

**BOARD OF TRUSTEES
MEETING MINUTES**

Wednesday, May 16, 2018 at 12:00 p.m.
Toronto General Hospital
Anthony S. Fell Boardroom – 1S425

Present:	Brian Porter (Chair)
Elected Trustees (Voting):	Ross Baker Cliff Nordal Jan Campbell Dean Connor Doug McGregor Cornell Wright Lawrence Pentland Barbara Stymiest Dhun Noria Peter Menkes Thomas MacMillan Todd Halpern
Ex Officio Trustees (Non-Voting):	Charlie Chan (Interim CEO) Fei Fei Liu (MAC Chair) Joy Richards (CNO) Eric Horlik (MSA President)
Regrets:	Dan Haas Kelvin Dushnisky Peter Wallace
U of T Representatives (Voting):	Cheryl Regehr (Vice-President and Provost) Trevor Young (Dean of Medicine)
Recording Secretary:	Grace Ivo

Quorum – 40% of Voting Members or 7 Voting Members

- 1.0 In Camera**
Dr. Camille Lemieux provided an update on the UHN Relationship Management Framework.
- 2.0 Call to Order**
Mr. Brian Porter called the meeting to order at 1:00 p.m.
- 3.0 Declaration of Conflict of Interest**
Mr. Brian Porter asked that any Board of Directors participating in this meeting let the Board know if they have any perceived or known Conflicts of Interest relating to any of the items listed in the Agenda for this meeting.
- No conflicts were declared.

4.0 Minutes of Meeting – February 21, 2018

Pre-circulated for members’ information were the minutes of the meeting held on February 21, 2018.

BOARD MOTION

Upon motion made by Mr. Todd Halpern seconded by Dr. Dhun Noria, and carried, the Board of Trustees approved the Minutes of the Meeting held February 21, 2018.

5.0 Chair’s Report

The Chair provided a verbal update.

KEY DISCUSSION POINTS/RATIONALE

The Chair highlighted the following:

- The Chair welcomed Dr. Kevin Smith, President & CEO who officially assumes his position on May 22, 2018.
- The Chair thanked Dr. Charlie Chan for his contributions as Interim President and CEO since October 2017.
- The Chair advised the trustees, Ms. Jan Campbell will be stepping down from the Board and this was her last Board meeting. The Chair noted that three Board seats are expected to become available in June 2018.
- The Chair acknowledged the passing of Peter Munk. He reported that a celebration of his life will be held on June 5, 2018.

6.0 Chief Executive Officer’s Report

Pre-circulated for members’ information was the Chief Executive Officer’s Report.

KEY DISCUSSION POINTS/RATIONALE

Dr. Charlie Chan highlighted the following:

- Following the February Board meeting, information shared with UHN’s Board of Trustees about ICU capacity and its effects on Surgical Services was shared with the TC-LHIN and the Ministry of Health and Long Term Care (“MOHLTC”). He reported that the TC-LHIN and the MOHLTC responded very quickly and approved funding until June 2018 in connection with UHN’s proposal for additional ICU beds, based on projected volumes.
- UHN has been approved to continue with Phase 2 of a proposal for 192 Long-Term Care beds. The proposal will be to build a facility next to Toronto Rehab’s existing Lakeside site .
- Altum Health - Toronto Rehab signed a contract with WSIB for the neurology specialty program in March 2018, and Altum received the contracts for the remaining four WSIB Specialty Programs on May 4, 2018. The challenge for these specialty programs will be in retaining the volumes given the number of new entrants into this space.

7.0 Chief Financial Officer’s Report

Pre-circulated for members’ information was the Chief Financial Officer’s Report.

KEY DISCUSSION POINTS/RATIONALE

Darlene Dasent highlighted the following:

- Preliminary 2017/18 financial results reflect a \$16.4M margin, \$1.8M below target of \$18.2M. MOHLTC, although letters from the MOHLTC that may impact the 2017/18 results are still coming in.
- MOHLTC has announced \$822 M (4.6%) funding increase for Ontario hospitals in 2018/19. UHN received \$33 M, the majority of which is restricted for targeted clinical activity.
- Hospital Service Accountability Agreement (HSAA) template released for 2018/19 contains language related to Conflict of Interest, Digital Health, French Language services and other changes, including new compliance reporting requirements for hospital boards.

- TC LHIN has reviewed UHN’s forecasting process for prior years (2014/15 to 2016/17) and requested that UHN include in its forecast all projected MOHLTC revenue, some of which has not yet been received nor confirmed. Management is disinclined to do so until these projected revenues are confirmed in writing, and Management has requested a meeting with the TC LHIN to discuss.
- CRA has notified UHN of detailed Payroll and Harmonized Sales Tax audits which will commence in May 2018.
- DBRS has commenced the process to review the UHN Bond rating for 2018. Because UHN’s credit profile is tied to the Province’s rating, any changes to the Province’s rating will necessarily impact UHN’s rating.
- Operating and Capital budgets have been completed for 2018/19 and tabled for approval by the Finance and Audit Committee in the context of five-year cash flows to demonstrate affordability over time.

8.0 Safety and Quality Committee

8.1 Minutes of Meeting – January 29, 2018 and March 26, 2018

Pre-circulated for members’ information were the minutes of the meeting held on January 29, 2018 and March 26, 2018.

8.2 Follow-up Discussion to the February 21, 2018 Board Meeting: Clinical Volume Pressures; specifically on the Emergency Department & Inpatient pressures and Population Health Strategy
Ross Baker provided an update on these topics and summarized a Serious Safety Event that occurred in the TGH emergency department in January 2018 related to these pressures.

Mike Nader provided an update on the current state of demand and capacity, UHN’s strategies to address the pressures, and highlighted the importance of the population health strategy as part of the path forward.

8.3 Caring Safely Update

Pre-circulated for members’ information was the Caring Safely May 2018 Progress Update.

Ross Baker provided a progress update on Caring Safely activities. The last update was provided in November 2016. Since 2016, Caring Safely has made significant progress across all four activity streams.

KEY DISCUSSION POINTS/RATIONALE

Ross Baker highlighted the following:

- UHN Senior Leadership along with the Board have identified four “Foundational Elements” that will form the basis for the development of UHN’s strategic plan - Caring Safely, Operational Excellence, Patient Experience and People and Culture.
- A strategic focus for UHN is the implementation of the Workplace Violence Prevention plan. The goal is to focus on implementation of the multi-tiered education program, which started with high-risk Crisis intervention training and has expanded to include moderate-risk areas. All areas expect to complete their first round of education by FY 19/20.
- At one time, hand hygiene compliance rates across UHN were >90% , however that rate has steadily declined, and currently sits at approximately ~75%.

9.0 Finance and Audit Committee

9.1 Minutes of Meeting – February 20, 2018

Pre-circulated for members’ information were the minutes of the meeting held on February 20, 2018.

9.2 Finance and Audit Briefing Notes for Approval

Pre-circulated for members' information were the Finance and Audit Committee recommendations from its May 15, 2018 meeting.

Ms. Barbara Stymiest provided brief updates on the recommendations made at the May 15, 2018 Finance and Audit Committee meeting.

The Digital business cases; Digital Operations Capability Investment Case, Building Cyber Resilience Investment Case and Enterprise Storage and Compute Investment Case will be brought back to the IT Committee of the Board for final review.

a) 2018/19 Operating Plan

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> HAPS plan to balance includes MOHLTC funding (\$16 M) and UHN savings (\$25 M). Over \$20 M of investments were infused into portfolio P&L's to foundational areas. Target operating surplus for 2018/19 is \$30 M.
MOTION FOR APPROVAL
<i>That the Board of Trustees approve the 2018/19 Operating Plan.</i>

b) 2018/19 Capital Plan

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> Budget is based on planning principles related to: <ol style="list-style-type: none"> compliance with existing long-term debt obligations, Operating Surplus of \$30.0 M, \$20 M contingency, replenishment of Clinical Equipment, Facility Maintenance, and IT/IM process improvements, MOHLTC Health Infrastructure Renewal Fund (HIRF) funding (\$10 M for facility repairs), and Working Capital Ratio in line with HSAA requirement of > 0.80.
MOTION FOR APPROVAL
<i>That the Board of Trustees approve the 2018/19 Capital Budget.</i>

c) Cardinal Health Canada Inc. Contract for National Distribution Services

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> Following an open competitive process, Cardinal, Medical Mart and The Stevens Company were awarded new contracts. There is no service fee or mark-up associated with the distribution service to UHN. Rebate structure under the previous contract ranged from 2.5% to 6%; the new contract varies from 3.5% to 8%. <p>Note: Management will table for discussion the broader Plexxus and UHN procurement strategy at an upcoming Board meeting.</p>
MOTION FOR APPROVAL
<i>That the Board of Trustees approve the contract with Cardinal Health Canada for national distribution services at a total cost of \$50 M over the 5 year term.</i>

d) WSIB Specialty Program Revenue Contract

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> UHN received and executed five WSIB Specialty Programs contracts between March and May 2018. The Toronto Rehab Neurology contract has an estimated value of \$71.0 M. Altum Health received contracts for Upper Extremity MSK (\$90.2 M), Lower Extremity MSK (\$73.0 M), Back & Neck MSK (\$43.1 M) and Mental Health (\$18.9 M). Management was reminded of the importance of complying with the Signing Authority and Delegation Policy, which would have required a conversation with the Chair of the Finance & Audit Committee before executing the Toronto Rehab Neurology contract to align with WSIB timelines.
MOTION FOR APPROVAL
<i>That the Board of Trustees approve to enter in to these 5 contracts with the Workplace Safety and Insurance Board (WSIB) for provision of WSIB Specialty services, representing total revenue of approximately \$296 M over seven years.</i>

e) Banking and Investment Resolution Amendments

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> Effective May 22, 2018, Dr. Kevin Smith will be added as an authorized signatory for UHN, and Dr. Charlie Chan will be removed.
MOTION FOR APPROVAL
<i>That the Board of Trustees approve the amendments to the Bank of Montreal, BMO Harris Bank, Bank of Nova Scotia, BMO Nesbitt Burns, and Scotia Wealth Management banking resolutions, to add Dr. Kevin Smith, President & Chief Executive Officer, as an authorized signing authority effective May 22, 2018 and to remove Dr. Charlie Chan.</i>

f) Signing Authority Delegation Policy Amendments

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> Amendments to better align accountability with the new centralized organization structure for Facilities. <p>Note: Management will review the SADP regularly with a view to prescribing consistent thresholds throughout where appropriate.</p>
MOTION FOR APPROVAL
<i>That the Board of Trustees approve the Signing Authorities & Delegations Policy amendments.</i>

g) Turner Construction Company Contract Amendment

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> To meet the Canadian, American and European clean room standards for the Center for Cell and Vector Production (CCVP), the facility has been redesigned and the construction re-initiated. Contract amendment to be issued to Turner Construction Company to increase construction guaranteed maximum price to \$10.4 M.
MOTION FOR APPROVAL
<i>That the Board of Trustees approve an amendment to the Turner Construction Company contract to increase the Guaranteed Maximum Price to \$10.4 M.</i>

BOARD MOTION
<i>Upon motion made by Mr. Doug McGregor, seconded by Mr. Lawrence Pentland, and carried, the Board of Trustees approved the recommendations from the May 15, 2018 Finance and Audit Committee meeting (items 9.2 (a) through (g)).</i>

10.0 Remaining Committee Reports

10.1 Governance and Nominating Committee, Minutes of Meeting – November 20, 2017

Pre-circulated for members' information were the minutes of the Governance and Nominating Committee meeting held November 20, 2017.

The Committee was provided with bios for potential Board candidates. Currently, three Board seats are expected to be vacated in June 2018.

10.2 Research Committee, Minutes of Meeting – March 5, 2018

Pre-circulated for members' information were the minutes of the Research Committee meeting held on March 5, 2018.

KEY DISCUSSION POINTS/RATIONALE

Lawrence Pentland highlighted the following:

- The 5% research support fee went live April 1, 2018. A response team has been established to address inquiries. An internal website was launched to provide more information about the fee. It was also recommended that Brian Hodges be added as a new member of the Research Committee.

10.3 Education Committee, Minutes of Meeting – November 16, 2017 and March 1, 2018

Pre-circulated for members' information were the minutes of the Education Committee meetings held on November 16, 2017 and March 1, 2018

KEY DISCUSSION POINTS/RATIONALE

Cliff Nordal highlighted the following:

- The PSW Registry project continues to progress well with the signing of the Transfer Payment Agreement between the MOHLTC and Michener Institute of Education at UHN on March 9, 2018.

10.4 Michener Board, Minutes of Meeting – January 31 and March 1, 2018

Pre-circulated for members' information were the minutes of the Michener Board meetings held on January 31, 2018 and March 1, 2018.

10.5 Human Resources Committee, Minutes of Meeting – April 18, 2018

Dean Connor advised that the Executive Compensation Framework was approved by the Ministry of Health and Long Term Care and Treasury Board.

10.6 Medical Advisory Committee, Minutes of Meetings – February 1 and April 5, 2018

Pre-circulated for members' information were the minutes of the Medical Advisory Committee meetings held February 1, 2018 and April 5, 2018.

KEY DISCUSSION POINTS/RATIONALE

Dr. Fei-Fei Liu highlighted the following:

- Staff hand hygiene compliance rates were at one point was >90% across UHN. With the loss of funding for the hand hygiene program in 2015, compliance rates have steadily declined to ~75% across UHN.
- The medical staff requested clarity on the 5% research tax; only the expenditures related to research activities will be taxed. Expenditures related solely to education and clinical care, (e.g., support for clinical fellows), are excluded from this 5% tax.
- A survey of MDs on "how well UHN Digital serves clinical care delivery" was recently conducted. A total of 299 MDs responded; their overall level of satisfaction with Digital was 4/10; there were 199 individual comments.

- David Jaffray reported Digital is working hard to address the concerns expressed by the MDs.

10.7 Medical Staff Appointments – February 1 and April 5, 2018

Pre-circulated for members' information were the Medical Staff Appointments approved by the Medical Advisory Committee at its February 1, 2018 and April 5, 2018 for recommendation to the Board.

BOARD MOTION

Upon motion made by Ms. Barbara Stymiest seconded by Mr. Lawrence Pentland, and carried, the Board of Trustees approved the medical staff appointments attached as Appendix A to the original of the minutes.

The Board of Trustees accepts the Committee Reports as information under tab 8.1, 9.1 and 10.0.

11.0 Board Education

11.1 Peter Munk Cardiac Centre Phase IV Update

Dr. Barry Rubin provided background for the Peter Munk Cardiac Centre (PMCC) Phase IV Plan. The PMCC is aiming to be a pioneer in integrative, digitally-enabled strategies for the prevention, treatment and support of those suffering from cardiovascular disease. The PMCC Phase IV Plan will outline how this will be achieved. This plan is supported through a \$100 million donation from the Peter and Melanie Munk Charitable Foundation to the Toronto General & Western Hospital Foundation, which will be expended over the next 10 years.

The Munk Scientific Advisory Board (“SAB”) will meet to receive reports from each of the six Peter Munk Chairs and the PMCC Leads for Education and Research. The Munk SAB will also begin putting into operation the different elements of the PMCC Phase IV Plan.

11.2 Toronto Rehabilitation Institute Program Update

Susan Jewell and Dr. Gaetan Tardif provided an overview of TRI's 2018/19 operating statistics; an update on TRI's achievements (as they relate to UHN's strategic direction), and a demonstration of how TRI reflects the importance of UHN's focus on the patient experience.

12.0 Enterprise Risk Management – 2017/18 Q4 Report

Pre-circulated for members' information was the Enterprise Risk Management 2017/18 Q4 Report.

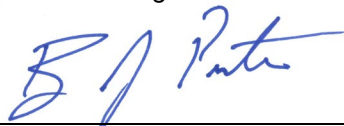
13.0 Date of Next Meeting

The Board of Trustees will convene on June 12, 2018, at the MaRS Discovery District Auditorium – Lower Level, 101 College Street, for the Annual General Meeting.

14.0 Adjournment

There being no further business, the meeting was adjourned.

Mr. Brian Porter agrees these meeting minutes are an accurate reflection of the meeting.



Mr. Brian Porter
Chair, Board of Trustees
University Health Network

May 16, 2018

Date