

SUMMARY OF THE PUBLIC BOARD MEETING – June 6, 2013

The Alberta Health Services (“AHS”) Board met on June 6, 2013 at the Royal Alexandra Hospital in Edmonton. 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. If you have any questions regarding this information, please contact the Board Office at ahsb.admin@albertahealthservices.ca.

ITEMS OF DISCUSSION

1. [QS13-23] AHS Performance Report: Q4, 2012/2013
2. [AFC13-41] AHS Investment Policy Amendments
3. [AFC13-70] Fourth Quarter Investment Report 2012/2013
4. [AFC13-71] RFP for Home Care Services (Edmonton & Calgary)
5. [AFC13-74] Delegation of Authority for Cancer Care Physician Agreement
6. [AFC13-75] Internal Audit and Enterprise Risk Management Plan
7. [AFC13-76] Internal Audit Charter
8. [AFC13-91] 2012/2013 Year End Financial Statements and Financial Statement Discussion and Analysis
9. [AFC13-92] Alberta Health Services Annual Report 2012-2013
10. [HAC13-10] Health Advisory Council Member Appointment
11. [HAC13-12] Appointment of Trustees to Health Foundations
12. [GOV13-09] Delegation of Legislative Authority under the *Mental Health Act* and the *Protection of Children Abusing Drugs Act*
13. [GOV13-10] Governance Document Framework

1. [QS13-23] AHS Performance Report: Q4, 2012/2013

The Fourth Quarter Performance Report for 2012/2013 shows that AHS’ performance measures have improved compared to last year. Sixteen percent of the indicators have met target, 45 percent show improvement over the prior year, and 11 percent have remained stable. AHS is building on the success of the past year and has many initiatives underway to continue work to improve the quality of care delivered and access to health care services. This includes efforts to further reduce wait times, decrease the number of patients awaiting placement for continuing care beds and improving access to cancer care. In areas where AHS is not meeting targets, actions are being taken to improve performance and implement strategies for improvement.

Overall, the Board is satisfied with the performance and progress as described in this report.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”):

- (a) approved the “Alberta Health Services Q4 Performance Report 2012/2013” 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 deliver this report to the Minister of Health, and thereafter to make this report available to the public through the AHS website.

➤ [Link to AHS Performance Report: Q4, 2012/2013](#)

2. [AFC13-41] AHS Investment Policy Amendments

AHS is required to review the Investment Policy, Investment Bylaw and Borrowing Bylaw periodically and recommend any relevant amendments to the Board.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) approved the amended AHS Investment Policy in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of AHS considers necessary or advisable.

➤ [Link to Policy \(once it’s available\)](#)

3. [AFC13-70] Fourth Quarter Investment Report 2012/2013

The Fourth Quarter Investment Report 2012/2013 was prepared by Phillips, Hager & North Investment Management Ltd. and Standard Life Canada. Under the Alberta *Regional Health Authorities Regulations*, the AHS Board is required to approve or ratify investment decisions. The Fourth Quarter Investment Report details all investment transactions for AHS for the period of January 1 to March 31, 2013.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) ratified the investment transactions described below, as reviewed by the Committee of the Whole, 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 March 31, 2013, Alberta Health Services held restricted and unrestricted funds managed by Phillips, Hager and North Investment Management Ltd. and Standard Life Canada totaling \$1.632 billion;
- (b) the 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 March 31, 2013, were invested in accordance with the Investment Bylaw and Investment Policy.

4. [AFC13-71] RFP for Home Care Services (Edmonton & Calgary)

AHS requested to authorize the President & CEO to implement two Home Care Services contracts for the Edmonton and Calgary Zones for a five-year term. The vendors were selected through a competitive bid, and the process has ensured vendors will be held to consistent requirements and accountabilities in both Zones. Previous contracts were established by the former regional health authorities and were inconsistent.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”):

- a) approved the Home Care Services agreement effective June 1, 2013 between Alberta Health Services and CBI Home Health (AB) Limited Partnership for the provision of home care services in both the Calgary and Edmonton Zones, for a five year term ending May 31, 2018, and in the maximum amount of \$235,707,695, on substantially the terms and conditions reviewed by the Committee of the Whole;
- b) approved the Home Care Services agreement effective June 1, 2013 between Alberta Health Services and Bayshore Healthcare Ltd. for the provision of home care services in both the Calgary and Edmonton Zones, for a five year term ending May 31, 2018, and in the maximum amount of \$136,105,945, on substantially the terms and conditions reviewed by the Committee of the Whole; and
- c) authorized the President and CEO of Alberta Health Services to execute the CBI Agreement and the Bayshore Agreement on behalf of Alberta Health Services.

5. [AFC13-74] Delegation of Authority for Cancer Care Physician Agreement

The new Cancer Care Physician Agreement outlines the details of the agreement with cancer care physicians working with AHS, with a term to March 31, 2014.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services ("AHS"):

- a) approved the agreement for the provision of clinical services between Alberta Health Services and the Cancer Care Physicians, represented by the Alberta Medical Association, effective April 1, 2011, on substantially the terms and conditions reviewed by the Committee of the Whole; and
- b) authorized the President and CEO of Alberta Health Services to execute the Agreement on behalf of Alberta Health Services.

6. [AFC13-75] Internal Audit and Enterprise Risk Management Plan

The Audit and Finance Committee periodically reviews and recommends amendments to the Internal Audit and Enterprise Risk Management Plan.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services ("AHS"):

- (a) approved the Internal Audit and Enterprise Risk Management Plan and Budget in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of Alberta Health Services considers necessary or advisable; and
- (b) authorized and directed management of Alberta Health Services to take all such other action as management considers necessary or advisable in order to give full effect to the foregoing.

7. [AFC13-76] Internal Audit Charter

The Audit and Finance Committee has reviewed and approved the Charter. The last update was in March 2012.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”):

- (a) approved the amended Internal Audit Charter in the form reviewed by the Committee of the Whole, with such non-substantive changes that management of Alberta Health Services considers necessary or advisable; and**
- (b) authorized and directed management of Alberta Health Services to take all such other action as management considers necessary or advisable in order to give full effect to the foregoing.**

➤ [Link to Charter \(once it's available\)](#)

8. [AFC13-91] 2012/2013 Year End Financial Statements and Financial Statement Discussion and Analysis

The 2012/2013 Year End Financial Statements and Financial Statement Discussion and Analysis for the year ended March 31, 2013 indicate an operating surplus of \$106 million, compared to a budgeted deficit of \$8 million. The \$114 million variance is primarily due to timing differences in implementing new health care initiatives and recruiting physicians and staff positions. Total revenue for the 2012-13 fiscal year was \$12.674 billion. Expenses for the year increased by seven per cent from 2011-12 and were lower than budget by 1.3 per cent. The increase was mainly due to labour and contract inflation, increased volume and expansion of services. Our distribution of expenses remained consistent with the previous year, with inpatient nursing services and diagnostic and therapeutic services making up over 40 per cent of total expenses. The largest increase was seen in home care services. Administration expenses amount to \$444 million, resulting in a negative variance of \$8 million or 1.8 per cent, due to operational and physician recruitment delays.

The statements approved also include senior executive compensation.

Overall the board is satisfied with the financial statements and analysis as presented.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) approved the following:

1. The internal restrictions as at March 31, 2013 of:

- (a) \$916.563 million to represent the amount of net assets invested in tangible capital assets and not available for any other purpose;**
- (b) \$16.144 million for start up costs of South Health Campus in Calgary;**
- (c) \$27.289 million to fund cancer research;**
- (d) \$32.475 million for the parking infrastructure reserve for future major maintenance, upgrades and construction;**
- (e) \$11.919 million for specific local initiatives as a result of local fundraising; and**

- (f) \$0.330 million to establish a reserve to assist with future upgrades, maintenance, equipment, and construction costs for retail food services operations.

2. The AHS:

- (a) Consolidated Financial Statements for the year ended March 31, 2013; and
 - (b) Financial Statement Discussion and Analysis for the year ended March 31, 2013 for inclusion in the AHS Annual Report;
- both in substantially the form attached, with such non-substantive changes that management of AHS considers necessary or advisable;

3. And furthermore, management of AHS was authorized and directed to take all such other action as management of AHS considers necessary or advisable in order to give full effect to the foregoing.

➤ [Link to 2012/2013 Year End Financial Statements and Financial Statement Discussion and Analysis](#)

9. [AFC13-92] Alberta Health Services Annual Report 2012/2013

The AHS Annual Report for 2012 – 2013 was prepared in accordance with instructions outlined by Alberta Health. The report details that the past 12 months have been a time of progress and improvement for AHS. The overall performance is trending in the right direction. We recognize that there is still work ahead, but we are making great strides forward. Some of the highlights of this year's report include a 19 per cent increase in the number of hip and knee replacement surgeries, with reduced wait times for both procedures, a dramatic improvement of 22 per cent in wait times for cataract surgeries, and an 62.5 per cent increase in the number of PET and CT scans in the Calgary Zone. In addition, we opened 862 continuing care beds and celebrated the official opening of the Kaye Edmonton Clinic and Calgary's South Health Campus.

Overall, the Board was satisfied with the content of this report.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services ("AHS"):

- (a) approved the "Alberta Health Services Annual Report 2012-2013" 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 deliver this report to the Minister of Health, and thereafter to make this report available to the public through the AHS website.

➤ [Link to Alberta Health Services Annual Report](#)

10. [HAC13-10] Health Advisory Council Member Appointment

There are 12 Health Advisory Councils in Alberta, established in 2009 under the *Regional Health Authorities Act*. Councils work to engage Albertans living in communities throughout the province in dialogue about local health services, and provide feedback gathered about what is working well and suggest areas for improvement to AHS.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) re-appointed Ms. Wilma Mulder as a member to the Oldman River Health Advisory Council for a term of three years, effective June 6, 2013.

11. [HAC13-12] Appointment of Trustees to Health Foundations

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

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) appointed or re-appointed, as applicable, the following individuals as trustees to the Foundations indicated in the table below, for the term specified below, effective June 6, 2013:

Foundation	Name	Term (Years)
Alberta Cancer Foundation	Mr. Don Lowry	3
	Ms. Angela Boehm	3
Brooks & District Health Foundation	Ms. Wendy Metcalf	3
	Ms. Loretta Darago	3
	Ms. Cindy Simpson	3
Crowsnest Pass Health Foundation	Ms. Wilma Chorney	3
David Thompson Health Trust	Ms. Laurie Melnyk	3
Medicine Hat & District Health Foundation	Mr. Donovan Dempster	3
Mental Health Foundation	Mr. Cody Lakevold	3
	Ms. Margo Schulte Long	3
Oyen & District Health Care Foundation	Mr. Vince Grudecki	3
	Mr. Gordon Butler	2

12. [GOV13-09] Delegation of Legislative Authority under the *Mental Health Act* and the *Protection of Children Abusing Drugs Act*

Both the Delegation of Legislative Authority under the *Mental Health Act* and the *Protection of Children Abusing Drugs Act* were enacted prior to AHS’ formation in 2008. The Minister of Health has directed AHS to coordinate and carry out the duties of each act.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) approved the following delegations of legislative responsibilities to the President and Chief Executive Officer (the “CEO”):

1. pursuant to section 48(3) of the *Mental Health Act* (Alberta) (the “MHA”), the CEO be granted the powers and duties set out in the MHA and applicable regulations, where reference to the “board” or “regional health authority” are utilized;
2. pursuant to section 10(1) of the *Protection of Children Abusing Drugs Act* (Alberta) (the “PChAD”), the CEO be granted the powers and duties set out in the PChAD and applicable regulations, where reference to the “Co-ordinator” is utilized;

3. any prior delegations respecting the powers and duties set out in the MHA or the PChAD and applicable regulations are revoked without prejudice to the effectiveness of any lawful exercise, prior to the date of this revocation, of the powers and duties assigned under the prior delegation; and

directed the CEO to take whatever steps necessary or advisable to give effect to this approval, including determining if further delegation is necessary and to approve such further delegation, or changes to further delegation as the case may be.

13. [GOV13-10] Governance Document Framework

When AHS was first created, a Governance Framework was established and approved by the Board. A recommendation regarding the management of this framework as a reference document was put forth for Board approval.

UPON MOTION duly moved, seconded and unanimously carried, the Board of Alberta Health Services (“AHS”) authorized and directed management of AHS to assume responsibility for the Governance Document Framework as a reference document.

Over the two days the Board met at the Royal Alexandra Hospital, they had a discussion with Mr. Michael Osborne, Chair of the True North Health Advisory Council, with respect to work being done by this Council in the North Zone. In addition, the AHS Board and Executive met with Covenant Health and the Board Chair and the President and Chief Executive Officer of AHS met with the Provincial Advisory Council on Addictions and Mental Health.