

MEETING OF THE BOARD OF DIRECTORS
SINAI HEALTH SYSTEM ("SHS")
Thursday, December 15, 2016
MSH Executive Board Room, 19-317
3:30 – 6:00 p.m.

Minutes

Present:

Mr. Brent Belzberg, Chair	Ms. Jane Merkley
Mr. David Denison, Vice Chair	Dr. Gary Newton
Ms. Paula Blackstien-Hirsch	Mr. Philip Reichmann
Mr. Lawrence Bloomberg	Mr. Mark Saunders
Mr. Paul Gallagher	Mr. Lawrence Tanenbaum
Mr. Ira Gluskin	Rt. Hon. John Turner
Mr. Jay Hennick	Mr. Charles Winograd
Dr. Rita Kandel	Mr. Mark Wiseman
Mr. Joseph Lebovic	Dr. Trevor Young

Via Teleconference:

Mr. Peter Cohen	Mr. Robert Rubinoff
Ms. Debbie Kimel	Mr. Allan Rudolph
Mr. Stephen Pustil	Ms. Honey Sherman

Regrets:

The Hon. Linda Frum, Senator	Ms. Heather Reisman
Mr. Bernard Ghert	Mr. Joel Reitman
Mr. David Leith	Mr. Edward Sonshine
Dr. Mirek Otremba	

SHS Attendees:

Mr. Terry Caputo	Ms. Joan Sproul
Mr. George Georgiadis	Mr. John Toogood
Mr. Stephen Goldsmith	Mr. Marc Toppings
Mr. Tony Khouri	Ms. Jordana Warner
Mr. Joseph Mapa	Dr. Jim Woodgett
Mr. Jason Rutland	Ms. Lily Yang
Dr. Maureen Shandling	

Guest(s):

Mr. John Cieslak	Mr. Tom Schwartz
Mr. Tom Kornya	Mr. Howard Sokolowski
Ms. Joanna Rotenberg	

CHAIR'S REPORT

Mr. Brent Belzberg, Chair, welcomed the Board members to the combined Board meetings of Sinai Health System ("SHS" or "Hospital"), Bridgepoint Health ("BH"), and The Bridgepoint Collaboratory for Research and Innovation ("BCRI").

Mr. Belzberg provided the Board with the Chair's Report, a copy of which is appended to the original minutes.

1.0 CALL TO ORDER

Mr. Belzberg called the meeting to order.

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 CEO UPDATE

Dr. Gary Newton, President and CEO, updated the Board regarding the activities at SHS and on his priorities since assuming the role of President and CEO. Dr. Newton stated that a refresh of the SHS organizational chart had now been completed and presented to leadership forums at both Mount Sinai Hospital and Bridgepoint Hospital. The new chart is simplified, includes clinical programs, and provides staff with a clear view to SHS leadership. Dr. Newton also addressed current leadership recruitment within the organization, which included the appointment of Ms. Carey Lucki as CEO of Circle of Care and VP of SHS; and the recruitment of a new VP of Human Resources. Dr. Newton noted that SHS is also currently undergoing renewal in medical leadership by creating new positions and replacing several department heads who have completed their terms.

Dr. Newton updated the Board on the Hospital's work in prioritizing cancer. Ms. Jane Merkley, EVP, Patient Services, Quality and Chief Nursing Executive, and Dr. Maureen Shandling, EVP, Academic and Medical Affairs, will provide executive leadership over the redesign of SHS's cancer care delivery enterprise. Dr. Newton also updated the Board on the Hospital's palliative care activities, noting that work had started in the consolidation of the Latner, Bridgepoint, and Circle of Care activities in this area into a single integrated program.

Dr. Newton updated the Board on the completion of a memorandum of understanding with Women's College Hospital to create a joint Department of Obstetrics and Gynecology, together with UHN. Dr. Newton noted that this newly formed joint department would be under SHS leadership.

Dr. Newton also addressed the opportunity to acquire the property at 40 Murray Street and how such acquisition could potentially benefit the Hospital in the future.

3.0 RESOURCES REPORT

The Report of the Resources Committee was pre-circulated, a copy of which is appended to the original minutes. The Board was provided with an overview of the financial operating and

performance status across SHS, including the Hospital's Long Term Cash Flow planning and resources management work.

3.1 Property Update: 40 Murray Street

Mr. Peter Cohen, Co-Chair of the Resources Committee, provided an overview of the Hospital's opportunity to purchase 40 Murray Street.

An update on the potential acquisition of 40 Murray Street was presented, a copy of which is appended to the original minutes. Presenters included Dr. Newton, Ms. Joan Sproul, EVP, Finance (CFO) and Chief Administrative Officer; Mr. Jason Rutland, VP, Finance and Support Services; and Mr. Stephen Goldsmith, VP, Business Development. The presentation included the business case, due diligence status and recommended next steps and timelines.

The Board discussed in detail and at length the benefits and risks related to the potential acquisition, including how future potential development could benefit the Hospital and the LTRI.

In its deliberations, the Board discussed zoning considerations; parking considerations; potential partnerships pertaining to the site; and financing considerations.

The following resolution was put forward and approved by the Board:

WHEREAS:

1. Sinai Health System ("**SHS**" or the "**Hospital**") has the opportunity to purchase 40 Murray Street, a property containing a parking garage utilized by the Hospital's staff, patients and visitors (the "**Property**");
2. Management is undertaking a diligence review of the issues involved in completing the purchase of the Property, including consideration of financial, legal, tax, reputational, business and environmental issues associated with purchasing the Property and including the operation of the parking garage located on the Property; and
3. Based on such diligence review to date, Management has determined that it is in the best interests of the Hospital to purchase the Property (the "**Transaction**") and recommends that the SHS Board of Directors approve the Transaction as outlined in the business case presented by Management to the Board,

NOW THEREFORE BE IT RESOLVED that:

Subject to:

1. Completion of the diligence review by Management and confirmation to the Chair of the Board ("**Chair**") and the Treasurer of the Board ("**Treasurer**") that: (a) the Transaction will not create any additional material risks or material disadvantages to the Hospital; and (b) the expected rate of return is not less than 3% with respect to the operations of the parking garage on the Property; and
2. Confirmation by the Chair and Treasurer that the value of the Property is \$75M taking into account an external valuation,

the SHS Board of Directors hereby approves the following:

1. The Transaction;
2. The Resources Committee of the Board is authorized to determine and approve the method of funding the Transaction;
3. SHS is authorized to enter into such agreements as are required to effect the Transaction (collectively, the "**Agreements**") and any two of the Chair, the

- Treasurer, the President & CEO, the EVP, Finance (CFO) and Chief Administrative Officer, and the EVP, Patient Care, Quality and Chief Nurse Executive are authorized to execute and deliver such Agreements for and on behalf of SHS; and
4. Any director or officer is authorized to do whatever is, in that person's opinion, necessary or desirable to carry out the transactions contemplated in the Agreements including the seeking of any necessary third party consents and the execution and delivery of any other documents or agreements, whether under the seal of SHS or otherwise.

3.2 SHS Financial Overview

A Dashboard highlighting the operating results for the period ended October 31, 2016 was pre-circulated, a copy of which is appended to the original minutes. The Dashboard included the results of operations and performance results for the Hospital, Lunenfeld-Tananbaum Research Institute ("LTRI"), the SHS Foundation, and Business Development.

Mr. Rutland provided a brief overview of the Dashboard to the Board. The Board discussed the Hospital's plan to address the funded volume variances, the impact on funding, and the potential impact flowing from lower volumes in the Emergency Department.

3.3 Lunenfeld-Tanenbaum Research Institute Report

Dr. Jim Woodgett, Director, LTRI, presented the Lunenfeld-Tanenbaum Research Institute Report, a copy of which is appended to the original minutes. The review highlighted the value proposition of an academic research hospital and an overview of the LTRI, including its revenue history and funding environment. The LTRI financials and long term financial model were highlighted, as well as the strategic operating in terms of talent recruitment and clinical benefits to SHS.

3.4 Foundation Report: Diligence and Plan of Action

The Foundation Report: Diligence and Plan of Action was pre-circulated for information purposes, a copy of which is appended to the original minutes. The presentation highlighted recent changes made within the Sinai Health Foundation (the "**Foundation**"); the Foundation's goals; the Foundation's responsibility concerning sources and uses of cash; and the responsibilities of the Foundation's President and Board.

4.0 PATIENT SAFETY AND QUALITY REPORT

The Report of the Patient Safety and Quality Committee was pre-circulated, a copy of which is appended to the original minutes. The Board was provided with an update on the status of the work plan, which included the integration of the Operational Effectiveness Subcommittee and the IT Subcommittee into one Subcommittee reporting to the Patient Safety and Quality Committee of the Board; the Committee's key deliverables for 2016/17; and an update on Hospital Accreditation. Ms. Paula Blackstien-Hirsch, Co-Chair of the Patient Safety and Quality Committee, elaborated on the items outlined in the Report.

4.1 Accreditation Qmentum 2017

Ms. Blackstien-Hirsch called on Ms. Jane Merkley, EVP, Patient Services, Quality and Chief Nursing Executive, who introduced Ms. Lily Yang, Director of Quality, Patient Safety and Risk. Ms. Yang presented an Accreditation Qmentum 2017, a copy of which is appended to the original minutes, which highlighted accreditation in healthcare; the accreditation process and standards; the accreditation status at Bridgepoint Active Healthcare and Mount Sinai Hospital; and required organizational practices. Mr. Toppings gave an overview to the Board on those accreditation standards, including one required organizational practice, as same pertain to governance.

5.0 RISK REPORT

The Report of the Audit and Risk Management Committee was pre-circulated, a copy of which is appended to the original minutes. The Board was provided with an update on the status of the work plan for the Audit and Risk Management Committee and an update on privacy-related risks and developments that affect SHS.

5.1 Privacy Risk Update

The Privacy Risk Update materials were included in the package; Board members were invited to follow up with Mr. Toppings directly with any questions.

6.0 APPROVALS

The following motions regarding Board minutes, motions and Board Committee Reports were put forward by Mr. Belzberg and approved by the Board:

6.1 Minutes

The previous meeting minutes of the Board of Directors of SHS from Wednesday, October 26, 2016 were pre-circulated, a copy of which is appended to the original minutes. The following resolution was put forward and approved by the SHS Board:

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

6.2 Motions

The following motions were put forward and approved by the Board:

Research Committee Co-Chair

- **Whereas** the Corporation's By-Law No. 1 contemplates that the SHS Board may establish committees from time to time in addition to standing committees;
- **And whereas**, pursuant to By-Law No. 1 of SHS, it is deemed desirable and in the best interests of the Corporation that the following action be taken by the Directors of the Corporation;
- **Be it resolved that** the SHS Board of Directors approves the appointment of Tom Kierans as Co-Chair with the existing Co-Chair Lawrence Tanenbaum for the Research Committee of the Board.

Research Ethics Board: Board of Record

Whereas:

1. Various Toronto Academic Health Science Network (TAHSN) institutions have endorsed the approach of increasing the number of Research Ethics Boards (REBs) of Record for their respective institutions based on the evaluation of other TAHSN REBs against standards determined by TAHSN;
2. REB qualification audits have been conducted to date at Baycrest Centre for Geriatric Care; Centre for Addiction and Mental Health; St. Michael's Hospital; Sunnybrook Health Sciences Centre; Holland-Bloorview Kids Rehabilitation Hospital; The Hospital for Sick Children; University Health Network; and Women's College Hospital (together with SHS, the "TAHSN Hospitals") by an external auditor on various dates between August 13, 2013 and May 6, 2014 with final approvals being received by February 3, 2015;
3. Each of the TAHSN Hospitals has circulated its REB qualification report to the other TAHSN Hospitals and such reports have been applied by each TAHSN Hospital to determine whether to approve, as qualified, the external REBs to act as delegated research ethics boards of record ("**Delegated REB of Record**") for that institution; and
4. SHS's REB was qualified by Clinical Trials Ontario in 2016;

Now therefore be it resolved that the Board of Directors of SHS approves the following:

1. that the SHS REB be approved as qualified, based on the qualification results, to act as a Delegated REB of Record for other hospitals participating in multi-centre research; and
2. that the REBs of the TAHSN Hospitals be approved as qualified, based on the qualification results, to act as Delegated REBs of Record for SHS when SHS is participating in multi-centre research.

6.3 Board Committee Reports

Omnibus Motion Emanating from Board Committee Reports

Be it resolved that the Board of Directors accepts the recommendations of the following Committees of the Board and accordingly approves all of the following resolutions:

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 Wednesday, November 23, 2016.

- ✓ Operations
 - Financial Statements for the Six Months Ended September 30, 2016

- **Whereas** the Audit and Risk Management Committee has reviewed the Financial Statements for the Six Months Ended September 30, 2016, and recommends approval by the Board of SHS;
- **Be it resolved that** the Board of SHS approves the Financial Statements for the Six Months Ended September 30, 2016 as presented.
- ✓ Audit Plan (for the year ending March 31, 2017)
 - **Whereas** PwC LLP, the auditors and public accountants appointed by the members to conduct the financial statement audit for SHS, has presented a plan for the audits;
 - **And Whereas** the Audit & Risk Management Committee approves the audit plan and fees for the year ending March 31, 2017 for SHS and recommends approval by the Board of SHS;
 - **Be it resolved that** the Board of SHS accepts the recommendation of the Audit and Risk Management Committee and accordingly approves the audit plan and fees for the year ending March 31, 2017, 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, November 9, 2016 and Wednesday, December 7, 2016.

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

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 Thursday, November 17, 2016.

- ✓ Terms of Reference
 - **Whereas** the Research Committee has recommended that the SHS Board approve the Committee's revised terms of reference (the "Revised Terms of Reference"), in line with best corporate governance practice and in order to align with the Committee's mandate;
 - **Be it resolved that** the SHS Board approves the Terms of Reference as presented.

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, December 1, 2016.

- ✓ 2016/17 Grant Requests
 - **Whereas** the 2016/17 SHS grant requests include:
 - i. a request of Bridgepoint Foundation up to a maximum of \$965K for: Building Restricted (\$844K), Various Restricted Capital (\$83K), and Various Restricted Operating (\$38K);
 - ii. a request of SHS Foundation up to a maximum of \$32,978K for: LTRI Operating (\$14,200K), LTRI Capital (\$1,100), Renew Sinai Restricted (\$17,117K); and Various Restricted Capital (\$561K);
 - iii. a request of Bridgepoint Health up to a maximum of \$873K for Debt Service;
 - **And Whereas** the Resources Committee recommends approval of the 2016/17 grant requests by the Board of Directors of SHS totaling \$33,944K and by the Boards of Directors of Bridgepoint Health and SHS totaling \$873K.
 - **Be it resolved that:**
 - a) the Board of Directors of SHS accepts the recommendation of the Resources Committee and accordingly approves the 2016/17 grant requests totaling \$33,944K; and
 - b) the Board of Directors of SHS accepts the recommendation of the Resources Committee and accordingly approves the 2016/17 grant requests totaling \$873K, in conjunction with approval sought and obtained by the Board of Directors of Bridgepoint Health.
- ✓ Transfer of Assets from BCRI to SHS
 - **Whereas** The Bridgepoint Collaboratory for Research and Innovation (BCRI) ceased its operating activities in 2015/16;
 - **Whereas** capital assets remain in BCRI totaling \$105K with associated third party funding in the form of Deferred Capital Contribution (DCC);
 - **And Whereas** the Resources Committee recommends that the Boards of Directors of SHS and BCRI approve the transfer of BCRI's remaining assets totaling \$105K and associated DCC to SHS as of April 1, 2016.
 - **Be it resolved that** the Board of Directors of SHS accepts the recommendation of the Resources Committee and according approves the transfer of BCRI's remaining assets totaling \$105K and associated DCC to SHS as of April 1, 2016.
- ✓ 2017/18 HAPS and CAPS Approvals*
 - **Whereas** the Resources Committee has reviewed the financial inputs and assumptions for the 2017/18 Hospital Annual Planning Submission (HAPS) and the 2017/18 Community Accountability Planning Submission (CAPS) targets and recommends Board approval;
 - **Be it resolved that** the Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the financial inputs and assumptions for the 2017/18 HAPS and the 2017/18 CAPS targets.
- ✓ Medical Imaging Angiography Intervention Suites
 - **Whereas** the Resources Committee (the "Committee") has reviewed the business case regarding the purchase of two angiography machines (the "Equipment") and the accompanying construction of two angiography suites with respect to vascular and interventional radiology procedures (the Equipment and construction being collectively the "Project") with Management;
 - **And Whereas** the Committee approves and recommends that the Board of Directors approve execution of contract(s) for the Project provided that:
 - i. there are no material legal or business risks in the contract(s) relating to the Project;

- ii. there are no material changes to the business case of the Project as presented; and
 - iii. the final negotiated cost for the Project does not exceed \$4.8M by more than 10%.
- **Be it resolved that** the Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the execution of contract(s) for the Project provided that:
 - i. there are no material legal or business risks in the contract(s) relating to the Project;
 - ii. there are no material changes to the business case of the Project as presented; and
 - iii. the final negotiated cost for the Project does not exceed \$4.8M by more than 10%.
- ✓ Business Development Subcommittee
 - Terms of Reference
 - **Whereas** the Resources Committee has reviewed and updated the Business Development Subcommittee's terms of reference (the "Revised Terms of Reference") to align with the Subcommittee's mandate and recommends same for approval by the SHS Board of Directors;
 - **Be it resolved that** the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the Revised Terms of Reference for the Business Development Subcommittee as presented.
- ✓ Mount Sinai Fertility - Transfer and Sale of Business/Assets from SHS
 - **Whereas:**
 - A. Management has considered the desirability of selling Mount Sinai Fertility ("MSF") of Sinai Health System ("SHS") to The Sinai Trust 2016 (the "Trust") (the "Transfer") and has recommended same;
 - B. The Mount Sinai Business Development Subcommittee (the "Subcommittee") reviewed the Transfer and its underlying business case and approved same, subject to:
 - (i) the completion by Management of all requisite legal diligence and confirmation that the Transfer will not create any material legal risks or disadvantages other than as presented;
 - (ii) the receipt of all third party consents required to complete the Transfer (including the consents of the Trust as may be required); and
 - (iii) the approvals of the appropriate SHS Board Committees and the SHS Board, as required; and
 - C. The Subcommittee recommended that the Resources Committee approve the Transfer and recommend approval of same to the SHS Board of Directors subject to the conditions identified;
 - **And Whereas**, subject to the confirmation by Management of the completion of all identified conditions listed above, such confirmation to be provided to the Subcommittee Chair(s) once ready, the Resources Committee hereby approves the Transfer as presented and recommends approval of same by the SHS Board.
 - **Now therefore be it resolved that** the SHS Board accepts the recommendation of the Resources Committee and accordingly approves the Transfer, subject to the terms above.

Additional Report: For Information Only

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 25, 2016.

7.0 IN-CAMERA WITH CEO

The Board met in-camera with the CEO.

8.0 IN-CAMERA WITHOUT CEO

The Board met in-camera without the CEO.

9.0 OTHER BUSINESS

No other business was brought forward.

10.0 DATE OF NEXT MEETING

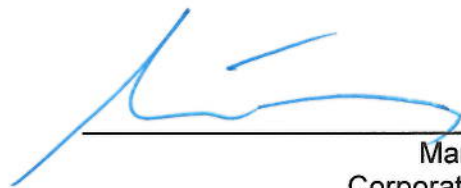
Tuesday, February 28, 2017
4:00 – 7:00 pm
MSH Executive Board Room
19-317 - 600 University Avenue, Toronto, ON

11.0 ADJOURNMENT

There being no further business, the meeting adjourned at 6:20 p.m.



Brent Belzberg
Chair of the Board



Marc Toppings
Corporate Secretary