalating construction costs due to market conditions for materials and labour. A business case was presented to support the construction of an additional 3 shelled floors on the PSC to maximize the density permitted under the recently-approved zoning by-laws. Mr. Goldthorpe outlined a plan to support the additional costs of these floors either through rental income or sale of the space.

Ms. Laurie Harrison presented an update on the Local Share Plan and the financing strategy to support the cost increases associated with the additional floors and escalation of cost due to market conditions.

MOTION:

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

- **THAT** the construction of additional floors to maximize the allowable density of the Patient Support Centre (PSC);
- **THAT** the revised PSC Capital Budget of \$377 million (including the cost of building maximum density) as a working assumption for inclusion within the Project Horizon Local Share Plan, with management to provide updated cost estimates at appropriate intervals.
- **THAT** the updated Local Share Plan for purposes of submission to the Ministry of Health be approved

Discussion ensued regarding the increased amount of local share required, sources of funds to support the local share, and the risks associated with projected cost increases due to the P3 model and market conditions.

Finance & Audit Committee (FAC)

Mr. Tim Penner, Chair of the FAC, provided an update on the meeting that took place earlier today. Mr. Penner reported that the FAC participated in the first half of the FREC meeting and supported the submission of the Local Share to the Ministry of Health.

Mr. Penner reported that the FAC reviewed and approved the audited financial statements of the Employee Pension Plan for 2017/18 and the actuarial valuation of the Employee Pension Plan as at December 31, 2017.

The FAC was provided with an update on the status of the Internal Audit Plan and completed audits on the credentialing of Allied Health Professionals (AHPs).

Dr. Sarah Muttitt and Mr. Robert Slepik provided an update on Epic, outlining many of the success and challenges that are being addressed.

Ms. Laurie Harrison presented a financial update for the 5-year Plan including an updated forecast for 2018/19 and the future plan for 2023/24. The P4 financial results were presented as well as an update on the 2019/20 Operating Plan assumptions and process. She reported that the projection shows a planning gap of \$17.0M due primarily to inflation, no increase in MOHLTC funding, and a growth in the surplus to increase cash reserves. Management will identify initiatives to address the gap and complete the plan over the next three months.

MOTION:

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

- **THAT** the audited Financial Statements of the Employee Pension Plan for year ending March 31, 2018 be approved.
- **THAT** the actuarial valuation of the Employee Pension Plan as at December 31, 2017 be approved.

Board Quality & Safety Committee (BQSC)

Dr. Terry Sullivan, Chair of the BQSC, reported on the meeting that took place earlier today. Ms. Yongah Kim, Trustee reported on her learning from attending the Board focused Solutions for Patient Safety Conference at the end of August. The BQSC had several presentations including: a safety story regarding bio hazardous waste; a serious safety event (SSE); and, an update of the Quality Improvement Plan (QIP) results for the period of January to August. Dr. Sullivan reported that the two QIPs that the organization continues to struggle with is CLAPSI and surgical site infections. The Enterprise Risk Management register was presented with 2 new initiated risks added to the register; “drug shortages” and “armed individual/hostage taking”. There was also an update on the risk “supplies not available leading to patient impact”. The BQSC also had a presentation on Epic and the positive impact on patient safety.

Investment and Pension Committee (IPC)

Mr. Irwin Rotenberg, Chair of IPC, reported on two meetings that took place in June and September 2018. Mr. Rotenberg confirmed the investment strategy for the past 2 years has had an above average exposure to equities and the remainder in very short term bonds. The long term goal remains a 3% real or after inflation returns. Mr. Rotenberg provided an overview of the asset mix and performance for all funds as at June 30, 2018. As well, the sinking funds to ultimately pay off the outstanding hospital debentures was reviewed.

Mr. Rotenberg thanked Dr. Apkon for his contributions to SickKids and his support of the IPC during his tenure.

FOUNDATION REPORT

Mr. Ted Garrard, CEO, SickKids Foundation, provided Trustees with an update and reported that the Foundation is exceeding its annual plan as at August 31, 2018. He updated Trustees on the Get Loud event which has 4,000 participants’ registered and encouraged members to participate or provide support towards the event.

Mr. Garrard reported that a premier brand video in support of the campaign will be launched next week at the Foundation Board meeting and committed to send the video to Trustees prior to the public launch.

Mr. Garrard announce that the PGCR's 5th Anniversary event will take place on September 25th where Dr. Mike Salter will present a scientific talk. On October 1st, there will be an event for the Trustees and Directors Emeriti hosted by Ms. Katie Taylor and several weeks ago a Past Chairs event was held for both Boards past Chairs to ensure their continued engagement with SickKids.

OTHER BUSINESS

The Hon. Sabi Marwah updated members on the status of the CEO search process. He confirmed the members of the Search Committee and reported that the RFP process to choose a Search Firm is underway with interview of the finalist proponents on October 9th. The first meeting of the CEO Search Committee will take place following the selection of the Search Firm.

RECOGNITION

The Hon. Sabi Marwah thanked Dr. Mike Apkon for his contribution to SickKids over the past 4.5 years and outlined Dr. Apkon's accomplishments during his tenure which included: the implementation of the Solutions for Patient Safety program; implementation of the Epic system; the launch of the KHA; the advancement of the mental health strategy through the amalgamation of Hincks Dellcrest; the expansion of the SickKids international business to South Africa and China; and the visioning and launch of Project Horizon to develop SickKids' campus. The Hon. Sabi Marwah thanked Dr. Apkon on behalf of the Board of Trustees and SickKids' organization.

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.

The Honourable Sarabjit (Sabi) S. Marwah
Chair of the Board

Sharon Younker
Corporate Secretary