

Minutes of The Hospital for Sick Children Board of Trustees' meeting that took place on June 19, 2023, at 3:45 p.m. in person in the SickKids' Atrium Board Room and by video conference.

Present in Person:

Kathleen Taylor, Chair
Dr. Ronald Cohn
Frank Vettese
Beth Wilson
Janet Davidson
Clara Angotti
John Sullivan
Donald Guloien
Yongah Kim
Joseph Natale
Saad Rafi
Judy Van Clieaf
Dr. Jeremy Friedman
Dr. Suzanne Laughlin
Sharon Younker, Corp. Sec.

Present via Video:

Irwin Rotenberg
Bharat Masrani
Meric Gertler
Andrew Sheiner
Deland Kamanga
Sonia Baxendale
Konata Lake
Jessica Chutter

Regrets:

By Invitation:

Laurie Harrison
Dr. Lennox Huang
Jeff Mainland
Karen Kinnear
Susan O'Dowd
Dr. Meredith Irwin
Sarah Muttitt

By Invitation:

Tina Garnett
Jennifer Bernard
Peter Goldthorpe
Dr. Stephen Scherer
Dr. James Drake
Megan Evans

Regrets:

All members attended via video conference.

Ms. Sharon Younker, Corporate Secretary, confirmed that notice of the Regular Board Meeting had been duly sent to all Trustees and that a quorum was present by both in-person and video conference or phone, all in accordance with the Hospital's by-laws. Accordingly, Ms. Kathleen (Katie) Taylor, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order. Ms. Taylor confirmed conflicts of interest that have been declared by Trustees.

LAND ACKNOWLEDGEMENT

Ms. Taylor acknowledged the land on which SickKids operates.

For thousands of years, it has been the traditional land of the Huron-Wendat, the Seneca, and most recently, the Mississaugas of the Credit River.

Today, Toronto is home to Indigenous Peoples from across Turtle Island.

SickKids is committed to working toward new relationships that include First Nations, Inuit, and Métis peoples, and

are grateful for the opportunity to share this land in caring for children and their families.

CHAIR'S REMARKS

Ms. Taylor welcomed Trustees and the senior leadership to the meeting. Ms. Taylor also welcomed Jennifer Bernard, new President & CEO of the SickKids' Foundation and Mr. Young Lee, newly appointed Vice President of Finance and CFO for the Hospital to their first Board of Trustees meeting.

STRATEGY, OPERATIONS & RISK

Executive Report

Dr. Cohn provided an update on the clinical activity in the Hospital. He reported that in early May 2023 the World Health Organization (WHO) announced that COVID-19 no longer poses an international emergency. The organization is now focused on addressing the waitlists and delayed care for an unprecedented number of patients. Leadership is developing and launching key initiatives to address these challenges. Dr. Cohn outlined several of these initiatives including opening 100% of ORs even though there continues to be a shortage of nursing staff, and through the Make Kids Count Program partnerships have been built between SickKids and Regional hospital partners across the GTA who have the capacity to perform paediatric surgical cases that we can decant from the current SickKids surgical waitlist. Dr. Cohn presented the potential impact these initiatives will have on reducing the surgical waitlists over the next 3 years.

Dr. Cohn provided an update on the health human resource challenges across the sector. He highlighted some of the opportunities and challenges related to a younger and less experienced workforce, and the training and education that is underway to bring these staff along.

Dr. Cohn provided an update on the Ministry of Health (MOH) funding for 2023/24. He reported however that even with the increase in funding for the fiscal year 2023/24, the Hospital continues to face an inherent cost structure challenge. As is generally acknowledged, including by the MOH, funding is well below anticipated post Bill 124 costs, pension plan pressures, drug costs, medical/surgical supply costs and broader inflationary pressures.

SickKids 2025 Update – Midpoint Strategy Update

Dr. Cohn provided an update on the SickKids 2025 Strategy mid-point review which was conducted in December 2022/January 2023. He reminded Trustees that the SickKids 2025 Strategy was launched in March 2020 just days before the COVID-19 Pandemic was announced by the WHO. Since then, the organization faced consecutive, atypical challenges including COVID-19, a surge in paediatric viral illnesses, and a cybersecurity incident, all presenting obstacles to an efficient strategy execution. Dr. Cohn reported that despite these challenges faced by SickKids and the broader health system, the organization made significant progress in implementing 20 of the 21 strategic objectives in SickKids 2025. The primary challenge emerging from the review was the limited bandwidth of health human resources and support staff to advance strategic activities in parallel with navigating crises and ongoing operational demands. Dr. Cohn reported that based on the mid-point review, recommendations have been made to continue with implementation of 19 of the 21 strategic objectives in SickKids 2025 and identified the 2 objectives that will be put on hold and why.

Dr. Cohn presented the *key accomplishments* over the past 2.5 years under each of the following strategies: Individualize Child and Youth Health Care; Create a Seamless Child and Family Experience, Ensure Quality and Accountability in Everything We Do; Unleash the Talent of Our People; Drive Financial Sustainability; and, Build An Academic Health Sciences Centre for the Future. Dr. Cohn provided highlights of the 2023-24 Corporate Priorities in support of the SickKids 2025 and the factors that may impact SickKids in the remaining two years of the SickKids 2025

implementation.

Trustees acknowledged the impressive progress that has been made on the SickKids 2025 plan. Discussion ensued regarding the supports required for staff to improve their engagement, health, and wellbeing, along with how to empower decision-making. It was recommended that management review the past several years and identify the lessons learned that will help to advance the strategy over the next two years.

Trustees discussed the importance, impact, and risks associated with generative AI in healthcare. Dr. Cohn confirmed that the organization is currently examining these issues and provided examples of how AI will lighten the administrative burden for healthcare providers especially within EPIC. It was agreed that more time should be dedicated to this discussion at a future Board meeting.

Ms. Taylor thanked Dr. Cohn and management for their progress on the SickKids 2025 Strategy through the first 2.5 years.

Research Committee Report (RC)

Ms. Yongah Kim, Chair of the RC, reported on the meeting that took place on June 1, 2023. The RC was presented with an update from Dr. Stephen Scherer, Chief of Research which included an overview on current and future recruitments of paid scientists, the metrics progress for FY2022-23, grant funding and core facilities. Dr. Scherer reported that the Research Institutes Scientific Strategic Plan is now complete, and work has begun on implementation of the strategic initiatives. Dr. Tomasz Czarny, Director, presented an update to the RC on the work being done on Precision Child Health, and provided key successes and impacts on patient care. Dr. Czarny also outlined the six enablers for the future of PCH and next steps. Mr. Ihor Boszko, Executive Director, Industry Partnerships and Commercialization (IP&C) provided an update on the activities with IP&C over the past year including the status of key metrics, targets, the composition of the team and the challenges with respect to competitive salaries in the sector. Ms. Kim reported that the meeting included an informative tour of four of the Core Facilities at the RI.

Ms. Taylor thanked Ms. Kim for her leadership of the RC and the members of the Committee for their work over the past year.

Board Quality & Safety Committee (BQSC)

Ms. Clara Angotti, Chair BQSC provided a report on the BQSC meeting that took place on June 15, 2023. The BQSC was provided several safety stories including one from a father of a patient that provided the committee with insights on his experience with SickKids and in the community. There were presentations on the numerous initiatives that have been developed and implemented to reduce wait times throughout the organization as well as in the Emergency Room (ER) to manage the unprecedented viral surge that impacted children in the Fall of 2022.

The BQSC was also updated on the organization's plans to address the social determinants of health, including integration with social and community services through the collection of health equity data. Ms. Angotti also reported that for the first time since the initiation of the Caring Safely program in 2015, SickKids has created an organization-wide integrated Top Ten Safety list as part of its High Reliability toolkit. This list will inform but not replace other pathways for establishing corporate priorities.

Ms. Angotti thanked Jeff Mainland for his leadership for the Committee. Ms. Taylor congratulated the BQSC for their work over the past year and thank Ms. Angotti for her leadership.

Finance and Audit Committee (FAC)

Ms. Beth Wilson, Chair, FAC reported on the Committee meeting that took place earlier today. The FAC reviewed with Ernst & Young LLP (E&Y) March 31st, 2023, year-end audit. The audit process was efficient and successful with no concerns being raised by the auditors to the FAC. The FAC was presented with an overview of the status of the Pension Plan, the 2022/23 Year End Operating results, the 2023/24 MOH funding. There was also an update on Cyber security and the ongoing vigilance of the organization which involved a transition for email filtering from Proofpoint to Microsoft Defender which has already proven its value through the successful containment of cybersecurity challenges. Project Horizon presented a financial update on three main streams – the Patient Support Centre (PSC), Early Works (EW), and the Patient Care Centre (PCC). Ms. Wilson confirmed that the FAC will continue to monitor PH spend against budget.

Ms. Taylor thanked Ms. Wilson for her leadership of the FAC and the members of the Committee for their work over the past year.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

- THAT the Core Funding Agreement with the Foundation for 2023/24, be approved.
- THAT Broader Public Sector Accountability Act (BPSAA) Reporting for 2022/23, be approved.
- THAT the audited Financial Statements of the Hospital for the year ending March 31, 2023 be approved and that management be authorized to make such necessary immaterial changes as may be required
- THAT the audited Financial Statements of the Pension Plan for the year ending March 31, 2023 be approved and that management be authorized to make such necessary immaterial changes as may be required.

Investment & Pension Committee IPC

Mr. Irwin Rotenberg, Chair, IPC reported on the IPC meeting that took place on June 14, 2023. Mr. Rotenberg reported the investment results for the period ending March 31, 2023. The IPC was provided an update on both the Defined Pension Plan and the Defined Contribution Plan. Mr. Rotenberg thanked Mr. Andrew Sheiner for his contributions to the IPC over his tenure on the Committee.

Ms. Taylor thanked Mr. Rotenberg for his report and leadership of the IPC over this past year.

Facilities & Real Estate Committee (FREC)

Mr. John Sullivan, Chair, FREC, reported on the Committee meeting that took place earlier today. The FREC was provided with an update on the schedule for the PSC and next steps to mitigate variances. He reported that the PSC remains on budget. Mr. Sullivan confirmed that the Patient Care Centre (PCC) plan and budget however are a challenge without a formal approval letter from the MOH. He reported that the MOH continues to carry out due diligence on the overall campus redevelopment plan. Overall costs of the project remain a significant concern of government, and further work has been requested to explore scope/cost reductions and phasing of the project. The FREC was provided with an overview of the key project risks and budget. Mr. Sullivan outlined for the Board the risks and challenges with the MOH's request to maintain the Atrium as part of the redevelopment plan.

Ms. Taylor thanked Mr. Sullivan for his leadership and the FREC members over the past year.

TALENT & SUCCESSION

Human Resource Committee

Mr. Joe Natale, Chair HRC, reported on the Committee meeting that took place on June 8th, 2023. The HRC was provided an update on the attraction and retention initiatives to address the health human resource challenges in the organization and in the healthcare sector, which included a compensation market review and an updated benefits plan. The HRC reviewed and approved the non-executive salary increases for 2023, and the CEO's 2023-24 goals and objectives. The HRC also reviewed the CEO's performance.

The HRC was also presented with the several HR metrics including the HR Scorecard & Absenteeism Performance Indicators which were significantly higher than target for 2022-23. He reported that management has identified the root cause for the higher-than-normal rates are the results of many of the issues related to exhaustion, burn-out, anger pertaining to Bill #124 (salary moderation), and high numbers of COVID-19-related absences. As a result, the HRC requested that the Organization Performance Indicators for 2023-24 include measures for the following: Lost Time Index, Voluntary Attrition, and Absenteeism. The HRC also asked management to identify a financial metric that would be reflective of the financial success of the organization in the 2023-24 period. The HRC is bringing forward for approval the 2023/24 Organization Performance Indicators for approval along with the CEO 2023-24 Goals and Objectives.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

- THAT the HRC recommend to the Board of Trustee approval of the FY23/24 Organizational Performance Indicators for the performance year beginning April 1, 2023, as circulated and that management will review the organizations performance against these indicators in the Fall 2023 to determine, if any, amendments need to be made.
- THAT the CEO's Goals and Objectives for 2023/24 be recommended for approval at the June 19, 2023, Board meeting.

GOVERNANCE

Governance & Nominating Committee

Mr. Donald Guloien, Chair GNC, reported on the May 1st GNC meeting. Mr. Guloien provided the backgrounds and skills of the three Trustee candidates that are being brought forward for approval today, Rola Dagher, Chief Kelly LaRocca and Michael Medline. He confirmed that with these appointments, the Board has now met their gender balance and diversity goals. Mr. Guloien reported that over the past few months he had spoken to Trustees to discuss their Board Committee roles and assignments for 2023-24 which the GNC is bringing forward for approval at the Annual General Meeting. He reported that the GNC also discussed and will make recommendations regarding term limits for Committee Chair roles in the Fall. The GNC discussed and agreed that the Board and Committee meetings would move back to in-person meetings starting in the Fall however a hybrid meeting model will be maintained for Trustees who are traveling, ill, or live outside of the General Toronto Area. It was also agreed that the decision to hold Committee meetings virtually only will be at the discretion of the Committee Chair when it is appropriate.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

THAT the Board of Trustees approve the appointment of Chief Kelly LaRocca, Rola Dagher and Michael Medline as Trustees at the Annual General Meeting on June 19, 2023

MEDICAL ADVISORY COMMITTEE (MAC) REPORT

Dr. Jeremy Friedman Co-Chair, MAC, reported on several MAC meetings that took place over the past few months. He reported on Physician Wellness following the receipt of the results from the Well Being Index Survey completed by SickKids' physicians earlier this year. Dr. Friedman reported that the survey results indicate higher than expected burnout levels within the physician group therefore, the MAC will have a major focus on these issues over the next several years. The MAC also had a presentation from Boston Children's Hospital on their experience with the Pulse 360 Program to determine if this program would benefit SickKids. The MAC was also provided updates on Project Horizon and EPIC. Finally, the MAC approved for recommendation to the Board at the Annual Meeting the appointments of the physician and scientific staff for 2023-24.

SICKKIDS FOUNDATION (SKF)

Ms. Jennifer Bernard, President & CEO, SKF provided an update on her activities and impressions during her first 65 days in the role.

Ms. Sonia Baxendale, Chair, SKF reported that the Foundation Board of Directors is delighted that Jennifer Bernard has joined SKF.

CONSENT AGENDA

A motion was brought forward to approve the Consent Agenda.

MOTION:

NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

- Approval of Minutes March 27, 2023
- Medical, dental & scientific staff appointments as circulated.

ADJOURNMENT

Ms. Taylor thanked everyone for their attendance. There being no further business for discussion, the regular meeting of the Board of Trustees was adjourned.

IN-CAMERA MEETING

The staff left the meeting and the Board of Trustees proceeded with an in-camera session.