

Sinai Health System

MEETING OF THE BOARD OF DIRECTORS
Sinai Health System
Tuesday, December 8, 2015
Bridgepoint Board Room
4:00 – 6:00 p.m.

Minutes

Present:

Mr. Jay Hennick, Chair
Mr. David Denison, Vice Chair
Mr. Brent Belzberg
Mr. Lawrence Bloomberg
Mr. Peter Cohen
Mr. Paul Gallagher
Mr. Ira Gluskin
Mr. Bernard Ghert
Dr. Rita Kandel

Mr. David Leith
Mr. Joseph Mapa
Ms. Jane Merkle
Mr. Philip Reichmann
Mr. Joel Reitman
Mr. Robert Rubinoff
Mr. Mark Saunders
Mr. Mark Wiseman
Dr. Trevor Young

Via Teleconference:

Ms. Paula Blackstien-Hirsch
Ms. Gail Cook-Bennett
Ms. Debbie Kimel

Mr. Allan Rudolph
Mr. Charles Winograd

Regrets:

The Hon. Linda Frum, Senator
Mr. Joseph Lebovic
Dr. Mirek Otremba
Mr. Stephen Pustil
Ms. Heather Reisman

Ms. Honey Sherman
Mr. Edward Sonshine
Mr. Lawrence Tanenbaum
The Rt. Hon. John Turner

Also Present from SHS:

Dr. David Backstein
Mr. Allen Davidov
Mr. George Georgiadis
Mr. Tony Khouri
Dr. Shoo Lee
Dr. Gary Newton
Dr. Howard Ovens
Mr. Jason Rutland

Dr. Maureen Shandling
Ms. Sylvia Sharp
Ms. Joan Sproul
Mr. Marc Toppings
Ms. Marian Walsh
Dr. Jim Woodgett
Dr. Jay Wunder

Guest:

Mr. Richard Simm, KPMG

1.0 CALL TO ORDER

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

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1.1 Quorum

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

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 Wednesday, October 21, 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 noted that this meeting of the Board was the last meeting of the Board in the inaugural year of SHS. Mr. Hennick noted that great strides had been made since amalgamation in a number of key areas. Mr. Hennick highlighted the agenda items, which included the CEO's update on the Hospital's Centres of Excellence; the SHS Financial Overview, including the external financing strategy; an update on integration; and an update from the Mount Sinai Hospital Foundation (the "Foundation").

Mr. Hennick thanked the Directors for their many contributions to various Board Committees and noted the significant work in progress that the Board Committees and Subcommittees have made, including the Buildings and Property Subcommittee's work on Renew Sinai; the Financing Subcommittee's work on long-term financial planning, and the Governance Committee's work related to Board succession planning.

4.0 CEO UPDATE

Mr. Joseph Mapa, President and CEO, presented on the SHS Centres of Excellence, a copy of which is appended to the original minutes. The objectives of the Centres are to (a) focus on best in class clinical practice, (b) drive innovation in clinical and basic research, (c) act as a magnet for top clinical talent, and (d) be an education destination for future practitioners. Mr. Mapa noted that the Centres of Excellence have both a strategic and pragmatic functions and help differentiate SHS as an industry leader able to address today's biggest challenges and help to position SHS to best address emerging priority needs. Also highlighted were the service lines that will become increasingly important over the next five years: geriatrics; orthopaedics; cardiology; oncology; neuroscience; and chronic care management. Mr. Mapa introduced the following clinical leaders of the SHS's Centres of Excellence, who provided a brief

overview of their respective areas:

Dr. Shoo Lee	Women's and Infants' Health
Dr. Gary Newton	Chronic Complexity Disease Management and Rehabilitative Care Geriatrics
Dr. Jay Wunder	Surgical Oncology Digestive Health – Inflammatory Bowel Disease
Dr. Howard Ovens	Emergency Medicine
Dr. David Backstein	Orthopaedic Health
Dr. James Woodgett	Lunenfeld-Tanenbaum Research Institute

5.0 SHS FINANCIAL OVERVIEW

5.1 Financial Results and F2016 Forecast

Ms. Joan Sproul, Executive Vice President, CFO and COO, presented the Financial Results for the Seven Months Ended October 31, 2015 for SHS, a copy of which is appended to the original minutes. The presentation highlighted the financial position of the Hospital, including an update of the financial results. The key contributing factors that have had a negative impact on the Hospital's finances remain the same, namely the impact of Health System Funding Reform in correlation to the Renew Sinai redevelopment project; high demand for patient services; and unfunded growth. Mr. Jason Rutland, VP, Finance and Operational Effectiveness, presented the combined financial summary, global volumes and the financial forecast for the MSH site.

It was noted that Management continues to work with the TC LHIN regarding HBAM funding issues due to the temporary reduction in volumes experienced during the Women's and Infants' Health redevelopment project.

5.2 External Financing Strategy

Mr. Mark Saunders, Chair of the Financing Subcommittee, provided an overview of the Financing Strategy to the Board. Mr. Saunders noted that objective of the update was to provide assurance to the Board regarding the diligence and work to date in developing such Financing Strategy and to outline the steps and processes currently underway that will, in due course, culminate in a recommendation to raise long term capital. It was noted that it is anticipated that a recommendation will be brought forward to the Board in February, 2016. It was noted that the Financing Subcommittee is designing a plan that will leverage the current strength of the Hospital's balance sheet and ensure future strength to the Hospital going forward. Mr. Rutland, supported by Mr. Richard Simm of KPMG, presented an Indicative Deal Sheet to the Board which highlighted the following elements of the Financing Strategy: the financing amount and approach; the retention of an external service provider to provide a credit rating to the Hospital; governance and oversight considerations associated with the Financing Strategy; and servicing obligations. Mr. Rutland noted to the Board that the primary focus over the next 60 days will be to obtain a credit rating for the organization and to concurrently explore the Hospital's ancillary (non-governmental) sources of revenue to ensure that the Hospital is best positioned financially to meet its future financial obligations and needs. It was noted that, where appropriate, Hospital assets and ancillary sources of revenue could be moved to the Sinai Trust. The Board engaged in a fulsome discussion around the Financing Strategy and the potential benefits of establishing such long-term planning for the Hospital and its research agenda.

6.0 INTEGRATION AND TRANSFORMATION UPDATE

Ms. Marian Walsh, Associate CEO and Chief Transformation Officer, provided a one year overview report on the status of integration and transformation, a copy of which is appended to the original minutes. Ms. Walsh noted that the vision to create Sinai Health System and transform clinical care, research and education with a focus on complex patients, is a paradigm shift within the health care sector. Ms. Walsh noted that the work of the first year has been largely focused on laying the foundation to enable the envisioned integration and transformation to take place. She then reviewed the highlights of the Year One Report Card which included the following key areas of progress: creation of Sinai Health System; integration of clinical services and enablers; corporate services and leadership integration (integrated HR, legal, human rights & health equity); integration of clinical transformation initiatives; creation of a single Medical Advisory Committee; transition of all medical education; research integration in the LTRI; increased movement of patients between sites by 80%; integration of infection control; etc. Ms. Walsh noted that the integration activities to date achieve approximately \$6.5M in savings to the Hospital. Ms. Walsh then provided a preview of work underway on the five year Sinai Health System strategy, including the launch of a new SHS brand identity, and provided an overview of her reflections on the challenges and opportunities revealed in year one of the amalgamation.

Mr. Hennick noted the excellent work done by Ms. Walsh and the integration team, and commended the clinical leadership team for achieving the results highlighted in the report card.

7.0 FOUNDATION

Mr. Brent Belzberg, President, Foundation, presented an update on the Foundation, a copy of which is appended to the original minutes. The presentation highlighted the Foundation's organization chart, led by Mr. Kevin Goldthorp, CEO; the Foundation's very strong campaign progress to date; as well as a number of key performance indicators regarding the Foundation's performance as compared to its peers. The comparative indicators included a comparison of cost per dollars raised and revenue per FTE with peer hospitals. Mr. Belzberg noted that the Foundation ranked very high nationally among all hospital foundations using such metrics.

8.0 BOARD COMMITTEE REPORTS

❖ Omnibus Motion Emanating from Board Committee Reports

✓ 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, November 4, 2015, and Wednesday, December 2, 2015. The following resolution was put forward 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 Wednesday, November 11, 2015. The following resolutions were put forward and approved by the Board:

❖ **Resources Committee***

- F2017 Hospital Annual Planning Submission (HAPS) – Approach and Assumptions
 - **Whereas** the Resources Committee of the Board has completed a review of the F2017 HAPS Submission – Approach and Assumptions and recommends its approval;
 - **Be it resolved** that that the Board of Directors accepts the recommendation of the Resources Committee of the Board and accordingly approves the F2017 HAPS Submission - Approach and Assumptions as presented.
- Report of the Buildings and Property Subcommittee
 - ✓ Renew Sinai Phase 3A 90% Contract Documentation Submission
 - **Whereas** the Resources Committee of the Board has reviewed the 90% contract documentation submission to the Ministry of Health and Long-Term Care and Enabling Works for the Renew Sinai – Phase 3A Redevelopment Project 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 90% contract documentation submission to the Ministry of Health and Long-Term Care and Enabling Works for the Renew Sinai – Phase 3A Redevelopment Project as presented.
 - ✓ Sheppard Avenue: Centre for Fertility and Reproductive Health (CFRH) Lease Agreement
 - **Whereas** the Resources Committee of the Board has reviewed the CFRH Agreement to Lease with Riocan for 2 Sheppard East, 4th floor, North York, Ontario and recommends its approval;
 - **Be it resolved** that Board of Directors accepts the recommendation of the Resources Committee of the Board and accordingly recommends that Sinai Health System (i) approve the Agreement to Lease, including an investment of up to \$120,000 in capital expenses (per the business plan approved by the Resources Committee in May, 2015), and (ii) authorize management, for and on behalf of Sinai Health System, to do and to perform or cause to be done or performed, any and all acts to execute the Agreement to Lease, based on the change recommended by the Committee members, and sign the Lease Agreement and any non-material adjustments and/or alternatives to same.
- Information Technology (IT) Subcommittee
 - ✓ Integrated Electronic Health Record (EHR)
 - **Whereas** the Resources Committee of the Board has reviewed the Integrated Electronic Health Record (EHR) recommendation to extend Cerner to the Bridgepoint site when it is clinically required while suspending any further investments in Meditech platform and recommends its approval;
 - **Be it resolved** that the Board of Directors accepts the recommendation of the

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Resources Committee of the Board and accordingly approves the extension of Cerner to the Bridgepoint site when it is clinically required while suspending any further investments in Meditech platform.

Other Reports:

✓ Governance Committee

The Report of the Governance Committee had been pre-circulated, a copy of which is appended to the original minutes. The Report was based on a teleconference held on Tuesday, December 1, 2015.

✓ 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, November 27, 2015.

✓ Research Committee

The Report of the Research 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, November 20, 2015.

9.0 IN-CAMERA

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

10.0 OTHER BUSINESS

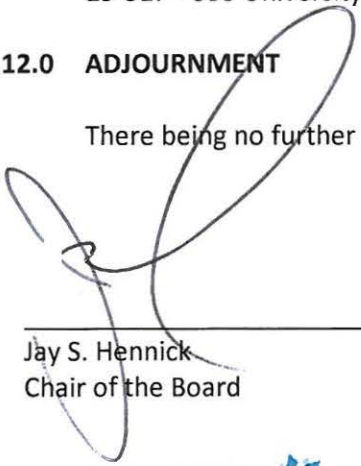
No other business was brought forward.

11.0 DATE OF NEXT MEETING


Tuesday, February 16, 2016
4:00 – 6:00 pm
MSH Executive Board Room
19-317 - 600 University Avenue, Toronto, ON

12.0 ADJOURNMENT

There being no further business, the meeting adjourned at 6:00 p.m.



Jay S. Hennick
Chair of the Board



Marc Toppings
Corporate Secretary