

SUMMARY OF THE PUBLIC BOARD MEETING – October 15, 2010

The Alberta Health Services Board (Board) met on October 15, 2010 at Chinook Regional Hospital in Lethbridge. The following is an account of the resolutions approved at the meeting. A Summary is released following each Board meeting and posted on the Alberta Health Services (AHS) website. The meeting can also be viewed in its entirety from a link at www.albertahealthservices.ca. If you have any questions regarding this information, please contact the Board Office at ahsb.admin@albertahealthservices.ca.

ITEMS OF DISCUSSION

1. **Internal Audit Charter**
2. **Edmonton South Clinic Parkade**
3. **Q1 Investment Report**
4. **Medical Staff Bylaws**
5. **Senior Leadership, Management & Out of Scope Terms & Conditions**
6. **Supplemental Pension Plan**
7. **Naming of Health Advisory Councils**
8. **Appointments to Foundations / Health Trusts**
9. **Appointment of Board Members to Committees**

1. Internal Audit Charter

The Alberta Health Services Board has established an Internal Audit function as required by the Audit and Finance Committee Terms of Reference. The document sets out the authority and responsibility of Alberta Health Services' Internal Audit Department, Management and the Audit and Finance Committee of the Board.

The Terms of Reference of the Audit and Finance Committee requires changes to be incorporated in the updated Charter. The following is an overview of the more significant changes:

- The role of the Audit and Finance Committee has been removed as this section is articulated in the terms of reference of the Committee;
- The oversight role of the Chief Audit Executive, Internal Audit and Enterprise Risk Management in Enterprise Risk Management is noted under the "Authority" section. This is to ensure compliance with Internal Audits standards through formal declaration of Internal Audit's linkage to Enterprise Risk Management;
- Internal Audit's role as the Covenant Health Internal Audit function as been added; and
- Emphasis has been added for management's timely and full cooperation with Internal Audit's requests for information.

The Alberta Health Services Board approved the Internal Audit Charter outlining the authority and responsibility of Internal Audit Services.

View Internal Audit Charter

2. Edmonton South Clinic Parkade

The Edmonton South Clinic project includes a 1,200 stall parkade which will provide much needed public parking for patient and visitors to both the Edmonton South Clinic and the Cross Cancer Institute.

The Alberta Health Services Board approved additional 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.

3. First Quarter Investment Report

As mandated by Alberta Health Service's Investment Bylaw, the Audit and Finance Committee has an obligation to ratify transactions made by its investment managers on Alberta Health Services' behalf, on a quarterly basis.

The Alberta Health Services Board approved, in all respects, the ratification of investment transactions:

- 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.

4. Medical Staff Bylaws

Each of the former regional health authorities and the Alberta Cancer Board had distinct Medical Staff Bylaws & Rules which governed the appointment, credentialing, clinical activities, responsibilities, and conduct of the physicians, dentists/oral surgeons, and podiatrists who access Alberta Health Services facilities and resources in order to provide care to patients. With the advent of Alberta Health Services, there is a requirement to create one unified Alberta Health Services Medical Staff Bylaws & Rules.

After significant consultation, the Alberta Health Services Board considered the new Medical Staff Bylaws.

The Alberta Health Services Board approved the *Alberta Health Services Medical Staff Bylaws*, and authorized and directed management of Alberta Health Services to submit the Medical Staff Bylaws to the Minister of Alberta Health and Wellness for approval.

5. Senior Leadership, Management & Out of Scope Terms & Conditions

Work has been completed on the detailed Terms and Conditions for Alberta Health Services senior leadership, management and out of scope staff which includes a transparent and standardized schedule for vacation time, personal leave days, and severance. Other components of the standardized Total Compensation program have already been implemented. This is a very important component of our total compensation work to provide certainty to AHS employees.

The Alberta Health Services Board approved the Terms and Conditions of employment for Alberta Health Services Senior Leadership, Management & Out of Scope employees with such non-substantive changes as management considers advisable.

➤ **View Terms and Conditions Summary**

6. Supplemental Pension Plan

The intent of the new Supplemental Pension Plan is to provide pension benefit on income that is restricted by the Canada Revenue Agency limit. This new leaner plan fulfills the Board's contractual responsibility to senior management, while setting new limits in keeping with our commitment to have clear parameters around senior management compensation.

The Alberta Health Services Board approved the Supplemental Pension Plan, the Defined Contribution Supplemental Pension Plan design with the following benefits and delegates authority to the President and Chief Executive Officer, or his designate to implement each of the following:

- 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 installments over 10 years; however, AHS would retain the ability to pay the account balance over a shorter period of time, depending on the actual size of accumulated benefit.**

AND FURTHER MORE, 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 incomes that fluctuate above and below the Canada Revenue Agency Cap.**
- 3. Apply 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.**

7. Naming Health Advisory Councils

The Alberta Health Services requested that Health Advisory Councils recommend a name for their council which is reflective of their area.

The Alberta Health Services Board approved the deletion of 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 (12) 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.”**

8. Appointments to Foundations / Health Trusts

The *Regional Health Authorities Act Regulation* requires the regional health authority under which the Foundation was established appoint Trustees based on recommendations made by the Foundation Chair.

The Alberta Health Services Board approved the appointment of the following individuals as trustees to the foundation or trust indicated, with effect from October 15, 2010 for a term that expires on in 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

9. Appointment of Board Members to Committees

The Alberta Health Services Board is required to appoint Board members to Committees of the Board. Dr. Andreas Laupacis and Mr. Gordon Winkel were reappointed to the Board on October 13, 2010 and have therefore been appointed to the Committees on which they were members previously.

Dr. Kamallesh Gangopadhyay and Mr. Stephen Lockwood were also appointed to the Board on October 13, 2010 and will formally be appointed to Board Committees at the December 2, 2010 Board meeting.

The Alberta Health Services Board approved the appointment of returning Board member;

- i) Dr. Andreas Laupacis to serve as Chair of the Quality and Safety Committee of the Board; and**
- ii) Dr. Gordon Winkel to serve as the Vice Chair of the Quality and Safety Committee of the Board as well as to serve as a member of the Audit and Finance Committee.**

OTHER BOARD ACTIVITIES IN THE LETHBRIDGE AREA

In addition to the public meeting, the Board participated in the announcement of the renaming of the Lethbridge Cancer Centre to the Jack Ady Cancer Centre and met as a Committee of the Whole.

The next public Board meeting is scheduled to be held in Edmonton on December 2, 2010. Please check the Alberta Health Services website for further information.