

Alberta Health Services**PUBLIC BOARD MEETING**

Minutes of the meeting of the Board (Board) of Alberta Health Services (AHS) held at the Chinook Regional Hospital, County Hall – 960 – 19 Street South, Lethbridge, Alberta, on October 15, 2010 at 11:07 a.m., Mountain Standard Time.

Present:

Board Members: Mr. Ken Hughes (Chair)
Ms. Catherine Roozen (Vice Chair)
Mr. Gord Bontje
Ms. Teri Lynn Bougie
Mr. Strater Crowfoot
Mr. Tony Franceschini
Mr. John Lehnors
Ms. Irene Lewis
Mr. Don Sieben
Dr. Andreas Laupacis
Ms. Linda Hohol

Management: Dr. Stephen Duckett, President & Chief Executive Officer
Ms. Tamara Shawa, Corporate Secretary

Regrets Mr. Gord Winkel
Dr. Kamallesh Gangopadhyay
Mr. Stephen Lockwood, Q. C.

Mr. Hughes acted as Chair of the meeting and Ms. Shawa acted as Secretary.

Mr. Hughes called the meeting to order at approximately 11:07 a.m. Notice of the meeting had been properly given and quorum was met.

1. Administrative Matters**a) Review of Agenda**

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the agenda for the Board meeting held on October 15th, 2010 is approved.

b) Conflict of Interest

Mr. Hughes requested that any conflicts of interest relevant to the meeting or items noted on the agenda be declared. None were declared.

2. **Approval of Minutes**

Board members acknowledged having received the minutes of the Public Board meeting held on August 26, 2010.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the minutes of the meeting of the Alberta Health Services Board dated August 26, 2010, are approved.

3. **Comments to the Board**

a) **Chair's Report**

Mr. Ken Hughes, Chair, welcomed in-person attendees and Telehealth viewers to the public board meeting, and explained that the meetings are moved to locations around the province, videotaped for posting on the website and telecast to staff and physicians in order to be as accessible as possible.

He said that the Board also tours facilities and meets with local healthcare providers in order to learn firsthand about the challenges, opportunities, and successes in each community.

He emphasized the importance of making decisions in a public meeting in order to be transparent and accountable, and so that the decisions can be recorded as a matter of the public record. He noted that the public meetings are not the Board's only activities, however. There are committee meetings and other briefings, as well as public events in which Board members participate, in order that the process seen at the public board meeting is informed by extensive preparatory work.

Mr. Hughes said that he, as Board Chair, and Dr. Duckett, as Chief Executive Officer, are accessible between the board meetings via email and through the Alberta Health Services website. Question forms were also available at the meeting for inquiries to the Board or Alberta Health Services Executive. The answers to submitted questions are provided prior to the next board meeting, and posted on the AHS website.

He said that, as part of the annual retreat in Lethbridge, the Board met with the head of the Canadian Medical Association. The Board also held a retirement celebration for former member Jack Ady, at which the Premier announced that the Lethbridge Cancer Centre would be renamed Jack Ady Cancer Centre in recognition of Mr. Ady's many years of public service. On behalf of the Board, Mr. Hughes thanked Mr. Ady and commented that his experience and expertise will be missed. He added that Mr. Ady is a very thoughtful person, with decades of experience that formed a very acute judgement which enriched Board discussions and wished Mr. Ady and his wife, Darlene, all the best in their retirement.

He also recognized the contributions of Mr. Jim Clifford and Ms. Lori Andreachuk who, during their term on the Board, were thoughtful, engaged members of the Board who worked hard on behalf of Albertans to ensure that the Board came to well-informed decisions. He said they also brought broad life experience to their service on the Board, and thanked them for their commitment.

He mentioned that the members of the Alberta Health Services Board are appointed by the Minister of Health and Wellness, Gene Zwozdesky. Two new members were recently appointed to the Board: Dr. Kamallesh Gangopadhyay and Mr. Stephen Lockwood. He said Dr. Gangopadhyay is a retired obstetrician and gynaecologist who practiced in Wetaskiwin for more than thirty years. Dr. Gangopadhyay was a pioneer in the use of medical technology in northern Alberta, becoming the second person in northern Alberta licensed to do ultrasound there in the mid-1980's, and was the first physician to conduct laparoscopic surgery at the Wetaskiwin General Hospital. Dr. Gangopadhyay was awarded a Canadian Medical Association Honorary Membership, which is given to members who have made outstanding contributions in the field, and is a member of the Alberta Medical Association. Mr. Steve Lockwood is President, co-CEO and a Director of the Mullen Group, a provider of specialized transportation and related services to the oil and natural gas industry in Western Canada. Prior to joining Mullen, Mr. Lockwood practiced law with the firm Carscallen Lockwood, which he co-established in 1988. He is an active volunteer in the community and has been involved with the Calgary Stampede, Ducks Unlimited and the Emily Follensbee School in Calgary. Mr. Hughes said the Board is delighted to welcome both new members. Both individuals attended the previous day's meetings, but were unable to attend the public board meeting on short notice due to previous personal commitments.

He noted that Dr. Andreas Laupacis and Mr. Gord Winkel had been reappointed to the Board, and welcomed them back.

Mr. Hughes said Fall had been a busy season to date, with the celebration of a number of ground-breaking ceremonies and facility openings, including the opening of the McCaig Tower at Foothills Medical Centre campus in Calgary. McCaig Tower was designed with state-of-the-art patient rooms, surgical suites and a new central reprocessing department for the campus. He said that the reprocessing department is an aspect of health care few people see or learn about, but is integral to safe healthcare. The central reprocessing department sterilizes the hundreds of thousands of pieces of medical equipment needed constantly throughout the busy campus.

He also mentioned the recent ground-breaking for a new cancer centre in Red Deer, which will bring radiation therapy to that community for the first time. He said that the cancer corridor initiative will ensure all Albertans have reasonable access to radiation therapy. When the corridor is complete, 92% of Albertans will be within 100km of a facility for radiation treatment.

Mr. Hughes talked about his participation in the opening of the Stress Injury Clinic in Edmonton, which serves veterans and other service men and women; the re-opening of the renovated cancer clinic in Canmore, for which the local raised \$1,000,000; and the grand opening of the East Calgary Health Centre.

He said that extensive planning and work went into these and other milestones marked by Alberta Health Services over the past few months – work consistent with the Strategic Direction set by the Board.

He then offered information about the Tomorrow Project, a made-in-Alberta cancer research project which will follow approximately 50,000 Albertans and 300,000 to 400,000 Canadians over the next 50 years. He invited anyone between the ages of 35 and 69 who has not had cancer to sign up for the Tomorrow Project. Participation involves an interview and the collection of blood, urine and DNA samples. He said involvement in the project does not require a large time commitment, but that it is an important commitment because the study will help researchers understand the relationship between

cancer and diet, environment, and lifestyle. He said the study is probably one of the largest in the world, and will be extremely important in helping the healthcare community better understand the disease.

He then invited Dr. Duckett to make opening comments.

b) President & CEO's Report

Dr. Stephen Duckett, President and Chief Executive Officer, made the following remarks at the meeting:

Dr. Stephen Duckett, President and Chief Executive Officer said that the past six weeks have been a period of intense focus on the priority areas in which Alberta Health Services wants to effect transformational change - capitalizing on the opportunities in integration to improve access, quality and sustainability on a system-wide level.

He noted that the priorities for the next five years include: building a primary care foundation; improving access and reducing waiting times; choice and quality for seniors; enabling AHS staff and physicians to achieve excellence in providing health services; and enabling one health system. Some of the actions that will move AHS forward on these priorities include: ensuring that every Albertan has a responsible primary care physician and healthcare team; improving access to treatment for addictions and mental health; reducing surgery and emergency department wait times and implementing system flow initiatives.

He said that system flow initiatives are familiar to people on the front lines in Lethbridge. The Chinook Region Hospital Flow Project, which started in 2006, has been a high profile, highly successful initiative that looked at ways of improving a patient's journey through every part of the hospital and back out into the community. This required a comprehensive range of process improvements in which every team in the hospital was challenged to find ways to be more effective. This work improved the functioning of the entire hospital, not as an add-on but as part of the work done every day. He highlighted several successes. In the emergency department, the team is meeting the target of seeing less acute patients within sixty minutes, which is half the time of the national target, and a significant improvement over the time seen prior to the project. In diagnostic imaging, a strategy to address the CT scan backlog improved wait times to four days from the previous 32 days for outpatient CTs, and to same-day access for inpatient CTs. He said he has visited the emergency department in Lethbridge previously and observed firsthand the tools and techniques used to manage patient flow more efficiently. Another significant aspect, he said, is that the changes begun in 2006 still deliver measurable benefits to patients. He noted that some of the people who have been involved in the project, were present at the meeting: Dr. Vanessa McLean, Teri Myhre, and Grant Walker.

Dr. Duckett said that the project has been a genuine team effort, and thanked the staff, physicians and leadership whose combined efforts made it possible.

He said a critical enabler of Alberta Health Services' success as an organization is an engaged and empowered workforce, and that ensuring that enabler is an ongoing personal priority. He reported that the workplace engagement group recently finalized the engagement plan, which is the result of

a consultative process. He expressed appreciation for the input and energy dedicated to it - from the other 14 members of the working group, and from the employees, physicians and volunteers, who provided feedback in other ways, including the workplace engagement survey, e-mail, online chats, focus groups and other conversations. He said the plan will facilitate open, two-way communication and trust within AHS, consistent with the organizational values of respect, transparency and engagement. It will encourage local autonomy and decision-making, support staff and physicians to achieve excellence in providing health services, and will promote a culture of appreciation. He said he is accountable for reporting back to the workforce every six months regarding the implementation of the engagement plan, and senior leadership and management are accountable for taking actions necessary to improve workplace engagement. He noted that shared accountability will be critical to the plan's success, so that everyone in the organization has a stake in working towards the best possible outcomes for Albertans: providing the best performing, publicly funded health system in Canada, if not the world.

4. Human Resources Committee

a) Report to the Board

Ms. Irene Lewis, Chair, Human Resources Committee, provided an update with respect to the following Human Resources Committee items.

b) Senior Leadership, Management & Out of Scope Terms & Conditions

Ms. Lewis advised the Board that work has been completed in developing the detailed terms and conditions that will be applicable to Alberta Health Services senior leadership, management and out-of-scope employees. She explained that these terms and conditions will include a transparent and standardized schedule for vacation time, personal leave days and severance and that the cost of standardizing these terms and conditions will be neutral to Alberta Health Services. Ms. Lewis added that other components of the standardized total compensation program have already been implemented and that the terms and conditions are a very important component of Alberta Health Services' total compensation and will provide certainty to Alberta Health Services employees. Ms. Lewis concluded by indicating that information about the terms and conditions will be communicated to all affected staff in the coming weeks.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the terms and conditions of employment applicable to Alberta Health Services senior leadership, management and out-of-scope employees is approved, with such non-substantive changes as management considers advisable.

c) Supplemental Pension Plan

Ms. Lewis next explained that the intent of the new Supplemental Pension Plan is to provide pension benefit on income that is restricted by the Canada Revenue Agency limit,

which in 2010, is \$138,882. She added that this new leaner plan fulfills the Board's contractual responsibility to senior management, while setting new limits in keeping with the Board's commitment to create clear parameters around senior management compensation.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve a Supplemental Pension Plan and the Defined Contribution Supplemental Pension Plan design with the following benefits and delegate authority to the President and Chief Executive Officer, or his designate, to implement each of the following, as these relate to the Supplemental Pension Plan or Defined Contribution Supplemental Pension Plan:

1. employer contributions of 10% of an employee's pensionable income (excluding pay at risk) above the current year Canada Revenue Agency income limit, which in 2010, is \$138,882 (Canada Revenue Agency Cap);
2. employees will be vested, that is, they will have the right to benefits, after two years of participation; and
3. at termination or retirement, the Defined Contribution Supplemental Pension Plan account balance will be paid in annual instalments over 10 years; however, AHS will retain the ability to pay the account balance over a shorter period of time depending on the actual size of accumulated benefit.

AND FURTHERMORE, the Alberta Health Services Board **APPROVED** the following:

1. Eligibility for the Defined Contribution Supplemental Pension Plan will be applicable to all Alberta Health Services employees, other than physicians, whose incomes exceed the Canada Revenue Agency Cap.
2. The application of a \$1,000 income variance allowance, which will ease administrative burden by reducing the number of employees whose eligibility for the Defined Contribution Supplemental Pension Plan varies owing to the income fluctuation above and below the Canada Revenue Agency Cap some employees will experience.
3. The application of the Defined Contribution Supplemental Pension Plan retroactively to April 1, 2009 (or date of employment if later), to all employees who would have been eligible under the new Defined Contribution Supplemental Pension Plan terms. This retroactive application of the plan will amount to an approximate cost of \$0.5 Million, annually.

5. **Health Advisory Committee**

a) **Report to the Board**

Mr. John Lehnert, Chair of the Health Advisory Committee, spoke to the Board about Health Advisory Councils and the progress they are making. As an example, Mr. Lehnert described a situation in the Paddle Prairie Métis Settlement in northern Alberta which may soon have local nursing support and access to a physician one day a week, as a result of the efforts of the health advisory council in that area.

Mr. Lehnert also reported that the health advisory councils are making good progress in organizing themselves and holding meetings. Mr. Lehnert also briefly described some of the issues identified by health advisory councils, such as; physician and nurse hiring and retention; the 21 day menu; aboriginal health; diverse population health needs; rural health strategies; addiction and mental health concerns; and access to CT scanners in northwestern Alberta.

b) **Naming of Health Advisory Councils**

Mr. Lehnert explained to the Board that health advisory councils were asked to propose a name for their council which they felt was more reflective of their geographical area.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve the deletion of the wording in section 6.1 of the Amended Bylaw for Alberta Health Services Establishing Health Advisory Councils which reads as follows,

"The Councils are set up on a geographical basis across the province of Alberta, in accordance with the map attached as Appendix A to the Bylaw. There will be a total of twelve Councils, with the following names: Health Advisory Council 1, Health Advisory Council 2, Health Advisory Council 3, Health Advisory Council 4, Health Advisory Council 5, Health Advisory Council 6, Health Advisory Council 7, Health Advisory Council 8, Health Advisory Council 9, Health Advisory Council 10, Health Advisory Council 11, Health Advisory Council 12."

and in place of the deleted wording, approved the addition of the following wording to section 6.1:

"The Councils are set up on a geographical basis across the province of Alberta, in accordance with the map attached as Appendix A to the Bylaw. There will be a total of twelve Councils, with the following names:

Health Advisory Council 1 - True North Health Advisory Council,
Health Advisory Council 2 - Peace Health Advisory Council,
Health Advisory Council 3 - Lesser Slave Lake Health Advisory Council,

Health Advisory Council 4 - Wood Buffalo Health Advisory Council,
Health Advisory Council 5 - Lakeland Communities Health Advisory Council,
Health Advisory Council 6 - Tamarack Health Advisory Council,
Health Advisory Council 7 - Greater Edmonton Health Advisory Council,
Health Advisory Council 8 - Yellowhead East Health Advisory Council,
Health Advisory Council 9 - David Thompson Health Advisory Council,
Health Advisory Council 10 - Prairie Mountain Health Advisory Council,
Health Advisory Council 11 - Palliser Triangle Health Advisory Council; and
Health Advisory Council 12 - Oldman River Health Advisory Council.”

c) Appointments to Foundations / Health Trusts

Mr. Lehnert then spoke to the Board about the recommendations made by the chairs of several foundations and trusts, as provided for under the *Regional Health Authorities Regulation*.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve the appointment of the following individuals as trustees to the foundation or health trust indicated, with effect from October 15, 2010 for a term that expires on September 30, 2013:

John J. McDonald – Alberta Cancer Foundation
Aaron Van Kasteren – Bow Island and District Health Foundation
Rosie Janisko – Cardston and District Health Foundation
Eric Gauthier – Crowsnest Pass Health Foundation
Marie Cornelson – David Thompson Health Trust
Gary Krabsen – David Thompson Health Trust
Janet Young – David Thompson Health Trust
David McFee – David Thompson Health Trust
Phyllis Loewen – David Thompson Health Trust

6. Governance Committee

a) Report to the Board

Ms. Linda Hohol, Chair of the Governance Committee, provided an update with respect to the following Governance Committee items.

b) Medical Staff Bylaws

Ms. Hohol explained that each of the former regional health authorities and the Alberta Cancer Board had distinct Medical Staff Bylaws and Rules which governed the appointment, credentialing, clinical activities, responsibilities, and conduct of physicians, dentists, oral surgeons, and podiatrists who access facilities and resources in order to provide care to

patients. She added that with the advent of Alberta Health Services, it would be useful to create one unified set of Alberta Health Services Medical Staff Bylaws and Rules.

The Board considered the new Medical Staff Bylaws and

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the *Alberta Health Services Medical Staff Bylaws* are approved, and management of Alberta Health Services was authorized and directed to submit the Medical Staff Bylaws to the Minister of Alberta Health and Wellness for approval.

c) Appointment of Board Members to Committees

Ms. Hohol advised the Board that the newly appointed Board members need to be appointed to committees of the Board. She proposed that Dr. Andreas Laupacis and Mr. Gordon Winkel, who were reappointed to the Board on October 13, 2010, be appointed to the committees on which they were members previously. Ms. Hohol suggested that Dr. Kamallesh Gangopadhyay and Mr. Stephen Lockwood, Q. C. , who were also appointed to the Board on October 13, 2010, be appointed to Board committees at the December 2, 2010 Board meeting.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve the appointment of returning Board members to committees of the Alberta Health Services Board, as follows;

- i) Dr. Andreas Laupacis to serve as a member and the chair of the Quality and Safety Committee of the Board; and
- ii) Mr. Gordon Winkel to serve as a member of both the Quality and Safety Committee of the Board and of the Audit and Finance Committee of the Board.

7. Audit and Finance Committee

a) Report to the Board

Mr. Don Sieben, Chair of the Audit and Finance Committee, provided an update with respect to the following Audit and Finance Committee items.

b) Internal Audit Charter

Mr. Sieben advised the Board that an internal audit function has been established. The document sets out responsibilities of Alberta Health Services' Internal Audit Department, Management and the Audit and Finance Committee of the Board.

Mr. Sieben commented that in order for the Internal Audit Charter to be consistent with the Terms of Reference of the Audit and Finance Committee, some changes need to be

incorporated in the updated Internal Audit Charter. The following is an overview of the material changes:

- the role of the Audit and Finance Committee has been removed since the role of this committee is well articulated in its terms of reference;
- the oversight role of the Chief Audit Executive, Internal Audit and Enterprise Risk Management has been moved under the “Authority” section so that formal declaration of Internal Audit’s linkage to Enterprise Risk Management exists;
- Internal Audit’s role as the Covenant Health Internal Audit function has been added; and
- the need for management’s timely and full cooperation with Internal Audit’s requests for information has been emphasized.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve the Internal Audit Charter outlining the authority and responsibility of Internal Audit Services, in substantially the form attached.

c) Edmonton South Clinic Parkade

Mr. Sieben introduced the Edmonton South Clinic project and explained that it includes a 1,200 stall parkade which will provide much needed public parking for patients and visitors of both the Edmonton South Clinic and the Cross Cancer Institute. He explained that unspent monies were being allocated to this project.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** the Alberta Health Services Board approve debt funding in the amount of \$9.0 million to be used for the Edmonton South Clinic Parkade project and to authorize and direct any two officers, as enumerated in the Alberta Health Services Board Banking Resolution Amendment dated February 18, 2010, to execute and deliver, on behalf of Alberta Health Services, the agreements, documents and other writings, and to take such action as they consider necessary or desirable to give full effect to this resolution.

d) First Quarter Investment Report

Next Mr. Sieben advised the Board that transactions made by Alberta Health Services’ investment managers on Alberta Health Services’ behalf, must be ratified.

UPON MOTION duly moved, seconded and unanimously carried, it was **RESOLVED THAT** investment transactions that occurred between April 1, 2010 and June 30, 2010:

1. which were comprised of short term treasury bills, federal, provincial and corporate fixed income bonds and equity funds;
2. which consisted of both unrestricted and restricted funds and had a fair market value of \$706 million as of June 30, 2010; and

3. which were subject to normal course terms and conditions,

made on behalf of Alberta Health Services by Philips, Hager & North and Bissett Investment Management for the purpose of fulfilling Alberta Health Services' commitment in relation to the sustainability of the organization, and in particular, to its financial stewardship, be ratified and confirmed in all respects.

8. Termination of Meeting

There being no further business, the meeting was terminated at approximately 12:04 p.m.

Chair

Corporate Secretary