

PUBLIC BOARD MEETING

Minutes of the meeting of the Alberta Health Services (“AHS”) Board (the “Board”) held at Southport Tower, Rooms 1002 and 1003, 10301 Southport Lane SW, Calgary, on April 27, 2016.

Attendees

Board Members: Ms. Linda Hughes (Chair)
Dr. Brenda Hemmelgarn (Vice-Chair)
Mr. Richard Dicerni
Mr. Hugh Sommerville
Ms. Marliss Taylor

Management: Dr. Verna Yiu, Interim President & Chief Executive Officer
Deborah Rhodes, Vice President, Corporate Services & Chief Financial Officer
Colleen Turner, Interim Vice President, Community Engagement & Communications
Ronda White, Chief Audit Executive
Ms. Catherine MacNeill, Corporate Secretary & General Counsel

Regrets: Mr. David Carpenter
Ms. Glenda Yeates

Ms. Hughes acted as Chair of the meeting and Ms. MacNeill acted as Corporate Secretary.

Ms. Hughes called the meeting to order at approximately 5:15 p.m. Notice of the meeting had been properly given and quorum was met.

❖ **Review of Agenda**

UPON MOTION duly moved, seconded and unanimously carried, the Board approved the agenda for the meeting of the Board held on April 27, 2016, which was provided to the Board in advance of the meeting.

❖ **Declaration of Conflicts of Interest**

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

1. Approval of Minutes – March 30, 2016

UPON MOTION duly moved, seconded and unanimously carried, the minutes of the Alberta Health Services Board meeting held on March 30, 2016 were approved and the Chair of the Board and Corporate Secretary were authorized and directed to sign the minutes in the form so approved; and the Corporate Secretary was directed to file them, together with all ancillary documents attached thereto, in the corporate records of Alberta Health Services and to deliver a copy of these to the Minister of Health.

❖ **Comments**

a. Comments from the Chair

The following is an abstract of Ms. Linda Hughes', Board Chair, remarks at the meeting. It is not an official transcript:

Good afternoon everyone.

Thank you for joining us today for this month's public Board meeting — the first in Calgary since the Board was reintroduced last year. It is good to be here.

Dr. Verna Yiu, the Interim President and CEO, will shortly be speaking about a few developments, including the release of 2016 provincial budget earlier this month and what it means for AHS.

First, I want to update you on a few matters. All committees of the Board have been working including the Governance Committee, the Quality & Safety Committee and the Human Resources Committee. Today, we will hear from the other three committees, the Community Engagement Committee, the Audit & Risk Committee and the Finance Committee.

Last month, the Board announced the formation of the Community Engagement Committee ("**Committee**"), a new standing committee that is tasked with overseeing AHS's community engagement activities and approach. The Committee held its inaugural meeting earlier this month. The members were presented an overview of current community engagement work, including that of Health Advisory Councils, Provincial Advisory Councils, the Wisdom Council, foundations and trusts. They also discussed membership recruitment for those groups. These are early days for the Committee but I believe it will do great work for the benefit of patients, families, staff and all of the communities.

Today, the Board will approve the 2016-19 Internal Audit and Enterprise Risk Management Department Plan. This is an important document for AHS. It helps the organization to effectively manage uncertainty by measuring, prioritizing and responding to the risks that challenge strategic objectives, projects, initiatives and day-to-day operations.

Another vital document, the 2016-17 Health Plan, is almost in final form. It will be coming to the Board for approval in June.

Finally, AHS continues the process of recruiting a President and CEO and we hope to have a permanent President & CEO announced before the summer.

The Board recognizes the work AHS does and would like everyone to know that they are valued and appreciated. Working in any large organization has its ups and downs; and, rightly so, AHS is scrutinized by the public, the media and elected officials. That said, I have met many people who work at AHS over the last few months, and my experience is that this is a group of people who are dedicated and hard-working; they are patient-focused people who go the extra mile every day to provide the best care to Albertans; they work hard, are compassionate and kind; and, they deal with complex, emotional, sometimes life and death decisions. I am proud to be part of this organization, and I believe the whole Board is. I would like to thank all of those who are part of AHS, whether you are a staff member,

clinician, member of our advisory councils, volunteer, or partner. I want to say today, thank you on behalf of the Board for all that you do.

b. Comments from the Interim President & Chief Executive Officer

The following is an abstract of Dr. Verna Yiu's, Interim President and Chief Executive Officer, remarks at the meeting. It is not an official transcript:

Thank you, Linda, and good afternoon everyone. I am pleased to be here in Calgary for this month's public Board meeting.

Today I would like to share with you some thoughts about the new provincial budget — and what it means for AHS.

We all recognize the turbulent economic times. So AHS appreciates that we received a 3.4 percent increase in our base operating grant from Alberta Health. In the current climate, that is a significant investment of new dollars into the health care system and, by extension, into the health and wellness of Albertans. The base operating grant funding is a major component of our overall AHS budget and will enable AHS to maintain core services, supports and programs, and to invest new dollars into areas that matter most to Albertans. Taking into account all sources, this translates into a 2.6 percent increase overall in revenues.

Details on where we will invest health dollars, and the outcomes we expect, will be outlined in the AHS 2016-17 Business Plan that is expected to go to the Board for approval in June. However, I can share some high-level items this afternoon. With the increased revenue, AHS will make further investments in high-priority areas. We want to help seniors stay safe, healthy and independent in their own homes. When that is not possible, we want to make sure they can access a continuing care living option tailored to their personal and medical needs. To help us achieve those goals, we will invest new dollars to expand home care hours and to open hundreds of additional continuing care beds across the province during this fiscal year.

We will also spend additional dollars to improve access to addiction and mental health services, cancer care and surgical care. Again, these are all areas that Albertans have identified as priorities. Alberta continues to lose too many lives to dangerous, illicit drugs. New restricted grants from Alberta Health will be invested to expand treatment for patients with opioid dependencies, including fentanyl, and to add additional detox beds where they are most needed.

In addition, capital investments will be made in facilities, medical equipment, and information technology as these investments are integral to AHS' clinical and business processes and are key enablers for innovation and transformation.

Our Strategic Clinical Networks — or SCNs — are also driving innovation, transformation and value, and they will receive additional dollars to expand their important work. This is really an investment that pays dividends. SCNs are developing care pathways that are improving the quality of care while helping us avoid costs by reducing readmission rates and hospital lengths of stay. AHS must always be cognizant of quality — and, yes, costs. We must be good stewards of taxpayer dollars and we must live within our means.

Our revenues are increasing, but that increase does not keep pace with rising costs related to population growth, an aging population, increased use of services, inflation and many other factors. We need to bring down our rate of spending and to do that we need to find savings without affecting patient care. The good news is that it is possible and we are doing it. According to the Canadian Institute for Health Information, AHS spends 3.2 percent of its total expenditures on administration — that is amongst the lowest in healthcare in Canada.

We are finding efficiencies in our business operations. For instance, we have reduced our costs for consulting services by 35 percent since 2012, and a new mobility contract and policy have cut our costs in that area by 37 percent. Savings like this helps our financial sustainability and enables us to invest health dollars where they will have maximum benefit.

I would like to talk about one project we are investing in that will:

- improve quality of care;
- improve safety; and
- improve patient satisfaction for every Albertan who accesses the health system at any point of entry.

AHS has allocated \$32 million in this fiscal year to create the groundwork for a provincial Clinical Information System (“CIS”). The CIS will consolidate the health information that currently exists in more than 1,800 different, unconnected systems used to collect and store patient information. The new CIS will create a foundational, comprehensive health record and plan for every Albertan.

It will: enable better flow of information across the continuum of care; support evidence-based care; ensure multi-disciplinary teams deliver co-ordinated care; and, improve transitions between care settings.

This will benefit everyone who is in the health system, but especially those individuals who see multiple care teams for multiple conditions. With CIS, those individuals will have their medical history, treatment plan and a list of current and past medications in one central repository. A patient will no longer need to repeat this information every time he or she meets a new care provider. Instead, the information is recorded electronically and not on slips of paper; and this information can be accessed by every health professional who is caring for that patient, whether it is a surgeon, a specialist, a family doctor or a pharmacist.

[A video was shown with respect to what a CIS means to the health system and the people AHS serves.]

The provincial CIS will be implemented in a phased approach jointly funded by AHS and Alberta Health. The \$32 million AHS has allocated for 2016-17 will cover costs for the initial implementation steps. The government has committed \$100 million a year for the next four years to support this project, beginning in the 2017-18 fiscal year. In addition to the \$400 million committed by the government, AHS will reallocate resources and reinvest the savings that the new system will generate.

We have already started work on this project by consulting with a broad range of stakeholders, including AHS senior leadership, staff, patients and their families, communities, professional practice associations, and our SCNs.

We will continue to engage stakeholders as this project moves forward in order to ensure the system meets the needs of Albertans now and into the future.

AHS will move forward this spring with a request for proposals, or RFP, for the technology platform.

During the next year, we will complete the RFP process, create the clinical standards that will be embedded into the system, and start building the basic infrastructure.

This is a very exciting development and, as a front-line care provider myself, I can vouch for the fact that patients, families and health care providers will welcome the new CIS.

I would like to thank the staff, clinicians and patients who have been involved in pushing this project forward.

Finally, I would like to thank all of you here for attending today's public Board meeting. AHS belongs to you. This is your health system. I appreciate your interest in what we are doing to make it the best health system possible for Albertans.

Thank you.

Ms. Linda Hughes, Board Chair, asked Dr. Yiu, if in the long term patients will have access to their own health records. Dr. Yiu advised that the long term plan, which is being lead by Alberta Health, is having a health portal available for all Albertans. This plan is currently being rolled out.

2. Community Engagement Committee

Dr. Brenda Hemmelgarn, Chair of the Community Engagement Committee ("Committee"), noted that AHS recognizes the importance of engaging stakeholders, from patients to the general public; and that it has established mechanisms for allowing unique, meaningful opportunities for stakeholders to provide valuable insight and perspectives. She commented that the Board also recognized the importance of community engagement and important work that the advisory councils are conducting across the province and as a result the Governance Committee recommended the establishment of a Community Engagement Committee as a standing committee of the Board.

Dr. Hemmelgarn provided an overview of the Committee's inaugural meeting on April 13, 2016 noting that there was a presentation of an overview of community engagement in AHS – including the work of the Health Advisory Councils, Provincial Advisory Councils, Wisdom Council, Foundations, including Trusts, the Health Professions Council, the Patient and Family Advisory Council, and the Alberta Clinician Council. She noted that Mr. Larry Albrecht, Chair, Council of Chairs (HAC) & Prairie Mountain HAC, attended the meeting and spoke about the Council of Chairs and the role and work of the HACs. Dr. Hemmelgarn further advised that the Committee discussed membership recruitment for the various groups and the community engagement framework being developed by management.

3. Finance Committee

Mr. Richard Dicerni, Vice-Chair of the Finance Committee, advised that the Finance Committee (the "Committee") met April 14, 2016 and reviewed two documents, the draft of the 2016-17 Health Plan (the "Health Plan") and the Business Plan and Budget for 2016-17 (the "Business Plan"). Mr. Dicerni

advised the provincial budget was introduced April 14, 2016 and it provided an envelope that is an increase over the previous years. He advised the Health Plan in general lays out the strategies which will be pursued, as well as the Business Plan, or in other words the Budget, which describes in some greater detail where the money will be spent. He advised the Health Plan and the Business Plan will be reviewed by the Board in June and then submitted to the Minister of Health for final approval and then will be posted on the AHS public website.

4. Audit & Risk Committee

a) Report to the Board

Mr. Hugh Sommerville, member of the Audit & Risk Committee (the "Committee") advised that the Committee met on April 14, 2016. He noted that the standard practice for the Committee is that the Office of the Auditor General ("OAG") and KPMG are guests at the meetings in their role as external auditors of AHS. The OAG and KPMG spoke of work underway for the audit of the 2015-16 fiscal year.

b) [ARC16-20] Internal Audit Charter

Mr. Sommerville advised the Chief Audit Executive reports annually to the Committee on the adequacy and relevance of Internal Audit's mandate, authority and responsibility as defined in the Internal Audit Charter. The Committee is responsible to recommend annually that the Board approve the Internal Audit Charter. The Committee reviewed the Internal Audit Charter dated April 2016 and recommended the Board approve it. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board approved the amended Internal Audit Charter, April 2016, in the form reviewed by the Committee, with such non-substantive changes that management of Alberta Health Services considers necessary or advisable.

c) [ARC16-21] 2016-19 IA/ERM Department Plan

Mr. Sommerville advised the Committee is responsible for reviewing the Internal Audit and Enterprise Risk Management Plan (the "Plan") and recommending its approval to the Board. The Plan is a three year rolling plan that is aligned with the AHS strategic priorities, key risk and the Health Plan. The Plan addresses mandates, value drivers, departmental goals, strategies, and projects. The Committee recommended that the AHS Board approve the Plan. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board approved the 2016-19 Internal Audit & Enterprise Risk Management Department Plan in the form reviewed by the Board with such non-substantive changes that management of Alberta Health Services considers necessary or advisable.

❖ **Adjournment**

There being no further business, the meeting was adjourned at 5:35 p.m.

/S/

Linda Hughes
Chair

/S/

Catherine MacNeill
Corporate Secretary & Legal Counsel