

UNIVERSITY HEALTH NETWORK

BOARD OF TRUSTEES

*Wednesday 16 January 2002, 3:00 p.m.
Corporate Board Room, Toronto General Hospital*

Present: Anthony Fell, *Chair*
Bruce R. Birmingham
David A. Brown
Carl Cardella
Tom R. Closson
Wilfred DeMajo
Bryce Douglas
George Enns
R-J Gilbert
Amy Go
Laurie S. Hicks
Richard W. Ivey
Pierre Lassonde
Donald Lenz
Tom Long
Eileen A. Mercier
John P. Mulvihill
Philip S. Orsino
Courtney Pratt
Bob Rae
Sandra Rotman
Jeremy F. G. Sturgeon
Jordan G. Sullivan
Terrence J. Sullivan
Pamela Wallin

Ruth Gopaul, *Recording Secretary*

Regrets: Dyanne Affonso
Geoffrey Beattie
Robert J. Birgeneau
W. Edmund Clark
Peter Crossgrove
Fredrik S. Eaton
Harry Himal
Steven K. Hudson
John A. MacNaughton
Peter Munk
C. David Naylor
Heather Munroe-Blum

1.0 Minutes of Previous Meeting

Upon motion duly made by T. Long, seconded by J. Mulvihill, and carried, the minutes of the meeting held on 5 December, 2001 were approved.

2.0 Chair's Report

2.1 Introduction – Mary Ferguson-Paré

Mr. Fell introduced Mary Ferguson-Paré, the Vice President and Chief Nursing Officer and welcomed her as a new member of the Board of Trustees.

2.2 Annual Board/Management Retreat

Mr. Fell announced that Mr. David MacKinnon, CEO of the Ontario Hospital Association and Senator Michael Kirby will speak on the sustainability of the Canadian Health Care System at the annual Board retreat being held on 20 April 2002.

He also announced that the Annual General Meeting will take place at the Four Seasons Hotel on 12 September 2002.

2.3 Board Governance Task Force Report (Appendix A)

Precirculated for members' information was the report from the Board Governance Task Force, a copy of which is attached to the original of these minutes. (Appendix A).

Mr. Fell stated that this report is being put forward by David Brown, chair of the task force, for discussion at this meeting and will be brought forward for further discussion and approval at a later date.

Mr. Brown reported that in the Fall of 2001, the UHN Board of Trustees asked the Governance Task Force to review the Board's structure and function and to make appropriate recommendations for improving its operational effectiveness. He noted that UHN should be proud of the enormous contributions by present and past Trustees, which have made UHN one of the foremost health care institutions in Canada; and that this report is not meant as a criticism of past performance. With that in mind the task force set out to define what the roles and responsibilities of the members of the Board of Trustees should be.

The task force was constituted as follows:

David Brown (Chair)
Bella Martin (Secretary)
Ed Clark
George Enns
Laurie Hicks
Courtney Pratt

Tom Closson

Mr. Brown reviewed the current governance structure, Board composition and size, election policy, and sub-committee structure. The task force utilized reports from various sources to review the trends developing in board structure in business.

The task force concluded that the current Board and board committee structure is not well-suited to providing essential stewardship. The Board is too large and its representational nature does not provide the necessary mix of personal attributes, cultural diversity and areas of expertise that would allow it to operate with maximum effectiveness. The Task Force also concluded that there are too many board committees and that there are too many individuals involved on each of these committees. In many instances, board committees appear to supplant the work of the Board rather than support it.

The task force made the following recommendations:

1. Board Composition and Size

- Reduce the size of the Board from its current 38 members to 19 members
- 5 related members
 - President & CEO
 - Chief Nursing Officer
 - Chair, Medical Advisory Committee
 - President, Medical Staff Association
 - Vice-President, Medical Staff Association
- Eliminate the Board positions currently appointed by third parties
- Establish and maintain formal links with the 3 supporting Foundations by issuing a standing invitation to the Foundation Chairs to attend Board meetings and provide regular reports on their activities

2. Election of Board Members

Currently, five separate entities plus the financial contributors to the hospital appoint or elect the members of the UHN Board. In many non-share capital corporations (such as UHN) the directors or trustees are also the members of the corporation. As the members of the corporation annually elect the directors or trustees, the board is essentially responsible for its own succession. The task force recommends that a similar system be implemented for UHN.

3. Board Committees

- Retain and amend the Terms of Reference for the following Committees
 - Finance and Audit
 - Quality
 - Governance/Nominating Committee
- Create a sub-committee of the Finance and Audit Committee to deal with commercialization opportunities. This sub-committee would be chaired by a Board member, and would be comprised of both members and non-members with commercialization expertise.

- Eliminate other Board Committees
 - Building and Environment Committee
 - Community Advisory Committee
 - Human Resources Committee
 - Teaching, Research and University Affairs Committee
 - Marketing and Public Relations Committee
 - Oncology Committee
 - Planning Committee
 - Primary Ambulatory Care Committee
- Limit the size of Board Committees to 5 – 7 members (primarily Board members, plus management and staff, as required)
- Selective use of Board task forces to deal with specific issues

4.Implelmentation

Implementing these recommendations requires a statutory amendment to the Toronto Hospital Act, 1997, which currently mandates the size and composition of the UHN Board and the manner of election or appointment. As an interim measure, the task force recommends that the existing Executive Committee be immediately expanded to 19 people with the constitution that the task force recommends for the ultimate hospital board. The task force recommends that the current Board Chair, working with the Vice Chairs and the CEO, be directed to establish the first board profile and to select from among the existing Trustees the 14 independent members of the Executive Committee. The task force further recommends that the existing Board delegate to the newly constituted Executive Committee many of the board's current responsibilities. The Executive Committee would meet regularly to discharge these responsibilities. However, the full Board would meet much less frequently, perhaps semi-annually, to receive reports from the Executive Committee and to discharge any responsibilities not delegated to the new Executive Committee.

Mr. Fell thanked Mr. Brown and the members of the task force for their work over the past year and opened the floor for discussion.

The Board members generally endorsed the recommendations of the Task Force. Some members expressed concern about the increased amount of time Board members on a smaller Board would have to commit. Mr. Brown reminded the Board members that a smaller Board would likely result in a more strategically focussed and efficient Board, and therefore it might not be true that Board members would have to devote more time to this endeavour.

Mr. Fell asked management to report back at the next Board meeting about the size of Boards of comparable U.S. hospitals.

3.0 Chief Executive Officer's Report

Precirculated for members' information was the President's Report, attached to the original of these minutes. **(Appendix B)**

Employee Opinion Survey

Mr. Closson reported that not only did results improve overall from the survey conducted in September 1999, but that significant progress was made in all three hospitals in every job category. Management will make a presentation to the Board of Trustees at the February Board meeting.

Operating Room Closures

Mr. Closson stated that the shortage of anaesthesiologists in Ontario has resulted in the closure of 15% of UHN's operating room capacity. Dr. David Bevan, the Chief of Anaesthesiology is working very hard to recruit anaesthesiologists and is also looking at using respiratory therapy staff in a team approach.

Dr. Bryce Taylor, Chief of Surgery, gave an overview of the closures that have taken place to date. He noted that most other hospitals are facing the same problem, and that this is a long-term problem in Ontario and across Canada. There is a proposal being prepared to the Ministry of Health and Long Term Care to train anaesthesiologists from other countries here, to try to alleviate the problem.

3.1 Presentation on Clinical Activity Target Setting

3.1.1 Process – T.Closson and Dr. P. Singer

Mr. Tom Closson stated that the Clinical Activity Target Setting process was worked on separately, but in parallel with the Strategic Planning process. This process will determine the recommended volume levels of patient care activity for the next five years.

Mr. Closson reminded the Board that UHN regrouped all its clinical services into 7 program groupings and core clinical services which were approved by the Board in June 2001.

Each program grouping was then divided into program elements. Standard workbooks and proposals were prepared by each program grouping which resulted in the recommendation of significant growth in clinical activity over the next five years.

The Planning and Priority Council developed a set of 6 criteria to rate each program element:

- Receives volume funding from the MOH, is revenue generating, or is a MOH protected program
- UHN is a significant and unique provider of a service in the GTA
- Program element is critical to the support of another program or core service
- Impact on education program in terms of uniqueness, quality, and quantity of teaching activity
- Research strength

- Potential for implementing UHN priority technologies (i.e., genomics/proteomics, clinical informatics, regenerative medicine, and advanced clinical technologies)

In addition, a number of strategic decision factors were considered in determining a final recommendation. The rating criteria were approved by the Board of Trustees in October 2001.

Based upon total scores and strategic decision factors, each program element was placed in one of 5 growth categories:

- Significant growth in volumes over 5 years (>15%)
- Small growth in volumes over 5 years (0 to 15%)
- Hold volumes (0 growth)
- Small decrease in volumes over 5 years (0 to 15%)
- Significant decrease in volumes over 5 years (>15%)

Appeals were allowed based on new information, argument or lack of due process. In total, 14 appeals were received and presented to the Planning and Priorities Council on 13 December 2001. Where PPC determined that new information or argument was relevant, ratings and/or growth categories were changed. The results were then circulated within UHN.

Mr. Closson noted that this represents the last piece of the Corporate strategic planning process. This process will be undertaken again in the future to enable targets to be reset as required.

Dr. Peter Singer, Director of the University of Toronto Joint Centre for Bioethics made a presentation on the quality of the clinical activity target setting process. Dr. Singer and his staff will be helping UHN further by doing a more in depth evaluation of the process, so that we can learn from the experience and improve even more. Dr. Singer will make a further presentation to the Board in the Fall.

Recommendations – T. Closson

The final recommendations were pre-circulated for members' review. (Appendix C) The Board then asked questions and discussed the recommendations in detail.

On a motion made by Jordan Sullivan, seconded by Phillip Orsino and carried, the recommendations resulting from the Clinical Activity Target Setting Process were approved.

4.0 Princess Margaret Hospital Foundation

There was no report at this time.

5.0 Toronto General & Western Hospital Foundation

Mr. Bryce Douglas circulated the January 2002 issue for the Foundation Circuit for members' information. Mr. Douglas reported that the Toronto General & Western Hospital Foundation is now well staffed and is developing a very good relationship with the professional staff at UHN.

He noted that the revenue to 4 January 2002 is \$20.6 million, which represents an increase of \$5 million since the last report, which is ahead of budget. The combined three foundation campaign total for the period April 1, 2000 to November 30, 2001 is \$111.2 million which is an increase of \$10 million since the last report.

The Arthritis & Autoimmunity Research Centre Foundation campaign total is \$3.9 million which represents an increase of \$700,000 since the last report.

Mr. Douglas reported that the solicitation teams are being established for the programs aligned with TG & WHF. Bob and Linda Krembil have agreed to be Honorary Co-Chairs of the Neuroscience Team and Don Johnson has enthusiastically agreed to Chair the Vision Team and has begun planning.

6.0 Committees

6.1 Finance and Audit Committee, 5 December 2001

Precirculated for members' information were the minutes of the meeting held on 5 December 2001, a copy of which is attached to the original of these minutes **(Appendix C)**.

On a motion by Phillip Orsino, seconded by J. Mulvihill, and carried, the minutes of the meeting held on 5 December 2001 were accepted.

6.1.1 Financial Statements, October 2001

Precirculated for members' information were the financial statements for the period ended 31 October 2001, a copy of which is attached to the original of these minutes **(Appendix D)**.

On a motion by Philip Orsino, seconded by George Enns, and carried, the 31 October 2001 financial statements were accepted.

Mr. Orsino noted that Tom Closson, Tony Fell and Susan Conner will be meeting with representatives from MARS next week.

6.2 Building and Environmental Committee, 05 October 2001

Precirculated for members' information were the minutes of the Building and Environmental Committee meeting held on 5 October 2001, a copy of which is attached to the original of these minutes **(Appendix E)**

On a motion by Eileen Mercier, seconded by David Brown and carried, the minutes of the meeting held on 5 October 2001 were accepted.

6.3 Quality Committee, 5 November 2001

Precirculated for members' information were the minutes of the Quality Committee meeting held on 5 November 2001, a copy of which is attached to the original of these minutes **(Appendix F)**

Upon motion made by Tom Closson, seconded by Jordan Sullivan, and carried, the minutes of the 5 November 2001 meeting were accepted.

In Mr. Rae's absence, Tom Closson reported that a meeting with the Chairs of the Board Quality Committees, CEOs, Directors of Quality/Performance Measurement from the Toronto Academic Health Science Centre (TAHSC) hospitals met on 6 December 2001. It was suggested at that meeting that the hospitals look at feasibility and benefit of developing standardized indicators across the TAHSC hospitals. Another meeting of this joint group will be called in the spring.

6.4 Medical Advisory Committee, 1 November 2001

Precirculated for members' information were the minutes of the Medical Advisory Committee meeting held on 1 November 2001, a copy of which is attached to the original of these minutes. **(Appendix G)**

Upon motion made by Carl Cardella, seconded by George Enns and carried, the minutes of the Medical Advisory Committee held on 1 November 2001 were approved.

6.4.1 Medical Staff Appointments – December, 2001

Precirculated for members' information were the medical staff appointments for December 2001, a copy of which are attached to the original of these minutes. **(Appendix H)**

Upon motion made by Carl Cardella, seconded by Don Lenz and carried, the medical staff appointments for December, 2001 were approved.

7.0 Other

Caring Together

Precirculated for members' information were several issues of *Caring Together*.

8.0 Date of Next Meeting

The Board of Trustees will meet next on 20 February 2002 **AT 3:00 P.M.** in the Corporate Board Room at Toronto General Hospital.

9.0 In Camera Meeting

10.0 Termination

There being no further business, the meeting terminated.

Anthony Fell, Chair

