

PUBLIC BOARD MEETING

Minutes of the meeting of the Alberta Health Services (“AHS”) Board (the “Board”) of held at Boardroom A, Main Floor, Seventh Street Plaza, 10030-107 Street NW, Edmonton, on June 3, 2016.

Attendees

Board Members: Ms. Linda Hughes (Chair)
Dr. Brenda Hemmelgarn (Vice-Chair)
Mr. David Carpenter
Mr. Hugh Sommerville
Ms. Marliss Taylor
Ms. Glenda Yeates

Management: Dr. Verna Yiu, Interim President & Chief Executive Officer
Dr. Francois Belanger, Acting Vice President, Quality & Chief Medical Officer
Mr. Todd Gilchrist, Vice President, Human Resources
Ms. Deborah Rhodes, Vice President, Corporate Services & Chief Financial Officer
Ms. Colleen Turner, Interim Vice President, Community Engagement & Communications
Ms. Ronda White, Chief Audit Executive
Ms. Catherine MacNeill, Corporate Secretary & General Counsel

Regrets: Mr. Richard Dicerri

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

Ms. Hughes called the meeting to order at approximately 11:00 a.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 June 3, 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 – April 27, 2016

UPON MOTION duly moved, seconded and unanimously carried, the Board approved the minutes of the Alberta Health Services Board meeting held on April 27, 2016 and authorized and directed the Board Chair and Corporate Secretary to sign the minutes in the form so approved; and directed the Corporate Secretary to file them, together with all ancillary documents attached thereto, in the corporate records of AHS and to deliver a copy of these to the Minister of Health.

❖ **Comments**

• **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, and welcome to this month's public Board meeting. This is a significant day for AHS.

Today, the Board has given its official endorsement of Dr. Verna Yiu as the new permanent President and CEO. As I mentioned at an earlier Board meeting, many high-quality candidates applied for this position. Dr. Yiu is clearly the best choice for the organization at this time. Late last year, the Board asked Dr. Yiu to step into the position on an interim basis because we were confident that she had the experience, and the leadership and personal skills to steady the ship, during a time of transition. Dr. Yiu did more than steady the ship over the last five months, she captained it right from the first day on the job. She helped inspire, mobilize and build relationships within AHS and our partners. For that, Dr. Yiu has earned the confidence of the Board and, judging on the amazing feedback we have been receiving all week, she has also earned the trust and confidence of the AHS workforce.

On behalf of the Board, I would like to thank Dr. Yiu for taking on this assignment on a permanent basis. The Board is confident she is the right leader for AHS.

The Board selection of a new CEO coincides with today's approval of the 2016-17 Health Plan and Business Plan, which outlines our strategies and goals over the coming year. The four high-level goals are to:

- build a culture of patient, family and community centred care to improve the patient experience;
- improve health outcomes through clinical best practices;
- ensure AHS staff, physicians and volunteers feel safe, healthy and valued; and
- achieve financial sustainability through organizational best practices.

Our focus is on how we can improve patient health care experiences and quality of care. AHS will monitor its progress through 17 performance measures that reflect a balance across the health care system.

We have a good plan and we have a strong leader. Now we need to execute this plan and make sure we are not just talking about improving the health system, but that we are actually doing it.

We must open new continuing care beds and expand home care hours. We need to improve access to addiction and mental health services, as well as to emergency, cancer and surgical care. We need to expand treatment for patients with opioid dependencies, including fentanyl, and add additional detox beds where they are most needed. Our Strategic Clinical Networks must continue driving innovation, transformation and value; and we need to start laying the foundation for a provincial clinical information system ("CIS"). AHS, as you may currently know, has more than 1,300 unconnected systems storing patient information. When the CIS project is complete, Alberta will be one integrated system where health providers can access comprehensive and consolidated patient information -- information

that will travel with patients wherever they access the health system. Patients will be able to access their own health information. This is a pivotal part of our development as a provincial health system.

Despite the work ahead of us, great care happens every single day within AHS. Our staff, physicians and volunteers directly or indirectly save the lives of Albertans daily. They help Albertans improve their quality of life; and, as we have seen in recent weeks, they provide exceptional care and comfort to Albertans in crisis. As I have spoken, you may have seen on the screens what happens at AHS during an average day. For instance, every day, more than 75 people who were treated in hospital for life-threatening conditions return to their families. Every day, more than 150 babies are born. Every day, we respond to more than 1,400 EMS calls and more than 2,000 Health Link calls.

Separately, each of these statistics is impressive, but together, they are staggering, and speak to a health system that is providing Albertans the care they need from birth to end-of-life.

This is a credit to everybody at AHS, including the Executive Leadership and Senior Leadership Teams for their direction and vision; and, also to the staff, physicians and volunteers of AHS for their dedication, energy and compassion. I believe AHS is on the right path.

Dr. Yiu's appointment represents stability and continuity that will enable the organization to maintain its focus on priorities that matter most to Albertans and to move forward on important work without interruption or delay.

I would now ask Dr. Yiu to say a few words about two important pieces of work, as well as something we are all very proud of, the AHS response to the Fort McMurray wildfires.

- **Comments from the 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 morning to everyone.

It is truly an honour to sit before you today as the permanent President and CEO of AHS. It is my first day officially in this role. I would like to thank the Board for all your support over the past five months, and for the trust you have placed in me. I am very privileged to have the opportunity to continue in this role, to follow through on the plans we have developed to reach the goals we have set. I care deeply about AHS and I want to do everything I can as AHS continues its evolution into becoming a high-performing, learning health system organization. We are going down that path now and I am looking forward to being part of that journey.

Linda has mentioned some of the work ahead of us. I would like to spend a few minutes talking about one project we have recently completed.

Two weeks ago, AHS launched the Thanks For Caring website. It provides a simple way for Albertans to express thanks to the people at AHS who have provided exceptional care and whose kindness has made a difference in their lives. Albertans can go to www.thanksforcaring.ca and post messages of gratitude for care received from any person working in any role at any AHS site. The thank you notes can be personalized from a menu of page shapes, background colours, fonts and emojis. Posted messages can

be viewed publicly on the website, as well as shared through social media. If there is enough information provided to identify an individual or care team, we will send them an email with a link to their thank you message.

The website was developed for a few reasons. First, there was a need for it. About 1,500 patients, clients and families send commendations to AHS every year, thanking staff, physicians and volunteers for the care and help provided. The website makes it easier for the people we serve to give feedback and tell their stories. Second, this is an opportunity to showcase the great care our people provide every day, and to capture a snapshot of their extraordinary efforts. I cannot over emphasize the importance of being acknowledged for doing a good job.

The site builds on a similar website we launched in 2015 called "Thank a Paramedic". I encourage Albertans to visit the website and to share their stories.

I would like today to share an update on a recent Canadian Institute for Health Information update that shows how AHS is performing compared to other health jurisdictions. The update is part of a web project called Your Health System. Out of 45 health indicators, AHS ranks amongst the top 3 in the country in sixteen of these and is ranked number 1 in the following six: administrative expense; repeat hospital stays for mental illness; hospital deaths following major surgery; perceived health; potentially inappropriate use of antipsychotics in Long Term Care; and, total time spent in emergency department for admitted patients.

In areas where we are performing well, we will continue to strive for more improvement. We remain focused on areas that still need work. From my perspective, we are seeing success and progress and I am very proud of the teams who are working hard for the care of all Albertans.

Finally, I want to finish off with a few words of gratitude. We are now about one month into our wildfire response and at day three of re-entry. I wish to publicly thank the staff, physicians and volunteers of AHS and our partner organizations for going above and beyond to help the tens of thousands of Albertans displaced by this natural disaster. This has been a massive team effort, a truly provincial effort, and the stories of courage and compassion that I am hearing on a daily basis are both inspirational and humbling.

I would like to focus your attention on the screens for a video about the AHS disaster response.

[A video was shown with respect to the AHS disaster response.]

Hearing these stories, and the voices of our people, makes me proud to be part of this amazing organization.

I want to point out the song in the video was written and performed by an AHS employee, Ken Garnett, who works in maintenance in the Peace region. He says he wrote it because he wanted to help Albertans, and especially the evacuees, maintain a positive spirit during these difficult times.

My heart goes out to the people in that community who have lost so much. This includes our own staff, physicians and volunteers. Estimates suggest one in five people within our Fort McMurray workforce have lost their homes. As an organization, AHS will do our best to support our people who, despite their own personal situations, have worked to restore health services in their community.

This week, we re-opened the Emergency Department at the Northern Lights Regional Health Centre. The rest of the hospital will open once we are able to clean, re-supply and re-start equipment. The reopening of the Northern Lights Regional Health Centre will be a milestone event and one that will likely provide a boost to the psyche of the community and our staff. Yet we still have much work ahead of us, especially in helping Albertans deal with the emotional toll of this disaster. Just as we did in Slave Lake in 2011, and in southern Alberta in 2013, we are devoting additional mental health resources to help displaced Albertans cope with this disaster and put their lives back together again.

Our staff, physicians and volunteers fill me with pride, but also with optimism. They have helped steer this province through tough times in the past and they are doing it again now. That is why I know we will get through this difficult time together, and we will help our northern Alberta communities get back on their feet.

I would like to thank our people for their incredible effort and dedication, and I would like to thank you for being here today, and for your interest in AHS.

2. Search Committee

Ms. Linda Hughes, Board Chair, advised that the Board has been sitting as a Search Committee since January. She asked Dr. Brenda Hemmelgarn, Board Vice-Chair to make a motion from that Search Committee.

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board appointed Dr. Verna Yiu as the President and Chief Executive Officer of Alberta Health Services, effective as June 3, 2016; and

- (a) approved the employment agreement made effective June 3, 2016, between Dr. Verna Yiu and AHS, in the form reviewed by the Board, which sets out the terms and conditions applicable to Dr. Yiu's role as President and Chief Executive Officer;**
- (b) authorized and direct the Chair of the AHS Board to enter into and execute the Employment Agreement on behalf of AHS; and**
- (c) authorized and directed management of AHS to take all such other acts and things that they consider to be necessary or advisable in connection with the foregoing resolutions.**

Ms. Hughes reiterated the Board's congratulations to Dr. Yiu.

2. Governance Committee

Mr. Hugh Sommerville, Chair of the Governance Committee (the "Committee"), advised that the Committee met on May 11, 2016.

Mr. Sommerville spoke to the status of the negotiations of the Mandate & Roles document with Alberta Health. He advised that the Committee was presented with an overview of the Health Quality Council of Alberta ("HQCA") including a discussion of the roles, responsibilities, mandate, and initiatives of the HQCA, and the opportunities for collaboration between HQCA and AHS.

Mr. Sommerville also noted that the Committee discussed governance matters such as a new Board portal and the appropriate Board reference material to be downloaded on this portal.

3. Human Resources Committee

Ms. Marliss Taylor, Vice Chair of the Human Resources Committee (the “Committee”), on behalf of Mr. Richard Dicerni, Chair of the Committee, advised that the Committee met on May 12, 2016

Ms. Taylor noted that everyone was thinking of the crisis in Fort McMurray. She noted that the Committee discussed the compensation and accommodation arrangements for AHS personnel involved in the crisis; and that the Committee was advised the government has acknowledged the excellent work done by AHS during the crisis.

Ms. Taylor noted that the Committee considered the status of the work on AHS’ values, the Q4 workforce indicators (including notable improvements in overtime hours to paid hours, workforce size growth rate, disabling injury rate, and voluntary terminations by non-casual employees), the new essential services legislation, and the Q4 and Fiscal Year End Workplace Health and Safety Report.

Ms. Taylor concluded that the Committee was updated on the salary information that will be disclosed at the end of June under the *Public Sector Compensation Transparency Act* (Alberta).

5. Community Engagement Committee

Dr. Brenda Hemmelgarn, Chair of the Community Engagement Committee (the “Committee”) advised that the Committee met on May 18, 2016.

Dr. Hemmelgarn stated that the Committee had the pleasure to have Dr. Tony Fields, the Chair of the Provincial Advisory Council on Cancer, along with Nancy Guebert and Matt Parliament, from CancerControl Alberta, attend the meeting. Dr. Hemmelgarn provided details of that presentation.

Dr. Hemmelgarn further advised the Committee reviewed a revised draft terms of reference and that the terms of reference are now ready to be presented to the Governance Committee for approval by the Board. Once approved, the terms of reference will be posted on the public site.

Dr. Hemmelgarn spoke to an overview the Committee received of the proposed governance reporting of the Health Advisory Councils, Provincial Advisory Councils and the Wisdom Council and the role of the foundations. She also advised the Committee was presented with an overview of the fantastic outreach activities carried on at AHS under the banner of Passion for Health, Because You Cared videos, Apple Talks and a public blog. This summer AHS will participate in more than 25 community events across the province.

a) [CEC16-11] Appointment of Trustees to Foundations

Dr. Hemmelgarn advised that the Committee considered certain appointments to certain trusts and foundations across the province and recommended the Board approve the appointments. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board appointed or re-appointed, as applicable, the following individuals as trustees to the foundations as indicated, for the term specified, effective June 1, 2016:

- **To the Brooks and District Health Foundation - Mr. Kelly Tanigami, for a Two Year Term;**
- **Canmore & Area Health Care Foundation - Mr. Steven Scott for a Three Year Term;**
- **To the Crowsnest Pass Health Foundation - Ms. Cori Plosz for a Three Year Term;**
- **To the Fort Macleod & District Health Foundation- Ms. Bev Hagen and Ms. Lynda Hann both for a Three Year Term;**
- **To the Lacombe Health Trust - Mr. Kelly Treleaven for a Three Year Term; and**
- **To the Windy Slopes Health Foundation - Ms. Bette Jean (BJ) Scott and Ms. Shelley Stokke both for a Three Year Term.**

6. Quality & Safety Committee

Ms. Glenda Yeates, Chair of the Quality & Safety Committee (the “Committee”) advised that the Committee met on May 25th.

Ms. Yeates noted the Committee was updated on the recent Accreditation Canada visits and the positive results and she discussed the excellent work done by the Strategic Clinical Networks. She noted the Committee was presented details on the “Helping Healers Heal” initiative (an initiative that addresses the inherent risk of emotional distress for staff in healthcare) and that the Committee reviewed the Canadian Institute Health Information indicator information. Ms. Yeates also noted that the Committee received for information a survey on hospital child inpatient experience and the Third Quarter 2015/16 Patient Safety Report.

Ms. Yeates concluded that the Committee heard about the excellent work with respect to mitigating the hospital-acquired infections risk.

7. Finance Committee

Mr. David Carpenter, Chair of the Finance Committee (the “Committee”), commented that before he reported on the Finance Committee meeting of May 26, 2016, he wished to address the 2016/17 Health Plan & Business Plan.

a) [FC16-22] AHS 2016-17 Health Plan & Business Plan

Mr. Carpenter noted that, at its April 14, 2016 meeting, the Committee reviewed a draft of the 2016-17 Health Plan and Business Plan (the "Plan"). The Committee at that time recommended the Board approve the Plan. It will then be submitted to the Minister of Health for approval. After Ministerial approval is received, the Plan will be posted on the AHS public website. The Committee recommended that the Board approve the Plan. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board:

- a) approved the 2016/17 Health Plan & Business Plan in the form reviewed by the Board, 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 deliver the 2016/17 Health Plan & Business Plan to the Minister of Health for approval, and after receiving such approval, to make the Health Plan & Business Plan available to the public through the Alberta Health Services website.**

b) [FC16-25] Amendments to AHS Borrowing Bylaw

Mr. Carpenter advised the Committee was presented with a proposal to amend the AHS Borrowing Bylaw (the "Bylaw"). To be effective, an amendment to the Bylaw has to be approved by the Board and the Minister of Health. Once Board approval is obtained the proposed amended Bylaw will be submitted to the Minister. The approved amended Bylaw will be made available on the AHS public website. The Committee recommended that the Board approve the amended Bylaw in the form reviewed by the Board, with such non-substantive changes that management of AHS considers necessary or advisable. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board:

- (a) approved the amended AHS Borrowing Bylaw in the form reviewed by the Board, 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 deliver the amended AHS Borrowing Bylaw to the Minister of Health for approval, and after receiving such approval, to make the amended AHS Borrowing Bylaw available to the public through the Alberta Health Services website.**

c) [FC16-26] March 31, 2016 Fourth Quarter Investment Report

Mr. Carpenter advised that as mandated by AHS' Investment Bylaw, the Committee is required to review reports prepared by management and investment managers summarizing the activities and performance of AHS' investment portfolio on a quarterly basis. The *Regional Health Authorities Regulation* (Alberta) and the AHS Investment Bylaw describe the requirements for the Board to approve or ratify by resolution AHS' investment decisions. The Committee was presented the March 31, 2016 Fourth Quarter Investment Report and recommend that the Board ratify the transactions. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board ratified the investment portfolio and transactions as described below, and as certified by signed investment compliance certificates from AHS and Phillips, Hager & North Investment Management:

- (a) as at March 31, 2016, AHS held restricted and unrestricted funds managed by Phillips, Hager & North Investment Management and Standard Life Canada totalling \$1.714 billion;**
- (b) the funds were invested in short term treasury bills, federal, provincial and corporate fixed income bonds, pooled mortgage funds, bond funds, Canadian and Global equity funds; and**
- (c) all of the funds invested during the quarter ended March 31, 2016, were invested in accordance with the Investment Bylaw and Investments Policy.**

Mr. Carpenter further advised that the Committee also heard updates on the Edmonton Clinical Lab project, Calgary Cancer project and the Fort McMurray fire.

8. Audit & Risk Committee

Mr. David Carpenter, Chair of the Audit & Risk Committee (the "Committee") advised that the Committee met on May 26, 2016 and was presented an advisory report prepared by AHS Internal Audit that reviewed the current design and key risk areas of the contract and quality monitoring and evaluation process for contracted Residential Addiction treatment service providers. In addition, the Committee discussed the contract monitoring framework. Mr. Carpenter noted that four compliance functions (Human Resources, Information Technology, Finance and Contracting, Procurement, and Supply Management) have prepared plans for 2016-17 that have been consolidated into one which was reviewed by the Committee. The compliance functions provide assurance to both management and the Board on the key controls related to payroll, contracting, information technology and financial systems. The high level themes that the functions are working on together are improving efficiency and effectiveness of audits, increased use of data analytics and development of compliance methodology and framework.

a) [ARC16-32] ERM Fourth Quarter and Annual Risk Report

Mr. Carpenter advised that the Committee was presented with the Enterprise Risk Management ("ERM") Quarterly and Annual Risk Report as at March 31, 2016. The Committee recommended the Board approve the ERM Quarterly and Annual Risk Report as at March 31, 2016. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board:

- (a) approved the ERM Fourth Quarter and Annual Risk Report Presentation in the form reviewed by the Board, 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.**

b) [ARC16-42] AHS 2015-16 Annual Report

The Committee reviewed a final draft of the AHS 2015-16 Annual Report and recommended that the Board approve the report. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board:

- (a) approved the AHS 2015-16 Annual Report in the form reviewed by the Board, 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 deliver the Annual Report to the Minister of Health, and to later make the Annual Report available to the public through the Alberta Health Services website.**

c) [ARC16-43] March 31, 2016 AHS Consolidated Financial Statements & Financial Statement Discussion & Analysis

Mr. Carpenter advised that the Committee reviewed a final version of the March 31, 2016 Consolidated Financial Statements (the "Financial Statements"), the establishment of internally restricted surplus for future purposes, and the financial statement discussion and analysis. The Committee recommended the Board approve those items.

The Committee recommended that the Board approve the Financial Statements. Therefore:

UPON MOTION duly moved, seconded and unanimously carried the Alberta Health Services Board:

1. approved the internally restriction of:

- (a) \$676.427 million to represent the amount of unrestricted surplus invested in tangible capital assets as at March 31, 2016 and not available for any other purpose;**

2. approved the internally restricted surplus for future purposes as at March 31, 2016 of:
 - (a) \$102.141 million for future capital purposes;
 - (b) \$73.488 million for the future parking infrastructure reserve for future maintenance, upgrades and construction;
 - (c) \$41.431 million to represent the net assets related to the equity of the Liability and Property Insurance Plan;
 - (d) \$30.158 million to fund the Provincial Clinical Information systems Initiative;
 - (e) \$17.046 million for specific local initiatives as a result of local fundraising;
 - (f) \$14.935 million to fund cancer research; and
 - (g) \$2.051 million for retail food services to assist with future upgrades, maintenance, equipment, and construction costs for retail food service operations.
3. approved the AHS:
 - (a) Consolidated Financial Statements for the year ended March 31, 2016 as reviewed by the Board; and
 - (b) Financial Statement Discussion and Analysis for the year ended March 31, 2016;

both for inclusion in the AHS 2015-16 Annual Report and both in substantially the form reviewed by the Board, with such non-substantive changes that management of AHS considers necessary or advisable are hereby approved; and
4. authorized and directed management of AHS to take all such other action as management of AHS considers necessary or advisable in order to give full effect to the foregoing.

Adjournment

There being no further business, the meeting was adjourned at 11:45 a.m.

/S/

Linda Hughes
Chair

/S/

Catherine MacNeill
Corporate Secretary & Legal Counsel