

**BOARD OF TRUSTEES
MEETING MINUTES**

Wednesday, February 15th, 2017 at 2:00 p.m.

Toronto General Hospital
Anthony S. Fell Boardroom – 1S425

Present:	John Mulvihill (Chair)
Elected Trustees (Voting):	Robert Krembil Cliff Nordal Dhun Noria Brian Porter Cornell Wright Eileen Mercier Doug McGregor Lawrence Pentland
University of Toronto Appointees:	Trevor Young (Dean of Medicine)
Ex Officio Trustees (Non-Voting):	Peter Pisters (CEO) Michael Gardam (MAC Chair) John Granton (MSA President)
Regrets:	Barbara Stymiest Thomas MacMillan Peter Wallace Dean Connor Jan Campbell Dan Haas Cheryl Regehr (Vice-President and Provost) Joy Richards (CNO) Eric Horlick (MSA Vice-President)
Recording Secretary:	Grace Ivo

Quorum – 40% of Voting Members or 7 Voting Members

1.0 Minutes of Meeting held on November 16th, 2016

Precirculated for members' information were the minutes of the meeting held on November 16th, 2016. **(Under tab 1.0)**

2.0 Chair's Report

Mr. John Mulvihill provided a verbal report.

3.0 Consent Agenda for Committee Reports

3.1 Safety and Quality Committee, Minutes of Previous Meetings

Pre-circulated for members' information were the minutes of the Safety and Quality Committee meetings held on October 31st, 2016, November 28th, 2016 & December 12th, 2016.

(Under tab 3.1)

Dr. Dhun Noria advised on the new schedule for the Safety and Quality Committee of the Board meetings in 2017, noting that there will be 6 meetings with each lasting 3 hours.

3.2 Finance and Audit Committee – Minutes of Previous Meeting

Pre-circulated for members' information were the minutes of the meeting held on November 8th, 2016. (**Under tab 3.2**)

The Finance and Audit Committee met Monday, February 13th, 2017.

Ms. Eileen Mercier noted that there are several contracts for approval under 5.0 with briefing notes attached under section 3.2.1.

Ms. Eileen Mercier highlighted on the following from the draft Finance and Audit Committee minutes not circulated:

The financial results for the nine months ended December 31st, 2016 reflect a \$15.3 M deficit due to unbudgeted clinical volumes and over-performance on various volume funded procedures. Working capital of 0.93 is above the December budget of 0.86 and remains ahead of the HSAA target of 0.80.

The Investment Policy was approved at the February 13th, 2017 Finance & Audit Committee meeting.

UHN has been approached by RaySearch Laboratories Inc. to co-develop an Oncology Information System, called RayCare. UHN's primary role in this co-development will be to communicate clinical know-how that will drive the requirements for the RayCare product. RaySearch Laboratories wishes to buy the commercial rights to UHN's Cancer Informatics Platform and integrate its functionality and elements of its architecture. The estimated internal cost of the implementation is \$6.5M for the project team and \$1.5M for clinical staff engagement over 5-6 years.

The audit plan will encompass annual audits of payroll, financial controls, and data quality. Additionally, risk based audits for privacy, facilities repairs and maintenance, commercialization of IP, and non-competitive procurement will be done.

The EY review has identified over 100 opportunities for improvement. The EY Sustainability review has identified a variety of initiatives to generate savings which are being incorporated into the budget including increased patient revenue; reduction in transport costs; bed reconfiguration; acuity based staffing alignment and management workforce.

KPMG highlighted on the following from their Report:

Cyber Security Report: Cyber risks continue to emerge and evolve, further work is required to increase awareness around Cyber risks across the whole organization.

Data Quality and Performance Report: Improvement opportunities include completion of pressure injury assessments in a timely manner, consistent data collection methods, and improving accuracy of patient records.

Business Continuity Management Report: Opportunities for improvement include reviewing the level of resourcing required and increasing rigor applied to emergency preparedness documentation. Action plans include establishing an Emergency Preparedness Steering Committee and reviewing IT recovery capabilities.

KPMG in conjunction with Management has developed the 2017 Internal Audit Plan.

3.2.1 Finance and Audit Briefing Notes for Approval

Pre-circulated for members' Finance and Audit Committee approved recommendations from its February 13th, 2017 meeting:

Ms. Eileen Mercier provided brief highlights in section 3.2.

a) Financial Statements for the Six Months Ended December 31st, 2016

Pre-circulated for members' information on the Financial Statements for the six months ended December 31st, 2016.

Management requests that the Board of Trustees approve the Financial Statements for the Nine Months Ended December 31st, 2016.

b) Investment Policy Amendments

Pre-circulated for members' information on the Investment Policy Amendments.

Management requests that the Board of Trustees approve the amendments to the Investment Policy.

c) RayCare Co-Development Opportunity

Pre-circulated for members' information on the RayCare Co-Development Opportunity.

Management requests that the Board of Trustees approve in principle to enter into a co-development opportunity with RaySearch Laboratories Inc. of the RayCare Oncology Information System to commence with Phase 1 and commit \$1 M of investment in the project subject to the following:

- *Confirmation of funding sources (including formal internal approvals of concept)*
- *Clearance and resolution of Conflict of Interest matters.*

After the completion of Phase 1, if the decision is to proceed to Phase 2, Management will return to the Finance and Audit Committee. The approved business case and final particulars of the contract with RaySearch Laboratories will be presented for approval at that time.

d) Princess Margaret Space Transformation – Project Update and Main Floor Construction Contract

Pre-circulated for members' information on the Princess Margaret Space Transformation – Project Update and Main Floor Construction Contract.

Management requests that the Board of Trustees approve the advance approval to award a construction contract for the Main Floor project up to a maximum value of \$14.2 M.

e) Internal Audit Plan for 2017

Pre-circulated for members' information on the Internal Audit Plan for 2017.

Management requests that the Board of Trustees approve the Internal Audit Plan 2017.

3.3 Governance and Nominating Committee, Minutes of Previous Meeting

Pre-circulated for members' information were the minutes of the Governance and Nominating Committee held on December 13th, 2016. **(Under tab 3.3)**

3.4 Research Committee, Minutes of Previous Meeting

Pre-circulated for members' information were the minutes of the Research Committee held on December 12th, 2016. **(Under tab 3.4)**

Mr. Robert Krembil expressed the importance of the relationship with BlueRock Therapeutics. In December 2016, Bayer AG and Versant Ventures announced a USD\$225M investment in BlueRock Therapeutics, a stem cell research company that will explore the work of Dr. Gordon Keller, Director of UHN's McEwen Centre for Regenerative Medicine.

3.5 Education Committee, Minutes of Previous Meeting

Pre-circulated for members' information were the draft minutes of the Education Committee held on December 1st, 2016 **(Under tab 3.5)**

A detailed integration report will come back to the Board at the May Board of Trustees meeting.

3.6 Michener Board Committee, Minutes of Previous Meeting

Pre-circulated for members' information were the draft minutes of the Michener Board Committee held on December 1st, 2016. **(Under tab 3.6)**

4.0 Medical Advisory Committee, Minutes of Previous Meeting

Pre-circulated for members' information were the minutes of the MAC meeting held on November 3rd, 2016, December 1st, 2016 and January 12th, 2017 and the Medical Staff Appointments for November 3rd, 2016, December 1st, 2016, February 2nd, 2017 and January 12th, 2017. **(Under tab 4.1)**

Dr. Michael Gardam highlighted on the following:

Dr. Shamji's privileges at UHN have been suspended. The neurosurgical and spine teams have stepped in to assume the care of all of Dr. Mohammed Shamji's patients over the last two months. UHN medical and legal teams are in close contact with both the College of Physicians and Surgeons of Ontario and the crown attorney's office to monitor court proceedings as well as any possible bail hearing.

5.0 Board Business – Motions for Approval

Mr. Mulvihill presented the motions for approval listed in **(Under Tab 3.2.1)** *On a motion duly made by Mr. Lawrence Pentland seconded by Mr. Robert Krembil the list of motions was approved as follows:*

- 1.0 Minutes of UHN Board of Trustees Meetings – November 16th, 2016
- 3.1 Minutes of the Safety and Quality Committee Meetings – October 31st, 2016, November 28th, 2016 & December 12th, 2016
- 3.2 Minutes of the Finance and Audit Committee Meeting – November 8th, 2016
- 3.2.1 Finance and Audit Recommendations for Approval
 - a) Financial Statements for the Nine Months Ended December 31st, 2016
 - b) Investment Policy Amendments

- c) RayCare Co-Development Opportunity (*approval in principle*)
 - d) Princess Margaret Space Transformation – Project Update and Main Floor Construction Contract
 - e) Internal Audit Plan for 2017
- 3.3 Minutes of the Governance and Nominating Committee Meeting – December 13th, 2016
 - 3.4 Minutes of the Research Committee Meeting – December 12th, 2016
 - 3.5 Minutes of the Education Committee Meeting – December 1st, 2016
 - 3.6 Minutes of the Michener Board of Governors Meeting – December 1st, 2016
 - 4.0 Minutes of the Medical Advisory Committee Meetings – November 3rd, 2016, December 1st, 2016 and January 12th, 2017
 - 4.1 Medical Staff Appointments – November 3rd, 2016, December 1st, 2016, January 12th, 2017 and February 2nd, 2017

6.0 Chief Executive Officer's Report

Pre-circulated for members' information the Chief Executive Officer's Report. (***Under tab 6.0***)

Dr. Pisters highlighted the following:

UHN's new Purpose, Values and Principles was introduced at site celebration events from November 29th - December 1st, 2016. The PVP is being embedded into leadership decision making and human resources programs.

Strategic Planning sessions began in December 2016; these sessions led to a discussion on the future of health care in 2030. Three Big Dots were initially introduced to senior management in mid-January and were further refined at a Leadership Retreat on January 31st, 2017. A comprehensive communication and engagement plan is being developed as we head into the next planning phase which will involve Board discussions.

UHN launched myUHN Patient Portal on January 30th, 2017. myUHN gives patients and their families a secure website to access their test results and appointment schedules from all UHN sites as soon as they are available.

The Michener Institute of Education at UHN; a detailed integration report will come back to the Board at the May Board of Trustees meeting.

UHN's Serious Safety Event Rate (SSER) is 1.16 (down from 1.22). UHN's Employee SSER for the first time is 5.54. Management believes patient and employee SSER will rise over the next 12-18 months as the organizational safety culture begins to evolve and event reporting becomes more frequent.

Spencer Stuart has been engaged to facilitate the search for the EVP & Chief Business Officer role. The search committee is reviewing candidate profiles and will proceed with the first round of interviews in March. We expect to announce the successful candidate in the late Spring of 2017.

7.0 Chief Financial Officer's Report

Pre-circulated for members' information the Chief Financial Officer's Report. (**Under tab 7.0**)

Ms. Darlene Dasent highlighted the following:

The financial results reflect a \$15.3 M deficit. Management is forecasting a \$13.9 M year-end position, a \$3.3 M shortfall from the target of \$17.2 M. The forecasted margin will be achieved through MOHLTC funding for growth, specific procedures and settlements; focus on revenue with increased targets for patient billings; compensation savings and aligning activity to budgeted levels where appropriate.

Management's approach to balancing the 2017/18 budgets will focus on generating additional revenues, reducing costs, and aligning activity with funding opportunities. The EY Sustainability review has identified a variety of initiatives to generate savings which are being incorporated into the budget.

8.0 Research Finance Sustainability Initiative

Pre-circulated for members' information the Research Finance Sustainability Initiative. (**Under tab 8.0**)

Dr. Brad Wouters presented the Finance Sustainability Initiative. The research portfolio is comprised of more than 1,200 researchers, 1,300 trainees and 2,000 staff conducting research in over 979,000 square feet of dedicated space. Research has been in deficit for the past few years as revenue streams have not been sufficient to offset direct and indirect research costs.

2017/18 financial projection based on reduction in overhead revenue is \$6.6 M deficit. A detailed plan is being developed to resolve the immediate financial pressures as well as address structural funding deficits in the Research enterprise. Discussions are underway with Foundations, Donors and granting agencies to develop funding models that support the full cost of Research. The goal is to have additional funding secured for April 1, 2017 to mitigate the projected deficit.

9.0 Board Education

9.1 Program Update – Surgical Services. (Under tab 9.1)

Dr. Shaf Keshavjee presented to the Board of Trustees with an update on current progress in the Surgery Program and its strategic plan, priorities, and future directions.

Robotics and advanced endoscopic surgery are the future of surgery. UHN needs to invest in infrastructure and equipment for minimally invasive surgery and endoscopy.

The Program wishes to seek the Board's input on specific key initiatives that will be pivotal to the Program's long-term growth strategy and maintaining/improving its market position, which will require investment and sustainable funding.

The Board of Trustees accepts this report as information.

9.2 Medicine and Society

Pre-circulated for members' background information on the draft recommendations from the Ontario Health Technology Advisory Committee (OHTAC) regarding robotic surgery for prostatectomy and its implications for UHN.

UHN has been using robotics for radical prostatectomies since 2008. This has been made possible through private capital. This has funded the capital purchase, equipment maintenance and 5 years of per case costs for approximately 125 radical prostatectomies per year. This funding model is not sustainable and alternative discussions and options need to be explored.

UHN/UofT task force members, Dr. Antonio Finelli and Dr. Jonathan Irish, have communicated with OHTAC/HQO and expressed disappointment in the draft recommendation to not fund robotic surgery for radical prostatectomy in the treatment of prostate cancer.

On April 13th, Dr. Peter Pisters, Dr. Shaf Keshavjee and Dr. Jim Rutka will meet with Dr. Robert Bell to discuss the Provincial Robotic Surgery Initiative.

The Board of Trustees accepts this report as information.

9.2.1 Ontario Health Technology Advisory Committee's upcoming recommendation regarding robotic surgery for prostatectomy (implications for UHN) (Under tab 9.2.1)

Pre-circulated for members' information the Ontario Health Technology Advisory Committee's upcoming recommendation regarding robotic surgery for prostatectomy (implications for UHN).

Dr. Anthony Finelli provided an overview on Robotic Surgery & Implications of OHTAC Recommendation.

The Board of Trustees accepts this report as information.

9.2.2 University Health Network Reinforces Its Commitment to Zero Harm by Audrey Doyle – Industry Edge, Press Ganey, January 2017 (Under tab 9.2.2)

Pre-circulated for members' information the article *University Health Network Reinforces Its Commitment to Zero Harm* by Audrey Doyle – Industry Edge, Press Ganey, January 2017.

The Board of Trustees accepts this report as information.

10.0 In-Camera

No minutes taken.

11.0 Date of Next Meeting

The Board of Trustees will meet next on Wednesday, April 19th, 2017 for a full day Board Retreat.

12.0 Adjournment

There being no further business, the meeting was adjourned.

The Chair agrees these meeting minutes are an accurate reflection of the meeting.

Mr. John Mulvihill
Chair, Board of Trustees
University Health Network

February 15th, 2017
Date