

## **SUMMARY OF THE PUBLIC BOARD MEETING – March 15, 2012**

The Alberta Health Services (“AHS”) Board met on March 15, 2012 at the Canmore General Hospital. The following is an account of the resolutions approved at the meeting. A Summary is released following each Board meeting and posted on the AHS website. The meeting can also be viewed in its entirety from a link at [www.albertahealthservices.ca](http://www.albertahealthservices.ca). If you have any questions regarding this information, please contact the Board Office at [ahsb.admin@albertahealthservices.ca](mailto:ahsb.admin@albertahealthservices.ca).

### **ITEMS OF DISCUSSION**

- 1. Third Quarter Investment Report**
- 2. Shortfall Payment to Local Authorities Pension Plan**
- 3. Memorandum of Understanding for Health Capital Projects**
- 4. Medicine Hat Emergency Medical Services Lands Buy Back**
- 5. Restricted Grant Funding Agreements**
- 6. 2012/2013 Interim Operating Funding Approval**
- 7. Health Advisory Council – Bylaw and Charter Amendments**
- 8. Health Advisory Council Member Appointments**
- 9. Appointment of Trustees to Foundations**
- 10. Philanthropic and Honorific Naming and Recognition Policy**
- 11. AHS Strategic Direction 2012-2015**

#### **1. Third Quarter Investment Report**

The Third Quarter Investment Report was prepared by Phillips Hager & North Investment Management Ltd. The AHS Audit and Finance Committee reviews reports prepared by the investment managers, which summarize the activities and the performance of AHS’ investment portfolios on a quarterly basis. The third quarter report details investment transactions AHS entered into, income earned, realized and unrealized gains and losses, and investments held, for the nine months ending December 31, 2011.

**The Alberta Health Services Board ratified the investment transactions described below, made on behalf of AHS by Phillips, Hager & North Investment Management Ltd. (“PH&N”) and Standard Life Canada (“Standard Life”) as follows:**

- (a) as at December 31, 2011, AHS held restricted and unrestricted funds managed by PH&N and Standard Life totaling \$1.473 billion;**
- (b) these Funds were invested in short term treasury bills, federal, provincial and corporate fixed income bonds, pooled mortgage funds, bond funds and equity funds; and**
- (c) all of the Funds invested during the quarter ended December 31, 2011, were invested in accordance with the Investment Bylaw and Investment Policy.**

## **2. Shortfall Payment to Local Authorities Pension Plan**

Following consolidation of the former health regions in 2009, employees of the Alberta Alcohol and Drug Abuse Commission, Alberta Cancer Board and Forzani and McPhail Colon Cancer Screening became employees of AHS. These former entities participated in the Public Service Pension Plan, whereas AHS participates in the Local Authorities Pension Plan (“**LAPP**”). This required benefits earned as of April 1, 2009 under the Public Service Pension Plan to be transferred to the LAPP, and for all employee records to reflect all service, salary and contribution information as though the employees had continuously participated in the LAPP. The Minister of Finance’s methodology for this transfer determined that AHS is responsible to contribute the shortfall amount between the assets available to be transferred from the Public Service Pension Plan and the amount required by the LAPP to recognize the new liabilities.

**The Alberta Health Services Board:**

- a) approved payment of funds by AHS, in the amount agreed upon by management of AHS and the Government of Alberta, to cover the shortfall amount to the Local Authorities Pension Plan with respect to the 2009 transfer of AHS employees from the Public Sector Pension Plan to LAPP; and**
- b) authorized and directed management of AHS to take all such actions as management of AHS considers necessary or advisable to give effect to the foregoing.**

## **3. Memorandum of Understanding for Health Capital Projects**

Following the formation of AHS, Alberta Health and Wellness, Alberta Infrastructure and AHS formed a transition team to develop a change management plan, accountability document and memorandum of understanding regarding the management of all major health capital projects. The purpose of the memorandum is to provide a framework for the funding, design and construction of major health capital projects, costing over \$5 million, and infrastructure maintenance program projects. AHS and Alberta Infrastructure met in December, 2011 and agreed in principle to the final draft of the memorandum of understanding for health capital projects.

**The Alberta Health Services Board:**

- a) approved the Memorandum of Understanding for Capital Health Projects amongst AHS, the Minister of Health and Wellness, and the Minister of Infrastructure (the “MOU”), in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of AHS considers necessary or advisable; and**
- b) authorized the Board Chair to execute the MOU on behalf of AHS and to forward the MOU to the Minister of Health and Wellness and the Minister of Infrastructure for their approval and execution.**

## **4. Medicine Hat Emergency Medical Services Lands Buy Back**

The former Palliser Health Region entered into an agreement with the City of Medicine Hat in 2008 to purchase a residential lot in a new subdivision for the purposes of building an EMS station. In late Fall 2011, EMS Operations determined the location of the lot did not fit with their service delivery plan for the Medicine Hat area, and as a result AHS has asked the City of Medicine Hat to exercise the buy-back option contained in the original agreement.

**The Alberta Health Services Board:**

- a) approved the sale of the land located on Somerset Road S.E., Medicine Hat, Alberta, and legally described as “Plan 0812753, Block 6, Lot 97”, from AHS to the City of Medicine Hat for consideration of \$124,808.00 (the “Land Sale”), subject to approval from the Minister of Health and Wellness; and
- b) authorized and directed management of AHS to request that the Minister of Health and Wellness approve the Land Sale.

**5. Restricted Grant Funding Agreements**

Restricted Grant Funding Agreements for the provision of physician on call services and cancer pharmaceuticals to outpatient cancer patients at no cost for the fiscal year 2011/12 in the amounts of \$90,795,000 and \$119,000,000 respectively were brought forward. As per the AHS policy on Delegation of Authority and Establishment of Controls for Commitments, the President and Chief Executive Officer has the authority to approve and execute related commitments up to \$90 million, and therefore the Board was asked to delegate authority to the President and Chief Executive Officer regarding these Grant Agreements.

**The Alberta Health Services Board delegated authority to the President and Chief Executive Officer of AHS to approve and execute the following Grant Agreements, and any amendments thereof:**

1. the On Call Programs Grant Agreement effective April 1, 2011 between AHS and the Minister of Health and Wellness for the funding of the operation and management of the Physician on Call Program for a one year term ending March 31, 2012, and in the maximum amount of \$90,795,000; and
2. the Grant Agreement effective April 1, 2011 between AHS and the Minister of Health and Wellness for the funding of the cost of cancer pharmaceuticals AHS provides to outpatient cancer patients for a one year term ending March 31, 2012 and in the maximum amount of \$119,000,000.

**6. 2012/2013 Interim Operating Funding Approval**

The AHS 2012/2013 operating budget has not yet been finalized, and therefore the Board was asked to delegate authority to the President and Chief Executive Officer to expend operating funds at the same rate that were expended during the final quarter of the 2012/2013 fiscal year.

**The Alberta Health Services Board delegated to the President and Chief Executive Officer of AHS the authority to expend operating funds in the amount up to \$3.15 billion between April 1 and June 30, 2012.**

**7. Health Advisory Council – Bylaw and Charter Amendments**

Health Advisory Councils have been established to enhance and develop partnerships between communities throughout the province and AHS. Through this connection, Council members provide feedback about what is working well within the health system, suggest areas for improvement, and engage their local communities in dialogue about health service delivery. Following their first two years of operation, it has become clear that the role of the Councils should be defined further. In consultation with council members and zone leadership, an amended bylaw and charter have been put forward for approval.

**The Alberta Health Services Board:**

- (a) approved the Amended Bylaw for AHS Establishing Health Advisory Councils (the “Bylaw”) and the amended Health Advisory Council Charter (the “Charter”) in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of AHS considers necessary or advisable, and subject to approval of the Bylaw by the Minister of Health and Wellness; and
- (b) authorized and directed management of AHS to request that the Minister of Health and Wellness approve the Bylaw.

➤ [Link to Bylaw \(once approved\) and Charter](#)

**8. Health Advisory Council Member Appointments**

The Regional Health Authorities Act and AHS require that the Board approve appointments of members to the Health Advisory Councils. Following a recruitment campaign this fall to fill vacancies on the Lesser Slave Lake Health Advisory Council, combined with recent community realignments in the Tamarack and Greater Edmonton Health Advisory Councils.

**The Alberta Health Services Board:**

- 1. appointed the following individuals as members to the Health Advisory Council (“HAC”) indicated for a term of three years effective March 15, 2012:

Health Advisory Council	Location	Candidate
Lesser Slave Lake	Wabasca	Ernie Grach
Lesser Slave Lake	Slave Lake	Tyler Warman
Lesser Slave Lake	Slave Lake	Angel Meinecke
Lesser Slave Lake	Slave Lake	Helen Taylor
Greater Edmonton	St. Albert	Sara Hassen Parker

- 2. appointed the following individuals as members to the HAC indicated for a term of three years effective pending approval of the HAC boundary changes in the Amended Bylaw for AHS Establishing Health Advisory Councils by the Minister of Health and Wellness:

Health Advisory Council	Location	Candidate
Tamarack	Swan Hill	Mark Pickering
Lakeland Communities	Redwater	Mel Smith

**9. Appointment of Trustees to Foundations**

Appointments are made to foundations and health trusts that fall under the Regional Health Authorities Act based on recommendations made to the AHS Board.

**The Alberta Health Services Board appointed or re-appointed, as applicable, the following individuals**

as trustees to the following foundation for the term indicated, effective March 15, 2012,  
unless otherwise indicated below:

Foundation	Name	Period of Appointment
Alberta Cancer Foundation	John Osler	One Year Term (effective September 2012)
Alberta Cancer Foundation	Dr. Paul Grundy	Three Year Term
Brooks & District Health Foundation	Rolf Bander	Three Year Term
Brooks & District Health Foundation	Kasey Olsen	Two Year Term
Mental Health Foundation	Dr. Patrick Joseph White	Three Year Term
Peace River & District Health Foundation	Doug Dallyn	Three Year Term
Peace River & District Health Foundation	Monique Lavoie	Three Year Term

#### **10. Philanthropic and Honorific Naming and Recognition Policy**

AHS has developed the Philanthropic and Honorific Naming and Recognition policy in order to set a consistent process for governing the recognition of contributions to AHS entities by its 64 partner foundations and health trusts. These partners provide critical financial support and advocacy that helps transform health service delivery in Alberta. The policy provides a consistent and equitable process while ensuring all partner foundations and health trusts have the opportunity to solicit funding with naming and recognition benefits attached. This is an AHS policy and does not replace the donor recognition policies or grid that foundations may have in place, except as it specifically applies to the naming of AHS buildings, structures, spaces, departments, divisions, programs, research chairs, institutes and centres.

##### **The Alberta Health Services Board:**

- (a) approved the Philanthropic and Honorific Naming and Recognition Policy in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of AHS considers necessary or advisable; and**
- (b) authorized and directed management of AHS to take all such other action as management considers necessary or advisable in order to give full effect to the foregoing.**

#### **11. AHS Strategic Direction 2012-2015**

AHS is entering the third year of Alberta's 5-Year Health Action plan and funding commitment from the Government. It is working to transform the system to meet the health needs of Albertans, and the AHS Strategic Direction 2012-2015 document is the foundation that will take the organization to 2015. AHS continues to be accountable for its performance measures and targets as outlined in the 5-Year Health Action Plan.

**The Alberta Health Services Board:**

- (a) approved the “Alberta Health Services Strategic Direction 2012 – 2015” in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of AHS considers necessary or advisable; and**
- (b) authorized and directed management of AHS to make this report available to the public through the AHS website.**

➤ [Link to Report \(once available\)](#)

Over the two days the Board met at the Canmore General Hospital, they had a discussion with Mr. Doug McDermid of the Tamarack Health Advisory Council with respect to work being done by this council in the Tamarack area, and were given presentations on Family Care Clinics and Strategic Care Networks.

In addition, the Board attended a Report to the Community Event, and received a tour of the Canmore General Hospital.