

Sinai Health System

MEETING OF THE BOARD OF DIRECTORS

Sinai Health System

Wednesday, October 21, 2015

MSH Executive Board Room, 19-317

4:00 – 5:30 p.m.

Minutes

Present:

Mr. Jay Hennick, Chair
Mr. David Denison, Vice Chair
Mr. Lawrence Bloomberg
Mr. Paul Gallagher
Mr. Bernard Ghert
Dr. Rita Kandel
Mr. Joseph Lebovic
Mr. Joseph Mapa
Ms. Jane Merkley
Mr. Philip Reichmann
Ms. Heather Reisman

Mr. Joel Reitman
Mr. Robert Rubinoff
Mr. Allan Rudolph
Mr. Mark Saunders
Ms. Honey Sherman
Mr. Lawrence Tanenbaum
The Rt. Hon. John Turner
Mr. Charles Winograd
Mr. Mark Wiseman
Dr. Trevor Young

Via Teleconference:

Mr. Brent Belzberg
Ms. Gail Cook-Bennett

Mr. Stephen Pustil

Regrets:

Ms. Paula Blackstien-Hirsch
Mr. Peter Cohen
The Hon. Linda Frum, Senator
Mr. Ira Gluskin

Ms. Debbie Kimel
Mr. David Leith
Dr. Mirek Otremba
Mr. Edward Sonshine

Also Present:

Mr. Kevin Goldthorp
Mr. Tony Khouri
Dr. Gary Newton
Mr. Jason Rutland
Dr. Maureen Shandling

Ms. Joan Sproul
Mr. Marc Toppings
Ms. Marian Walsh
Dr. Jim Woodgett

1.0 CALL TO ORDER

Mr. Jay S. Hennick, Chair, welcomed the Board members to Board Meeting of Sinai Health System (“SHS” or “Hospital”). Mr. Hennick outlined the meeting’s agenda.

1.1 Quorum

The Chair noted that a quorum was present and the meeting was duly constituted.

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1.2 Declaration of Conflicts of Interest Arising from the Agenda

No Declarations of Conflicts of Interest were declared.

1.3 Approval of Agenda

The agenda was approved as circulated.

2.0 CONSENT AGENDA ITEMS

2.1 Minutes of a Meeting

The previous meeting minutes of the Board of Directors of Sinai Health System from Tuesday, June 16, 2015 were pre-circulated, a copy of which is appended to the original minutes. The following resolution was put forward and approved by the Board:

- **Be it resolved that** the Board of Directors of Sinai Health System approves the meeting minutes as circulated.

3.0 OPENING COMMENTS

Mr. Hennick provided his perspective on the growth of SHS to date. He noted that the merger of talent, both operationally and at the Board/Board Committee levels, has already paid dividends in terms of bringing new ideas, energy and momentum to SHS. Mr. Hennick thanked the members of the Board for the work they continue to undertake on behalf of SHS. Mr. Hennick also thanked Mr. Joseph Mapa and the management team for their work to date in defining the SHS value proposition.

Mr. Hennick noted that there had been a number of discussions on the status of integration at the Board Committee level. Mr. Hennick discussed the establishment of a new Subcommittee of the Resources Committee of the Board to provide governance oversight for the Hospital's integration goals and operational effectiveness agenda.

Mr. Hennick discussed the ongoing lobby redevelopment, which is currently in the final stages of completion. The significance of the lobby redevelopment was noted as the lobby is the first impression given to SHS' patients, family and staff when entering the Mount Sinai Hospital site of SHS. It was noted that funding for the lobby was provided by the philanthropic community and will become an important catalyst for additional support going forward.

Mr. Hennick advised the Board of ongoing work being performed to develop a potential new financing strategy for SHS. The objective of such a financing strategy is to better position the Hospital to meet its financial needs over the long term. That work is being led by management with oversight by the Financing Subcommittee and Resources Committee of the Board.

4.0 CEO'S ORGANIZATIONAL PRIORITIES

Mr. Joseph Mapa, President and CEO, presented the CEO's organizational priorities, a copy of which is appended to the original minutes.

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Prior to giving his presentation, Mr. Mapa requested that Ms. Marian Walsh, Associate CEO and Chief Transformation Officer, update the Board regarding an air conditioning malfunction that occurred at the Bridgepoint Hospital site of SHS which in turn resulted in a temporary malfunction of network equipment in Bridgepoint's data centre. Ms. Walsh discussed the cause of the breakdown, management's review and analysis of the incident, and the successfully implemented recovery plan. It was noted that further investigation is underway to prevent a similar occurrence going forward.

Mr. Mapa also called on Dr. Jim Woodgett, Director of Research, Lunenfeld-Tanenbaum Research Institute ("LTRI"), to update the Board on recent positive developments pertaining to LTRI's funding, and in particular, to LTRI's 2015/16 program and project funding results from the Canadian Institutes of Health Research ("CIHR"). CIHR is a federal agency responsible for funding health research in Canada. Mr. Woodgett advised the Board that SHS placed first among its peers with respect to both the highest overall success rate and largest dollar value of awards in respect of such CIHR funding.

Mr. Mapa's presentation to the Board outlined the vision of SHS to provide the best in care "from healthy beginnings to healthy aging" for people with complex health needs. Mr. Mapa highlighted the key organizational priorities necessary to support that vision, namely clinical excellence; operational effectiveness; and renewal. Mr. Mapa also summarized for the Board the external forces that impact the health sector, generally, which SHS continues to address in order to attain its vision. Such external pressures include reimbursement models; patient demand and demographics; rising health care costs; changing consumer expectations; healthcare reform; and the increasingly competitive landscape in which the Hospital operates.

Mr. Mapa presented an update on the Renew Sinai initiative to the Board and the progress to date regarding that initiative. The Board engaged in a discussion around the redevelopment and the Board was advised of the expertise in oversight of the initiative by management, and in particular, by SHS management with prior experience in dealing with the Bridgepoint Hospital development. In addition to the identified deliverables of the redevelopment, Mr. Mapa outlined for the Board the Hospital's key redevelopment aspirations.

Finally, Mr. Mapa highlighted for the Board the potential transformational impact of the proposed financing strategy for SHS. Mr. Mapa noted that the Financing Subcommittee, a subcommittee of the Resources Committee of the Board chaired by Mr. Mark Saunders, was formed to develop a long-term cash flow model and associated financing strategy for SHS. A robust Board discussion took place regarding the proposed financing strategy and the Board was advised of the strong oversight currently in place by both management and the Board through its committees. The Board was informed that recommendations for long-term financing would be presented at a future meeting of the Board.

5.0 SHS EXECUTIVE FINANCIAL OVERVIEW

Ms. Joan Sproul, Executive Vice President, CFO and COO, presented the Financial Results for the Five Months Ended August 31, 2015 for SHS, a copy of which is appended to the original minutes.

Ms. Sproul's presentation to the Board outlined the current financial position of the Hospital and identified key external factors that have negatively impacted the Hospital's financial outlook. Those factors include the impact of Health System Funding Reform ("HSFR") coupled to the Renew Sinai redevelopment project which resulted in a decrease to the Hospital's funding; high demand for Hospital services with unfunded growth; and multiple successive years of zero incremental funding for inflation.

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The budget initiatives being undertaken by key clinical departments were also outlined in the financial overview. Ms. Jane Merkley, EVP, Patient Care, Quality and Chief Nursing Executive, updated the Board on the key initiatives being made by clinical areas to balance the budget.

6.0 INTEGRATION AND TRANSFORMATION UPDATE

Ms. Marian Walsh, Associate CEO and Chief Transformation Officer, provided an update on integration and transformation, a copy of which is appended to the original minutes.

Ms. Walsh's presentation to the Board highlighted the progress to date for Phase 1 of the SHS integration, namely corporate and clinical integration and various opportunities under consideration for further integration and transformation. It was noted that the ultimate goal of the amalgamation as between the former Bridgepoint Hospital and Mount Sinai Hospital was clinical transformation to provide the best in care for patients.

With respect to next steps, Ms. Walsh noted that a forward facing roadmap with key deliverables and metrics will be developed outlining key milestones for the coming years.

With respect to ongoing functional integration, Dr. Gary Newton, Chief Medical Strategy Officer, highlighted for the Board the integration and transformation initiatives underway in palliative care and Dr. Jim Woodgett, Director of Research, Lunenfeld-Tanenbaum Research Institute, spoke on the integration and transformation efforts to date in research as between the LTRI and The Bridgepoint Collaboratory for Research & Innovation.

7.0 BOARD COMMITTEE REPORTS

❖ Omnibus Motion Emanating from Board Committee Reports

✓ Audit and Risk Management Committee

The Report of the Audit and Risk Management Committee had been pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Thursday, September 24, 2015. The following resolutions were put forward and approved by the Board:

- Financial Statements
 - **Whereas** the Audit & Risk Management Committee of the Board has completed a review of the Financial Statements for the Five Months Ended August 31, 2015 and recommends Board approval;
 - **Be it resolved that** the Board of Directors of Sinai Health System accepts the recommendation of the Audit & Risk Management Committee, and accordingly approves the Financial Statements for the Five Months Ended August 31, 2015, as presented.

✓ Medical Advisory Committee

The Reports of the Medical Advisory Committee had been pre-circulated, copies of which are appended to the original minutes. The Reports were based on meetings held on Wednesday, September 9, 2015, and Wednesday, October 1, 2015. The following resolution was put forward

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and approved by the Board:

- Medical Staff
 - **Whereas** the Medical Advisory Committee has completed a review of the changes to professional staff, new appointments and temporary privileges in accordance with the Professional Staff By-Law and recommends Board approval;
 - **Be it resolved** that the Board of Directors accepts the changes to professional staff, new appointments and temporary privileges recommended by the Medical Advisory Committee, in accordance with the Professional Staff By-Law.

✓ Resources Committee

The Report of the Resources Committee had been pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Thursday, October 1, 2015. The following resolutions were put forward and approved by the Board:

- Capital
 - ❖ Report of the Buildings and Property Subcommittee
 - **Whereas** the **Resources Committee** of the Board has completed a review of the Wayfinding and Integrated Donor Recognition Strategy and recommends its approval;
 - **Be it resolved** that the Board of Directors accepts the recommendation of the **Resources Committee** of the Board and accordingly approves the Wayfinding and Integrated Donor Recognition Strategy.
 - **Whereas** the **Resources Committee** of the Board has completed a review of the 522 University Avenue lease renewal options and recommends its approval;
 - **Be it resolved** that the Board of Directors accepts the recommendation of the **Resources Committee** of the Board and accordingly approves the lease renewal for a proposed five-year term.
- Delegation of Authority
 - ❖ Phase 3 Redevelopment Project Submission
 - **Whereas** The Resources Committee of the Board has reviewed the delegation of authority for submission of the Phase 3 Redevelopment Project to the Ministry, and recommends its approval;
 - **Be it resolved** that the Board of Directors accepts the recommendation of the Resources Committee of the Board and accordingly delegates to the Buildings and Property Subcommittee and Management the authority to approve the submission for the Phase 3 Redevelopment Project to the Ministry, with ratification at the next Resources Committee meeting.
- Contracts
 - ❖ Plexxus Member Renewal
 - **Whereas** the Resources Committee of the Board has reviewed the salient changes to the proposed new Plexxus membership agreement and recommends its approval;
 - **Be it resolved** that the Board of Directors accepts the recommendation of the Resources Committee of the Board and accordingly approves the Plexxus Member Renewal as presented.
 - ❖ Cerner
 - **Whereas** the Resources Committee of the Board has completed a review of the

- Cerner contract and recommends its approval;
- **Be it resolved** that the Board of Directors accepts the recommendation of the Resources Committee of the Board and accordingly approves the Cerner contact as presented.

Other Reports:

- ✓ Patient Safety and Quality Committee

The Report of the Patient Safety and Quality Committee had been pre-circulated, a copy of which is appended to the original minutes. The Report was based on a meeting held on Friday, September 25, 2015.

8.0 IN-CAMERA

The Board met in-camera for this portion of the meeting.

9.0 OTHER BUSINESS

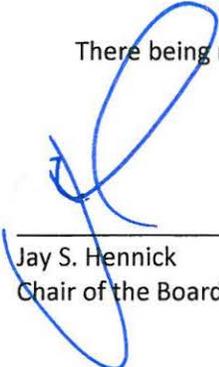
No other business was brought forward.

10.0 DATE OF NEXT MEETING

Tuesday, December 8, 2015
4:00 – 6:00 pm
Bridgepoint Hospital Board Room
14 St. Matthews Road, Toronto, ON

11.0 ADJOURNMENT

There being no further business, the meeting adjourned at 5:30 p.m.



Jay S. Hennick
Chair of the Board



Marc Toppings
Corporate Secretary