

MEETING OF THE BOARD OF DIRECTORS
SINAI HEALTH SYSTEM (“SHS”)
Tuesday, February 28, 2017
MSH Executive Board Room, 19-317
4:00 – 6:50 p.m.

Minutes

Present:

Mr. Brent Belzberg, Chair
Mr. David Denison, Vice Chair
Mr. Paul Gallagher
Mr. Ira Gluskin
Mr. Jay Hennick
Dr. Rita Kandel
Ms. Debbie Kimel
Mr. Joseph Lebovic

Ms. Jane Merkley
Dr. Gary Newton
Mr. Philip Reichmann
Mr. Joel Reitman
Mr. Mark Saunders
Mr. Edward Sonshine
Mr. Lawrence Tanenbaum
Dr. Trevor Young

Via Teleconference:

Mr. Lawrence Bloomberg
Mr. Peter Cohen
Mr. Bernard Ghert
Mr. David Leith

Mr. Stephen Pustil
Mr. Robert Rubinoff
Mr. Charles Winograd
Mr. Mark Wiseman

Regrets:

Ms. Paula Blackstien-Hirsch
The Hon. Linda Frum, Senator
Dr. Mirek Otremba
Ms. Heather Reisman

Mr. Allan Rudolph
Ms. Honey Sherman
Rt. Hon. John Turner

SHS Attendees:

Dr. Chaim Bell
Ms. Susan Brown
Mr. Terry Caputo
Mr. Stephen Goldsmith
Mr. Tony Khouri

Mr. Jason Rutland
Dr. Maureen Shandling
Ms. Joan Sproul
Mr. John Toogood
Dr. Jim Woodgett

Guests:

Mr. David Cynamon

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.

Mr. Belzberg also discussed the SHS Board of Directors' Champions Program, a copy of which is appended to the original minutes. The Program engages prospective donors through personal, customized, and interactive experiences showcasing SHS's areas of excellence, with the aim of securing philanthropic gifts. Mr. Belzberg and Dr. Gary Newton, President and CEO, will meet with each Board member individually to discuss their potential role in the Program.

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 IN-CAMERA SESSION WITH CEO

3.0 GOVERNANCE REPORT

The Report of the Governance Committee was pre-circulated, a copy of which is appended to the original minutes. The Board was provided with an update of governance accreditation planning.

3.1 Legal Framework for Directors of Public Hospitals and Director Responsibilities

A Briefing Note on the Legal Framework for Directors of Public Hospitals and Director Responsibilities was pre-circulated, a copy of which is appended to the original minutes. The Board was provided with a comprehensive overview of the legislative framework governing boards of hospital corporations in Ontario and the legal responsibilities and potential liabilities of Directors.

The overview addressed specific considerations of hospital boards, separate and distinct from requirements on other not-for-profit or for-profit boards, including accountability and oversight for quality of care and professional staff member credentialing. Also addressed was a unique situation whereby a hospital board may become a quasi-judicial tribunal to preside over privileging disputes. The report also addressed several key statutes that pertain to the administration of hospitals in Ontario.

3.2 SHS Board Committees – Roles and Responsibilities

A Briefing Note on the SHS Board Committees' Role and Responsibilities and a presentation on the SHS Board Governance Structure were pre-circulated, copies of which are appended to the original minutes. The Note provided the Board with an

overview of the current SHS Board Committee structure, key functions, and how the Committees are interrelated to support the overall strategic goals and priorities of SHS.

The presentation highlighted strategic priorities, which included clinical excellence, operational effectiveness, growth and investment, and research and education. For each Board Committee, the presentation identified the Board and Executive Leads, key functions, work plan highlights, and Subcommittees, where applicable.

4.0 RESOURCES REPORT

The Report of the Resources Committee was pre-circulated, a copy of which is appended to the original minutes. The Report highlighted the year-to-date operating performance, an update on 40 Murray Street (transaction and planning), and an overview of the SHS capital plan within the Long Term Cash Flow (LTCF) previously presented to the Board.

4.1 Operating and Performance Dashboard (YTD January 2017)

A Dashboard highlighting the operating results for the period ended January 31, 2017 was pre-circulated, a copy of which is appended to the original minutes. The Dashboard included the results of operations for the Hospital, Lunenfeld-Tananbaum Research Institute (“LTRI”), the SHS Foundation, and Business Development. The Board was informed that the Hospital was tracking towards a balanced budget for year-end.

Mrs. Joan Sproul, EVP, Finance (CFO) and Chief Administrative Officer, and Mr. Jason Rutland, VP, Finance and Support Services, presented the high-level summary of the Hospital's ten year \$1.1B capital plan, which included the total capital costs and the major sources of funding. It was noted that the capital plan as presented was incorporated into the organization's Long Term Cash Flow.

4.2 40 Murray Street – Transaction and Strategic Planning Update

Mr. Rutland and Mr. Stephen Goldsmith, VP, Business Development, presented a transaction update for 40 Murray Street, a copy of which is appended to the original minutes. The presentation highlighted 40 Murray's alignment with the Hospital's vision, which included value and strategic proposition and growth and investment. Also highlighted was the transaction closing date April 5, 2017; financing considerations; and a planning update, which included areas of improvement that Business Development is pursuing.

4.3 Renew Sinai – Phase 3A Redevelopment Project

A copy of the Renew Sinai – Phase 3A Redevelopment Project Update was pre-circulated, a copy of which is appended to the original minutes. Mr. Tony Khouri, VP, Facilities and Capital Development, presented the Phase 3A scope for Renew Sinai, which highlighted the Emergency Department and Perioperative Services; and information on the process related to the RFP bid evaluation and approval timelines.

The Board was informed that a full presentation, with support from Infrastructure Ontario representatives, would be presented at the next meeting to support the Board's process to review recommendations related to contract award.

5. 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 Quality Improvement Plan ("QIP") 2017/18, which included the QIP 2017/18 development process and the quality aims 2016-2019.

5.1 Quality Improvement Plan

Ms. Jane Merkley, EVP, Patient Services, Quality and Chief Nursing Executive, presented on the QIP 2017/18 Proposed Directions, a copy of which is appended to the original minutes. The presentation highlighted the quality aims: safe, effective, timely, and patient and family centered; the QIP development process; and the highlights of the four aims between the QIP 2016/17 and the QIP 2017/18. Also presented was how the hospital measures against the QIP 2016/17, highlighting the targets met; target setting approach; an overview of the draft target setting; and a summary of the quality aims. The Board was informed that the final Plan will be presented at the April 27, 2017 Board meeting.

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

Whereas the Patient Safety & Quality Committee (the "Committee") of the Board oversees preparation of the Quality Improvement Plan 2017/18 (the "QIP 2017/18") as prepared by Management in accordance with the Excellent Care for All Act, 2010;

Whereas the QIP 2017/18 is due to be submitted to Health Quality Ontario on or before April 1, 2017 and requires approval by the SHS Board of Directors and sign off by the Chair of the Board, Chair of the Committee, and Management prior to submission;

Be it resolved that the SHS Board of Directors accepts the recommendation of Management and accordingly delegates to the Committee the authority to approve the execution and submission of the QIP 2017/18, with ultimate Board ratification to occur when the SHS Board of Directors meets on April 27, 2017.

6. APPROVALS

The following motions regarding Board minutes 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 Thursday, December 15, 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 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, January 25, 2017.

- ✓ Operations
 - Financial Results - YTD December 2016
 - SHS

Whereas the Audit and Risk Management Committee recommends that the Board of SHS approve the Financial Statements for the Nine Months Ended December 31, 2016.

Be it resolved that the Board of SHS accepts the recommendation of the Audit and Risk Management Committee and accordingly approves the Financial Statements for the Nine Months Ended December 31, 2016.

- ✓ Risk Management Governance
 - Statutory Compliance Report

Whereas the Audit & Risk Management Committee (the "**Committee**") has reviewed the FY2016 Statutory Compliance Audit Report (the "**Report**") as presented by Management 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 Report as presented.

- ✓ Enterprise Risk Management (ERM) Update
 - Legal, Privacy, Procurement

Whereas the Audit and Risk Management Committee (the "**Committee**") has reviewed the risk report with respect to the Hospital functions of legal, privacy and procurement, including the underlying process to identify, assess, and monitor risks identified (the "**Risk Report**"), and recommends approval of the Risk Report by the SHS Board of Directors;

Be it resolved that the Board of SHS accepts the recommendation of the Audit and Risk Management Committee and accordingly approves the Risk Report 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.

Patient Safety and Quality Committee

- ✓ Board Sub-Committee Realignment
 - Draft Terms of Reference Patient Safety and Quality Committee and Work Plan
 - Draft Terms of Reference Operational Effectiveness

Whereas the Patient Safety & Quality Committee (the "**Committee**") recommends that the SHS Board approve (i) an updated work plan, and (ii) updated terms of reference (collectively, the "**Revised Patient Safety and Quality Committee Terms of Reference**"), as presented, to align with the Committee's mandate and the fact that the Operational Effectiveness & Technology Sub-Committee now reports to the Committee;

Be it resolved that the SHS Board accepts the recommendation of the Patient Safety and Quality Committee and accordingly approves the Revised Patient Safety and Quality Committee Terms of Reference, as presented.

Whereas the Patient Safety & Quality Committee (the "**Committee**") recommends that the SHS Board approve updated terms of reference (the "**Revised Operational Effectiveness and Technology Sub-Committee Terms of Reference**") with respect to the Operational Effectiveness and Technology Sub-Committee (the "**Sub-Committee**") to reflect (i) the fact that the Sub-Committee now reports to the Committee, and (ii) the updated mandate of the Sub-Committee;

Be it resolved that the SHS Board accepts the recommendation of the Patient Safety and Quality Committee and accordingly approves the Revised Operational Effectiveness and Technology Sub-Committee Terms of Reference as presented.

Resources Committee

- ✓ Capital
 - Capital Plan Update

Whereas the Resources Committee recommends capitalization of a portion of the debenture interest costs associated with the Phase 3A Renew Sinai Project totaling up to \$5.5M and has confirmed the resources available to fund these expenditures;

And whereas the Resources Committee approves up to an additional \$5.5M in capital expenditures for 2016/17 and 2017/18 and recommends approval of same 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 up to an additional \$5.5M in capital expenditures for 2016/17 and 2017/18.

- ✓ Contract
 - Non-Competitive Procurement: Molecular Analyzer

Approval of Non-Competitive Procurement

Whereas the Resources Committee has reviewed the request for approval of a non-competitive procurement in respect of a molecular analyzer (the "Equipment") for use in the UHN/SHS shared microbiology laboratory located at SHS;

And whereas Management has completed the requisite diligence to ensure the appropriateness and suitability of such non-competitive procurement;

And whereas the Board is required to approve such non-competitive procurement;

And whereas the Resources Committee approves, and recommends to the SHS Board of Directors to approve, the non-competitive procurement of the Equipment as presented;

Now therefore be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the non-competitive procurement of the Equipment as presented.

Approval of Contract

Whereas the Resources Committee has been presented with the business case regarding the purchase of the Equipment and the request by Management to approve a contract for the purchase of the Equipment;

Subject to confirmation that there are no material legal or business risks in the contract once prepared and no material changes to the business case as presented, and subject to confirmation that that the final negotiated cost for the

agreement does not exceed \$4.3M by more than 10%, such confirmation to be provided to the Committee's Co-Chairs by Management prior to execution;

And whereas the Resources Committee approves the Hospital entering into an agreement for the purchase of the Equipment and recommends that the SHS Board approve same;

Now therefore, be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the Hospital entering into an agreement for the purchase of the Equipment.

- ✓ Bridgepoint Foundation Bylaw Amendment

Whereas, in order to amend its General Bylaw (the "**Bylaw**"), the Bridgepoint Foundation ("**BF**") requires the approval of the Board of Directors of Sinai Health System;

And whereas BF desires to amend the Bylaw to permit BF to actively fundraise on behalf of Sinai Health System and to make certain other changes in keeping with best corporate governance (the "**Revised Bylaw**"), as presented by Management;

And whereas the Resources Committee approves the Revised Bylaw as presented and recommends that the SHS Board of Directors approve same;

Be it resolved that the SHS Board of Directors accepts the recommendation of the Resources Committee and accordingly approves the Revised Bylaw as presented.

7.0 IN-CAMERA WITHOUT CEO

The Board met in-camera without the CEO.

8.0 OTHER BUSINESS

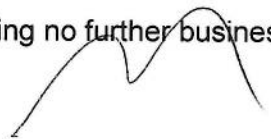
No other business was brought forward.

9.0 DATE OF NEXT MEETING


Thursday, April 27, 2017
4:00 – 7:00 pm
MSH Executive Board Room
19-317 - 600 University Avenue, Toronto, ON

10.0 ADJOURNMENT

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



Brent Belzberg
Chair of the Board



Marc Toppings
Corporate Secretary