



## MINUTES OF THE BOARD OF DIRECTORS

Thursday November 22, 2018

5:00 - 6:00 p.m.

General Hospital, 3050 Lawrence Avenue East - Cafeteria

**PRESENT:** Maureen Adamson, Chair  
Matt Ainley  
Fred Clifford  
Lianne Jeffs  
Terri McKinnon  
Mark Segal  
Karen Webb  
Elizabeth Buller  
Dr. Amir Janmohamed  
Linda Calhoun

Yazdi Bharucha  
Ome Jamal  
Jay Kaufman  
Graeme McKay  
Krishan Suntharalingam  
Richard Wong  
Dr. Dick Zoutman  
Dr. Dov Soberman

**REGRETS:**

**RECORDER:** Trish Matthews

*\*Via teleconference*

### 1. CALL TO ORDER and DECLARATION OF CONFLICTS OF INTEREST

M. Adamson called the meeting to order at 5:00 p.m. No conflicts were declared.

M. Adamson welcomed Mr. J. Kaufman, Director.

### 2. CONSENT AGENDA

Moved by: O. Jamal

Seconded by: L. Jeffs

**THAT the Board of Directors approve the consent agenda**

**CARRIED**

### 3. Strategic Plan Implementation Update

M. James provided an update on the implementation of the strategic plan, with highlights of discussion as follows:

- Background
- Strategic Directions
  - **Build Our Culture to Empower and Inspire Our People**
  - **Set a New Standard for Exceptional Quality and Patient Safety**
  - **Improve Population Health, Health Equity and System Integration**
  - **Transform the Patient Experience through Innovation, Education and Research**
- Meaning
- Beacons of success
- Priority actions

#### **4.0 Items for Approval/Decision**

##### **4.1 Report from the Finance and Audit Committee**

K. Suntharalingam provided a report from the Committee, with highlights of discussion as follows:

The SRH 2018 Audit Service Plan for the year ending March 31, 2019 has been compared to the 2018 Audit Services Plan to determine if there are any material changes to the previous Deloitte-provided plan. Based on this review, Appendix 4 - New and revised Auditor Reporting Standards was identified as a material change to the report.

The Audit Risk section continues to record four primary risks, which are risks identified for all Deloitte audited Ontario hospitals:

- Revenue recognition
- Management override of controls
- Management judgments and accounting estimates
- Internal controls and processes

All other sections of the Plan are materially the same as the 2018 Plan.

Auditor's remuneration is documented in Schedule C of the Professional Services Agreement for External Audit Services (Agreement #CW2327298), executed on July 13, 2017. The fee for 2018/19 for SRH audits is: SRH \$65,035, MOHLTC program audits \$8,689 for a total 2018/19 SRH Fee of \$73,724.

**Motion:** K. Webb

**Seconded By:** M. Ainley

**THAT** the Finance and Audit Committee recommend to the Board of Directors that Deloitte be paid \$73,724 for 2018/19 external audit services.

**CARRIED**

##### YTD September Financial Results

Scarborough and Rouge Hospital (SRH) operating results for the six months (Q2) ending September 30, 2018 at the H-SAA level is a surplus of \$10.5M before net building amortization, and a bottom line surplus of \$7.4M; representing \$6.8M favorable variance to plan.

The Q2 results are a \$1.9M improvement compared to August year to date results. This improvement is mainly due to the expected increased revenue favourability (\$0.9M) and the continued lower than planned salaries and benefit expense (\$0.6M) mainly driven by vacancies and the lower than plan Bill 168 expenses.

SRH's year-end forecast projection remains unchanged with an overall surplus of \$7.1M.

### Operating and Capital Plan

Major assumptions and anticipated pressures that will be factored into the 2019/20 Plan:

- LHIN/MOHLTC/CCO/One-time funding based on current year
- Revenue calculated at realizable value
- Funding Envelope growth - TBD
- Percentage Increase in Human Resources Overall Salary & Benefit Cost Increase
- Contracts and planning factors identified and budgeted at “real” value

The final Operating Plan will incorporate the approved efficiencies, with the timing of the initiatives factored in. This version of the plan will go forward for final Senior Leadership Team (SLT) and Board approval.

### Quarter 2 (July to September) Statutory Remittances, Bank Covenants Certification

One of the tasks of the Committee is to oversee the status of financial reporting and control systems, including monitoring compliance to authorities and controls. The quarterly certification provides assurance to the Board that management is compliant in meeting:

- obligations and statutes relating to withholding and tax remittances for staff salaries and benefits, and sales tax remittances, and
- banking covenants including compliance with financial covenants and documentation requirements.

### BPSAA Semi-annual Executive Expense Reporting

All reported executive expenses for the period April 1, 2018 to September 30, 2018 are compliant with the Directive.

### Master Planning and Redevelopment Subcommittee Update

Projects are slated for construction starting in October 2020 to be complete in 2022.

A significant milestone has been reached, with the lease being signed for Bridletown Neighbourhood Centre.

## **5.0 Items for Information/Discussion**

### **5.1 Report from the Governance Committee**

G. McKay reported on the work of the Regional Clinical Information System Governance Group, being overseen by the SHN Governance Committee, of which G. McKay and M. Segal have been appointed as SHN Board representatives.

The participating parties have engaged negotiation of a Memorandum of Understanding (MOU) that serves as a transitional document. It will ultimately be replaced by a Governance Agreement upon selection of a vendor and establishment of key provisions. The team is receiving legal advice on behalf of all members. It is anticipated that the MOU will

be presented to the Board in early 2019.

### **5.1 Report from the Quality Committee**

K. Webb provided a report from the Committee, with highlights of discussion as follows:

The committee was provided with a tour and program update from Pharmacy. In September 2016, the Ontario College of Pharmacists (OCP) adopted the National Association of Pharmacy Regulatory Authorities (NAPRA) *Model Standards for Pharmacy Compounding of Non-hazardous Sterile Preparations* and the *Model Standards for Pharmacy Compounding of Hazardous Sterile Preparations* with an implementation date of **January 1, 2019**. These standards apply to all pharmacies, including hospitals, which undertake sterile compounding.

OCP conducted baseline assessments of Scarborough and Rouge Hospital (SRH) pharmacies in 2016, followed by another inspection in June 2018. Following the baseline assessments, OCP provided a report by site whether the hospital met, partially met or didn't meet each standard. The key recommendation arising from the OCP baseline assessment at that time was for the hospital to continue to work towards achieving compliance with the new NAPRA *Model Standards for Pharmacy Compounding of Non-hazardous Sterile Preparations* and the *NAPRA Model Standards for Pharmacy Compounding of Hazardous Sterile Preparations*. Management has developed an action plan and risk mitigation plan to this regard. Continuous improvement plans were prioritized based on areas of highest risk and included capital and operational planning analysis.

Infection Prevention and Control team provided a program update  
CPE are emergent Antibiotic Resistant Organisms (AROs) which are resistant to almost all antibiotics. CPE are associated with a wide range of infections, including, pneumonia, bloodstream infections, intra-abdominal infections, urinary tract infections, and central venous catheter infections. There are limited treatment options and those available carry significant risk of adverse effects.

SRH Senior team has agreed that the current Antibiotic Resistant Organism universal screening for admitted patients be expanded to include Carbapenemase Producing Organisms (CPOs) as soon as possible. These tests are conducted through Shared Hospital Lab (Laboratory partnership) and will begin in January 2019.

### **5.2 Report from the Community Advisory Council**

A. Wilson provided a report from the council, with highlights of discussion as follows:

#### Mental Health Program

- Presented on adult Mental Health services
- The Big White Wall project (provincial)
- Patient Declaration of Values

### **5.3 Report from the Board Chair**

M. Adamson thanked all in attendance who attended the Scarborough Health Network (SHN) brand launch prior to the meeting. Establishing ourselves as Scarborough Health Network will be a key to designing and delivering the Future of Care for Scarborough, and we are all looking forward to the great work ahead. E. Buller and the entire SHN team were congratulated on a successful event.

### **5.4 Report from the President and CEO**

E. Buller provided highlights from the written report included with the material, with highlights as follows:

- Communication tools have been updated to reflect new brand;
- A class action lawsuit update was provided;
- our hospital was selected as Runner Up for the 2018 Goodlife Fitness Health & Wellness Leadership Award;
- clinical services planning for the Women's and Children's program is well underway;
- CEO and Government Relations are busy meeting with our elected representatives to advocate for our priorities;
- The team was excited to be able to re-open the 3 Margaret Birch Wing at Centenary (post fire) and welcome patients back on November 8.

### **5.5 Report from the Chief of Staff**

Dr. Zoutman spoke to the written report included with the material.

### **5.6 Report from the Foundation**

M. Adamson thanks M. Mazza for the Foundation progress report communication, to be received monthly to circulate with our board material.

### **6.0 Other Business as Required**

None.

### **7.0 Next Meeting**

Thursday January 24, 2019  
4:00 - 5:50  
General Hospital- Lee Family Auditorium

### **8.0 Termination**

M. Adamson declared the meeting terminated at 6:00p.m.

