

DRAFT MINUTES
BOARD OF DIRECTORS MEETING
Wednesday, April 25, 2012
9:00 am – 3:30 pm
Rouge Valley Health System – Centenary
2867 Ellesmere Road, Scarborough

Directors Present: Mr. Wayne Gladstone (Chair)
Ms. Valmay Barkey
Ms. Joanne Hough
Mr. David Nichols
Mr. Chuck Powers
Ms. Margaret Risk
Ms. Samantha Singh

Regrets: Mr. David Sudbury

Staff Present: Ms. Deborah Hammons (Chief Executive Officer)
Mr. Paul Barker (Senior Director, System Finance & Performance Management)
Mr. James Meloche (Senior Director, System Design and Implementation)
Mr. Marco Aguila (Manager, Corporate Services)
Ms. Katie Cronin Wood (Communications Lead)
Ms. Karen O'Brien (Public Relations)
Ms. Sheila Rogoski (Executive Coordinator)
Ms. Jennifer Persaud (Governance Coordinator)
Ms. Jennifer Kerswill (Administrative Assistant, Minutes Recorder)

Mr. Gladstone, Chair of the Central East Local Health Integration Network (the “Central East LHIN”) Board of Directors chaired the meeting.

MEETING CALLED TO ORDER

Mr. Gladstone called the meeting to order at 9:00 am and welcomed the members of the public to the Central East LHIN Open Board Meeting and invited the Board members and staff seated around the table to introduce themselves.

Constitution of Meeting/Quorum

Notice of the meeting having been properly given to the public and to each Board member, and a quorum of Board members being present at the meeting, Mr. Gladstone declared the meeting duly constituted for the transaction of business.

2.1 CONSENT AGENDA

Prior to introducing the motion, Mr. Gladstone asked of the Board if there were any items requiring further discussion as listed on the consent agenda.

MOTION: By Mr. Powers

Be it resolved, that the consent agenda of the April 25, 2012 meeting of the Central East LHIN Board of Directors be approved.

- Included are the following items for approval:
 - Agenda for April 25 Board meeting
 - Minutes of the March 28 Board meeting

SECONDED: Ms. Singh

MOTION CARRIED

2.2 DECLARATION OF CONFLICTS OF INTEREST

Mr. Gladstone requested that those in attendance declare any conflicts of interest and instructed that any conflicts which may arise in the meeting be raised at the earliest opportunity.

3.0 DELEGATIONS TO THE BOARD

There were no delegations to the Board.

4.1 BUSINESS ARISING FROM LAST MEETING

There were no items arising from the last meeting of March 28, 2012.

4.2 REPORT OF THE AUDIT COMMITTEE – APRIL 13, 2012

Mr. David Nichols, Chair of the Audit Committee provided a report on the matters reviewed at the Audit Committee meeting, which took place on April 13, 2012. The Audit Committee completed a quarterly review of Board Member per diem and expense claims, risk reports and operations budget as it pertained to Q4. It was reported that the Audit Committee completed their due diligence in reviewing the Q4 Declaration of Compliance and there were no exceptions to report.

MOTION: By Mr. Nichols

Be it resolved that the Central East LHIN Board authorize the Chair, by resolution dated the 25th day of April 2012, to declare to the Minister of Health and Long-Term Care that to the best of the Board's knowledge and belief, upon due enquiry of the Chief Executive Officer and other appropriate LHIN officers and personnel, the Central East LHIN:

1. fulfilled its obligations under the Memorandum of Understanding dated April 1, 2007, the Ministry LHIN Performance Agreement and applicable law; and

2. without limiting the generality of the foregoing, complied with the provisions of the government directives applicable to it, including the Transfer Payment Accountability Directive, Procurement Directives and the Travel, Meal & Hospitality Expenses Directive; during the Applicable Period of January 1, 2012 to March 31, 2012.

SECONDED: Ms. Hough

MOTION CARRIED

Mr. Nichols reported that the proposed Terms of Reference for the joint Finance and Audit Committee are being tabled for approval by the Board and further that the Audit Committee will undertake a full review of the draft terms and report back on any further amendments within six months on the utility of the Terms of Reference.

MOTION: By Mr. Nichols
Be it resolved that the Board of Directors approve the proposed draft Terms of Reference for the joint Audit and Finance Committee. The Audit Committee will report back to the Central East LHIN Board regarding the utility of the Terms of Reference and discuss any further amendments.

SECONDED: Ms. Singh

MOTION CARRIED

Mr. Nichols reported that the Audit Committee will now operate as the Joint Audit and Finance Committee adhering to the Terms of Reference as approved.

MOTION: By Ms. Barkey
Be it resolved that the Committee Chair's report of the April 13th, 2012 Audit Committee meeting be received by the Central East LHIN Board of Directors.

SECONDED: Ms. Risk

MOTION CARRIED

4.2 QUALITY-BASED PROCEDURES AND DIAGNOSTIC INCREMENTAL VOLUME ALLOCATIONS

Mr. Paul Barker, Senior Director of System Finance and Performance Management (SFPM) reported on the Quality-Based Procedure allocations within Central East LHIN hospitals. The Health System Funding Reform (HSFR) model was made effective on April 1, 2012 and includes healthcare-based funding methodology and quality based procedure allocations (hips, knees, chronic kidney disease and cataract surgeries). Hospital Boards have approved the Amending Hospital-Service Accountability Agreement (H-SAA), which was effective on April 1. The extension agreement continues the existing H-SAA for the period of April 1, 2012 to June 30,

2012. By July 1, 2012 it is anticipated that a new agreement will be executed with the hospitals and will be retroactive to April 1, 2012. Allocations are happening for this year; however the quality-based procedures will continue to receive incremental volumes for Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) under the Provincial Wait Time Strategy. Hospitals are currently operating without details of funding and volumes for fiscal 2012/13.

On March 26, the Central East LHIN received the draft Wait Time Strategy (WTS) incremental allocations followed by the preliminary information on April 3. Mr. Barker indicated that these allocations are not final and may be adjusted based on the provincial budget.

It was reported that hospitals received their Indicative Planning Number (IPN) which refers to a percent change in the budget from last year. The model requires the LHIN to act as the arbiter in disseminating surgeries to the hospitals based on budgeted allocations. The Ministry will be circulating information as it relates to the quality indicators in mid-May and this information will be shared with the Board.

Mr. Barker provided a chart on the preliminary volume of quality-based procedures as well as preliminary diagnostic imaging incremental wait time volumes. The preliminary diagnostic imaging incremental wait time numbers were significantly lower and this was brought to the attention of the Ministry. The Central East LHIN continues to advocate for higher MRI numbers with regards to the wait times target.

Hospitals have been in discussion with the Central East LHIN to mitigate some of the risks involved with planning their budgets while the HSFR is not yet finalized. Some of the mitigation actions include providing to hospitals volume commitments which would be deducted from total volume allocations when the Ministry provides final information.

A question was raised about the transfer of information to the CEO's of each hospital. Mr. Barker indicated that information will be disseminated through conversation with the Chief Financial Officers of each hospital. Information regarding the second 50% allocation is expected to be received in mid-May.

MOTION: By Ms. Hough

Be it resolved that the Central East LHIN Board approve the preliminary allocation of 50% of total Quality-Based Procedures (e.g. hips, knees, and cataracts) and 50% of total Diagnostic Imaging (e.g. CT and MRI) Wait Time Incremental allocations to Central East LHIN hospitals.

Specific hospital funding will be determined when the Quality-Based Procedure rates are finalized by the Ministry.

SECONDED: Ms. Barkey

MOTION CARRIED

5.2 STOCKTAKE UPDATE

Ms. Hammons presented highlights from the Q3 Stocktake Report. On March 30, a meeting was held with Kathryn McCulloch, Director of the LHIN Liaison Branch of the Ministry and other LHIN and Ministry representatives to discuss the Central East LHIN's performance as outlined in the Stocktake report.

Targets for selected Case-Mixed Groups (CMGs), including Q1 results, have not been met in the Central East LHIN. The indicators are related to Mental Health Conditions and unscheduled emergency room visits within 30 days. The LHIN continues to look for more opportunities that will result in the achievement of the MLPA target.

With regard to the MLPA performance indicator of "Percentile Wait Time for CCAC In-Home Services - Application from Community Setting to first CCAC Service", in which the CE LHIN performance is at 51 days (2nd Quarter), Ms. Hammons reported that the Central East LHIN performance is representative of significant anomalies in the data methodology and may not be reflective of system performance. Those two anomalies are related to (a.) the way in which the indicator is measured. As with %ALC in its current definition, wait time for CCAC services gets worse as more clients come off the waitlist and receive services. CECCAC waitlisted community clients have been waiting for a significant period of time and therefore because additional funds were provided in Q3-Q4 and services were initiated, Q3 and Q4 performance will appear worse, because more clients will have received services. Also, (b.) there exist different applications of waitlist management across Ontario's CCAC's. In the Central East LHIN, all clients that are assessed and eligible for CCAC services are either place on a wait list or receive services. In other regions, CCAC clients may be eligible for services, but not placed on an active wait list due to service constraints. Therefore wait lists in the Central East LHIN are better reflective of community demand, but as a result inflates the performance indicator. The CE LHIN has been involved in discussion with the Ministry regarding the standardization of CCAC assessment criteria, and wait list management and reporting. The next Stocktake Report is due in June 2012.

5.3 ROUGE VALLEY HEALTH SYSTEM LEAN METHODOLOGY PRESENTATION

Mr. Rik Ganderton, President and CEO of the Rouge Valley Health System (RVHS) presented on Lean, a unique management philosophy that was implemented in 2008 and drives many of the efficient processes at Rouge Valley Health System.

Lean is about taking the client or customer's needs into perspective and is based on "respect for people" and the "elimination of waste". This process is data driven and involves transparency and accountability. It moves leaders from crisis management to a greater focus on improvement of services, innovation and strategy. While implementation is ongoing at RVHS, Mr. Ganderton highlighted how RVHS has been gaining financial and operational stability while preserving the quality of care through the STAR (STandard, Advanced, Role-model) framework, a way of communicating a common set of expectations for all departments. RVHS has implemented the following Lean leadership practices:

- Dedicated hospital-wide Gemba Time two hours/day
- Transformation Rounds (twice per month by entire senior team)
- Regular Senior Team walkabouts with the CEO
- Transformation Updates in monthly Leadership Forum, Town Halls, President's Report to the Board, etc.
- Public blogs on how Lean works for patients –routinely posted
- Presentation on Transformation at every orientation session for new staff and new Board members
- Lean sustainability and engagement measure reported on the corporate scorecard
- Lean Leadership Culture Survey conducted every 6 months

Mr. Ganderton reported that Lean practices have reduced the wait times in the Emergency Departments at both sites and improved ambulance offload times as well the lab and diagnostic imaging results. Patients take fewer steps through the pre-admit clinic and spend less time completing paperwork. Also, fewer surgeries are cancelled due to enhanced pre-surgical screening.

RVHS is comparative to Thedacare, a health delivery system based in Northeast Wisconsin whose collaborative care model of LEAN is nationally recognized for its quality performance results.

The Board congratulated Mr. Ganderton and his staff as well as the Board of RVHS for their commitment to the Lean methodology and their demonstration of leadership and innovation and encourage their efforts for efficiency and better patient care to continue.

5.4 CEO REPORT – Q&A

Ms. Hammons presented the following highlights from the CEO report to the Board:

- On April 5, 2012, after the launch of the Community Health Services (CHS) integration, Phase 1 agency governors and CEO/EDs from the Durham Cluster convened for the first time.
- Home First has been initiated at all eight Central East LHIN acute-care medical hospitals and at the Markham Stouffville Hospital Corporation, Uxbridge site. The modified roll-out to Ontario Shores Centre for Mental Health Sciences (OSCMHS) is being planned and once the roll-out is wrapped up, this will complete the implementation phase of the Home First approach in the Central East LHIN.
- Ms. Hammons confirmed that OTN equipment has been purchased to ensure that people in remote areas have access to specialized services. The IHSP is underway and Mr. Meloche has been working with collaborators within the province to begin the environmental scanning process required to develop the 3-year strategic plan for the LHINs.
- An update was provided on the National Drug Shortage regarding the North American supplier; Sandoz this issue is not anticipated to be resolved for approximately twelve to eighteen months. Secondary and tertiary suppliers are backlogged as well as a myriad of other issues that providers across the province have been managing. Pharmacists and health service providers in the LHIN have been working collaboratively with one another as

well as with colleagues in other LHIN's by communicating supply and demand and sharing the resources where possible.

A question was posed as to whether the Nurse Practitioners Supporting Teams Averting Transfers (NPSTAT) program evaluation was done before the anticipated expansion. Mr. Meloche responded that there has been a positive evaluation on outcomes, but there continue to be continuing the challenges in health human resources and LTC coverage. A report will come before the Board of Directors in May or June for the transitional funds to expand the NPSTAT program from a single provider to the CCAC.

MOTION: By Ms. Hough
Be it resolved that the Central East LHIN Board of Directors receive the April 25, 2012 CEO Report to the Board for information.

SECONDED: Mr. Powers

MOTION CARRIED

5.5 CHAIR REPORT – Q&A

Mr. Gladstone noted that the Minister of Health acknowledged the efforts made by the Central East LHIN to engage the local Members of Provincial Parliament (MPPs) at the LHIN Leadership Council meeting on April 19. The Community Nominations committee will be meeting this afternoon following the Board Meeting to discuss Board Recruitment. It was reported that the Central East LHIN has been approved to move forward with filling the vacancy on the Board and make a recommendation for the appointment of a vice-chair.

Board members tabled a discussion regarding the effectiveness of the Governance Advisory Councils and whether the joint meeting should be rescheduled as three separate meetings; as each cluster has developed unique agenda items and issues to be discussed that pertain to their respective geographic area. Input will be sought from the co-chairs of each council before moving ahead. The role of the co-chair representative from the LHIN Board will be rotated on an annual basis as well as with the health service provider representative.

MOTION: By Ms. Hough
Be it resolved that the Central East LHIN Board direct the Community Nominations Committee to commence the process to fill Board vacancies.

SECONDED: Ms. Risk

MOTION CARRIED

MOTION: By Ms. Barkey

Be it resolved that the Central East LHIN Board receive the April 25, 2012 report of the Central East LHIN Chair for information.

SECONDED: Mr. Nichols

MOTION CARRIED

5.6 OTHER NEW BUSINESS

There were no items of other new business to discuss.

6.0 CLOSED SESSION

Mr. Gladstone asked for any items that should not be included in the closed session and there were no items brought forward.

MOTION: By Ms. Hough

Be it resolved that the Board of Directors move into closed session, pursuant to Section 9, subsection 5 of the Local Health System Integration Act (LHSIA) to:

- √ consider a matter that would prejudice legal proceedings
- √ consider a matter that concerns personnel

And that Deborah Hammons, James Meloche, Paul Barker, Sheila Rogoski, Jennifer Persaud, Katie Cronin Wood, Karen O'Brien, Marco Aguila and Jennifer Kerswill join the Board in the closed session.

SECONDED: Mr. Powers

MOTION CARRIED

12.1 REPORT ON CLOSED SESSION

Upon reconvening to the open session, Mr. Gladstone reported that during the in-camera session the Board discussed details pertaining to an item that can prejudice legal proceedings and matters related to personnel.

MOTION: By Ms. Barkey

Be it resolved that the Chair's report of the April 25, 2012 closed session be received and approved, and further that there will be follow up on the actions discussed.

SECONDED: Ms. Hough

MOTION CARRIED

13.1 MOTION OF TERMINATION

MOTION: By Mr. Nichols
Be it resolved that the April 25, 2012 Central East LHIN Board meeting be adjourned.

SECONDED: Mr. Powers

MOTION CARRIED

Mr. Wayne Gladstone