



Summary of the QHC Board of Directors Meeting September 30, 2014

The following is a synopsis of some of the topics that will be discussed at the September 2014 QHC Board Meeting.

Renewed CEO Contract

The Board has renewed the employment contract for Mary Clare Egberts to remain as the QHC President & CEO for another five year term, ending in August 2019. In accordance with the current provincial salary restraint legislation, the renewed contract was negotiated with no changes to the compensation or benefits.

Balanced Scorecard Results

The QHC balanced scorecard results for the first quarter of 2014/15 are attached.

2015/16 Planning

QHC has launched in 2015/16 operating plan process to determine how the organization will meet its goals for quality and safety of care; patient experience; care transitions; and staff work life, while remaining financially healthy.

The 2015/16 fiscal year, which begins on April 1, 2015, will be the fourth year of the hospital funding reform in Ontario, which means that QHC will again have its provincial funding reduced, in addition to needing to find cost savings to fund typical increases for inflation. QHC management is expecting to need to reduce expenses by another \$7 million in order to remain financially healthy. The operating plan will be developed over the next six months by working with staff, physicians and partners to make the best possible decisions for the future of hospital-based care in the region.

Patient Flow Challenges

Over the past four months, QHC has continued to have more admitted patients than funded beds available at the hospitals. This situation is commonly referred to within the hospital as “surge” as the occupancy rates continued to surge above 100% over the summer, particularly in the medicine, complex continuing care and rehabilitation units. This influx in patients has been experienced over the same period by many hospitals in south eastern Ontario and other areas of the province.

One complicating factor is that QHC has experienced an increase in the number of patient deemed “Alternate Level of Care”, who need to remain in the hospital while they wait for a more suitable placement in another care destination, such as a long-term care home. There are now about 40 of these patients at QHC hospitals on any given day. However, the increasing number of ALC patients is only one of multiple causes for the increased occupancy.

At the Board Meeting, Katherine Stansfield, VP & Chief Nursing Officer, will provide a presentation to the Board to outline: the main causes; the impacts to patients, staff and the organization; and what QHC is doing to address the situation. Quality of care indicators continue to be monitored closely, as well as human resource factors, such as overtime and sick time.

Financial Results

Year-to-date results for the first four months of the QHC fiscal year (April – July 2014) show a deficit of \$240,000 on total expenditures of \$57 million, compared to an expected surplus of \$123,000 at this point in the year. This is essentially a breakeven position. A portion of the variance is caused by having more admitted patients at QHC hospitals over the last four months than the number of funded inpatient beds. This increased demand for services results in increased costs for staffing and overtime.

Next Meeting

The next regular meeting of the QHC Board of Directors will be held on November 25, 2014 at QHC Prince Edward County Memorial Hospital.



QHC Board of Directors
Tuesday, September 30, 2014
6 – 7:30 p.m.

In-service Classroom, Belleville General Hospital

AGENDA

OUR VISION: QHC WILL PROVIDE EXCEPTIONAL AND COMPASSIONATE CARE. WE WILL BE VALUED BY OUR COMMUNITIES AND INSPIRED BY THE PEOPLE WE SERVE.

Time	Item	Topic	Lead	Policy Reference	Policy Formulation	Decision-Making	Monitoring	Information/Education
6:00	3.0	Consent Agenda 3.1 Minutes from Board meetings: 3.1.1 Last meeting of the 2013/14 Board on June 24, 2014 3.2 Report of the Chair 3.3 Report of the President & CEO 3.4 Report of the Chief of Staff & Medical Advisory Committee 3.4.1 Recommendations Report* 3.5 Procurement/ RFP Update 3.6 2014/15 CEO & COS Competencies and Learning Plans 3.7 Approval of New Advisory Council Members 3.8 Committee Updates 3.8.1 Quality of Patient Care 3.8.2 Audit & Finance 3.8.3 Human Resources 3.8.4 Governance 3.8.5 Nominations and Communications	S. Blakely	V-A-8		X		X X X X
6:20	4.0	Report of the Chair 4.1 Patient Story 4.2 CEO Employment Agreement Renewal	S. Blakely S. Blakely	V-A-8 II-5				X X
6:30	5.0	Building Relationships 5.1 Report of the President & CEO 5.2 Balanced Scorecard	M.C. Egberts M.C. Egberts	V-I-1 I-2			X	X
6:40	6.0	Ensure Program Quality and Effectiveness <i>Quality of Patient Care Committee</i> 6.1 Report of the Chief Nursing Officer	K. Stansfield					X

Time	Item	Topic	Lead	Policy Reference	Policy Formulation	Decision-Making	Monitoring	Information/Education
7:00	7.0	Ensure Financial & Organizational Viability <i>Audit and Finance Committee</i> 7.1 July 2014 Financial Statements	K. Baker	IV-2		X		
7:10	8.0	Provide for Excellent Leadership & Management <i>Human Resources Committee</i> 8.1 QHC Talent Management Framework	S. Wright	IV-2			X	
7:20	9.0	Ensure Board Effectiveness <i>Governance Committee</i> 9.1 Medical Staff Representation on Board Committees	D. McGregor	V-A-7		X		
7:30	10.0	Adjournment Next meeting: • November 25, 2014: QHC Prince Edward County Memorial Hospital	S. Blakely			X		
	11.0	In Camera Session 11.1 With President & CEO 11.2 Elected Directors	S. Blakely	V-B-8				

**Quinte Health Care
Board of Directors Meeting Minutes
June 24, 2014**

A meeting of the Board of Directors of Quinte Health Care was held on Tuesday, June 24, 2014 at the South Algonquin Eatery & Pub in Bancroft. Mr. Blakely chaired the meeting.

Present: Mr. Steve Blakely, Chair
Mrs. Tricia Anderson
Ms. Karen Baker
Mrs. Mary Clare Egberts
Mr. David MacKinnon
Mr. Doug McGregor
Mrs. Darlene O'Farrell
Mr. John Petrie
Mrs. Katherine Stansfield
Mr. Stuart Wright
Mr. John Embregts
Mr. Nick Pfeiffer
Mr. Merrill Mascarenhas
Dr. Dick Zoutman

Regrets: There were regrets from Mr. Gary Magarrell and Dr. Alan Campbell.

Staff Present: Mr. Brad Harrington
Mr. Paul McAuley
Mr. Jeff Hohenkerk
Mrs. Susan Rowe
Mrs. Jennifer Broek, Recording Secretary

1.0 Call to Order

Mr. Blakely welcomed everyone and called the meeting to order at 3:06 p.m.

1.1 Approval of Agenda

Motion: To approve the open session June 24, 2014 agenda.
Moved by: Mr. Petrie
Seconded by: Mr. MacKinnon
Carried

1.2 Declaration of Conflict of Interest

There were no declarations of conflict of interest.

2.0 Closed Session

2.1 Motion to go into closed session

Motion: Motion to go into closed session.
Moved by: Mr. Embregts
Seconded by: Mr. McGregor
Carried

3.0 Consent Agenda

3.6 QHC Health & Safety Annual Report

The Board discussed the increased number of incidents in 2013/14 related to staff safety. It was noted that the majority of the incidents were near misses or required only minor first aid. A large percentage of the violent behavioural incidents are attributed to medication side effects. QHC has implemented non-violent crisis intervention training to support staff in dealing with these issues. It was also noted that QHC changed to an electronic incident reporting system which may have encouraged increased reporting of incidents by staff.

Approval of the following items was included within the consent agenda:

- 3.1 Minutes from May 27, 2014
- 3.4.1 MAC Division Heads Recommendations Report
- 3.5 Multi Sectorial Accountability Agreement (MSAA)
- 3.7 Policy Approval (HR Committee)
- 3.8 2014/15 HR Strategic Plan Quarterly Indicators
- 3.9 Approval of Advisory Council Members

Motion: To approve all agenda items within the consent agenda on
June 24, 2014.

Moved by: Mrs. O'Farrell

Seconded by: Mr. McGregor

Carried

4.0 Report of the Chair

4.1 Patient Story

Mr. Blakely asked Mrs. Egberts to share a personal story which took place at QHC North Hastings Hospital while shadowing an ED nurse. She was also with an ED nurse from QHC Belleville General Hospital.

Mrs. Egberts witnessed exceptional care and an exceptional patient family experience while observing the Emergency Room team treat a patient in cardiac arrest. The shadowing opportunity also gave new perspective to the nurse from QHC BGH on the process for inter-hospital transfer of patients and was an invaluable opportunity to appreciate patient and family member perspectives as well as appreciation of the unique challenges of providing care within a small, rural hospital.

5.0 Building Relationships

5.1 Report of the President & CEO

Exceptional Workplace Initiatives

Mrs. Egberts demonstrated excitement surrounding the positive outcome of the strategy. Mrs. Egberts also introduced QHC's new mascot "QHC Care Bear". It was reported that the Care Bear has attended the long-service celebration events for staff helping create fun at QHC.

A new video demonstrating the Exceptional Workplace QHC is striving to achieve was shared with the Board.

Hospital Heroes Campaign

Mrs. Egberts noted the BGH Foundation "Hospital Heroes Campaign" which gives patients the opportunity to make a donation to the foundation in recognition of a staff hero. It was noted that the BGH Foundation has done a great job of making it exciting for staff.

Mrs. Egberts also recognized the PECMH Foundation, TMH Foundation and North Hastings Fund Development committee, which also have grateful patient programs in place. Each of the hospital foundations were thanked for their support of the exceptional work of staff and physicians.

Provincial Election Results

Mrs. Egberts indicated that the Liberal majority government could lead to greater stability within the provincial health care sector and for QHC. She also welcomed the appointment of Dr. Eric Hoskins as health minister suggesting he may offer a different perspective.

6.0 Ensure Program Quality and Effectiveness:

6.1 Report of the Chief of Staff

Dr. Zoutman welcomed the addition of two new physicians for QHC. Dr. Emma Struthers will be joining Obstetrics and Gynecology bringing the department up to a full complement. Dr. Colin Struthers is an internal medicine specialist who will assume Dr. Gary Berezny's practice when he retires.

The Board discussed physician staffing challenges in the TMH Emergency Department. It was indicated that QHC will work with the appropriate organizations to ensure the staffing requirements are met. A Board member inquired as to whether the anticipated increases at CFB Trenton would lead to increased demand on QHC. QHC was aware of the upcoming staffing increases at CFB Trenton; however, the need is not at a large enough scale to increase hospital staffing at this time. The Board also discussed the opportunity to collaborate with CFB physicians for TMH ED coverage.

7.0 Provide Excellent Leadership & Management: Human Resources Committee

7.1 2013/14 SLT Pay-for-Performance Compensation Pay-out

Mrs. O'Farrell presented to the Board the 2013/14 SLT Pay-for-Performance Compensation payout. The Senior Leadership Team achieved all indicators with the exception of the staff safety target. A Board member noted that all indicators were improved and expressed appreciation to the staff and senior leadership team for their work in improving all targets.

Motion: **That the QHC Board of Directors approve the 2013/14 Senior Leadership Team performance based compensation at 93.3% of the available performance pay envelope.**

Moved by: Mrs. O'Farrell

Seconded by: Mr. McGregor

Carried

7.2 2014/15 SLT Goals Linked to Compensation

Mrs. O'Farrell noted that four of five targets measured have remained the same and asked Mr. Hohenkerk to provide an update on the staff engagement target. Mr. Hohenkerk noted that the Senior Leadership Team will be making changes to the method of surveying all staff quarterly to reflect Board of Director feedback.

A Board member noted the overall increase in improvement is significant for 2014/15. Mrs. Egberts indicated that the level of improvement is a commitment to QHC's staff indicating that Senior Leadership is fully behind the strategic plan. Mrs. Egberts noted that SLT Goals Linked to Compensation will match the "Wildly Important Goals".

The Board expressed gratitude to the Senior Leadership Team for their commitment to achieve the goals and for selecting balanced goals with an emphasis of providing excellent quality of care.

Motion: That the QHC Board of Directors approve the 2014/15 Senior Leadership Team (SLT) targets which were a provision of the Human Resources Committee and Board approving 2014/15 SLT's goals linked to compensation in March 2014.
Moved by: Mrs. O'Farrell
Seconded by: Ms. Baker
Carried

7.3 2014/15 CEO & COS Annual Goals

The Board reviewed and discussed the proposed 2014/15 CEO & COS Annual Goals. Mr. Blakely recognized Mrs. O'Farrell and the HR Committee for the improved alignment of the evaluation process and goals in the 2013/14 Board year.

Motion: *That the QHC Board of Directors approve the 2014/15 annual performance goals for the CEO and COS. The competencies and learning plans will be presented in September.*
Moved by: Mrs. O'Farrell
Seconded by: Mr. Pfeiffer
Carried

8.0 Ensure Board Effectiveness: Nominations and Communications Sub-Committee

8.1 Communications & Engagement Update

Mr. Petrie provided an update on the progress of the 2014 QHC Communications & Engagement plan. The Board re-iterated their support of the strategy and some members suggested that the local media for QHC has generally been positive. The Board thanked the local media for helping share the positive news at QHC and recognized Mrs. Rowe and the communications team for their effort in developing the 2014/15 plan.

The Board also discussed the various methods of gathering community feedback and specifically the Advisory Council meetings. A Board member suggested that the communications team evaluate the structure for future meetings to ensure that Advisory Council members are engaged. It was noted that the Advisory Council will be sent an annual survey and given the opportunity to provide feedback regarding the meetings in July 2014.

9.0 Recognition of Directors Not Returning

Mr. Blakely recognized Mr. Magarrell for his service to QHC. Mr. Magarrell was unable to participate in June 24, 2014 Board meeting and will be recognized at a later date by the Board Chair and CEO.

Mr. Blakely also recognized Mr. Pfeiffer who will not be returning and thanked him for his contributions to the QHC Board and QHC Advisory Council.

10.0 Adjournment

Motion: To adjourn at 5:08 pm.
Moved by: Mr. Petrie
Carried

To:	QHC Board of Directors
From:	Steve Blakely, QHC Board Chairman
Topic:	Report of the Chair
Date of Meeting:	September 30, 2014
For:	Information

Events and Meetings Attended

July 9, 2014 – attended lunch meeting with Mr. Smith and Mrs. Egberts.

July 29, 2014 – attended ‘special’ meeting of the Audit & Finance Committee and Board of Directors.

August 13, 2014 – attended meeting with Todd Smith, MPP for Prince Edward Hastings, and Mrs. Egberts.

August 13, 2014 – attended meeting with Mr. Johnston, Ms. Hoye and Mrs. Egberts.

August 13, 2014 – attended separate meeting with Mr. Johnston, Ms. Hoye, Mr. McGregor, Mr. Petrie, Mrs. Egberts and Mr. McAuley.

September 4, 2014 – attended meeting with Dr. Zoutman and Mrs. Anderson.

September 9, 2014 – attended QHC Board Education all day event.

September 18, 2014 – attended PECMH Auxiliary 80th Anniversary Luncheon with Mrs. Stansfield.

September 22, 2014 – attended Governance to Governance Session on Hospital Sustainability with Mrs. Anderson, Mrs. Baker, Mr. Campbell, Mrs. Egberts, Mrs. Hoye, Mr. Johnston, Mr. McGregor, Mrs. O’Farrell, and Mr. Wright.

September 23, 2014 – attended meeting with Mr. Ronson, Mrs. Egberts, Mr. McAuley and Mrs. Rowe.

September 23, 2014 – attended QHC Board Governance Committee meeting.

September 23, 2014 – attended QHC Board Audit and Finance Committee meeting.

September 23, 2014 – attended QHC Board Quality of Patient Care Committee meeting.

September 25, 2014 – to attend meeting with Mrs. Anderson and Mrs. Egberts.

September 30, 2014 – to attend Board of Director’s meeting.

Events and Meetings Attended by the Vice Chair on behalf of the Board

August 13, 2014 – attended SELHIN Addictions and Mental Health Future Planning Summary Session in Kingston.

August 20, 2014 - attended quarterly SELHIN Board Chair / Vice Chair meeting with Mr. McGregor in Kingston.

News**Boards: The Governance Centre of Excellence**

Mrs. Anderson was featured in September 2014 official publication of the ‘Governance Centre of Excellence’ regarding her vision for health care governance in Ontario. Copies of the two page article are available at the Board meeting or you can read the two page article on-line at: <http://www.thegce.ca/THOUGHTLEADERSHIP/Boards/Documents/BOARDS%20-%20September%202014,%20Issue%208.pdf>

Respectfully submitted,
Steve Blakely, Chair

To:	QHC Board of Directors
From:	Mary Clare Egberts, President & CEO
Topic:	Report of the President & CEO – Consent
Date of Meeting:	September 30, 2014
For:	Information

PECMH Redevelopment Process

We held a full-day planning session at the end of August for the representatives of the PECMH redevelopment project partners and other health care organizations to develop a draft future vision for PECMH, based on projected population characteristics and changes in healthcare delivery. Odila and Stuart participated in this session as the QHC Board representatives.

The draft vision will now be taken out to other key stakeholders and the community to help test if it will meet their needs, and to allow for input and questions from interested community members. This engagement process will be conducted through a series of open house style meetings and other opportunities for input during October. The input gathered will then be used to help shape the business case that will be sent to the LHIN Board for approval in late 2014.

MPP Meetings

The Board Chair and I had the opportunity to meet with Lou Rinaldi, MPP for Northumberland Quinte West earlier this month, in addition to our meeting with Todd Smith, MPP for Prince Edward Hastings in August. The meeting with Mr. Rinaldi allowed us to bring him up-to-date on current QHC activities, including the challenges ahead for 2015/16. We continue to enjoy very positive relationships with both our MPPs.

Governance Centre of Excellence Award Application

We once again applied for a Leading Governance Excellence Award through the Ontario Hospital Association's Governance Centre of Excellence. This year the application was titled "Board Oversight of Strategic Plan Implementation: How to Ensure Your Organization's Strategic Plan Isn't Collecting Dust". Copies of this article are available at the Board meeting. Although we were informed last week that we were not successful in winning this award, I wanted to share the application with you as our ongoing strategic plan implementation should be a great point of pride for QHC.

To:	QHC Board of Directors
From:	Dr. Dick Zoutman, Chief of Staff
Topic:	Report of the Chief of Staff & Medical Advisory Committee
Date of Meeting:	September 30, 2014
For:	Information/ Education

Since my last report in June, the Medical Advisory Committee (MAC) has met once in September.

Professional Staff Leadership

There have been a few important medical leadership changes since my last report.

I am very pleased to let you know that after a thorough search and selection process Dr. Kelly Vanier has been recommended by the search committee and fully endorsed by the Department of Paediatrics members and by the MAC as our new Chief of Paediatrics effective October 1, 2014. Dr. Vanier has been a member of the QHC Department of Paediatrics since 2007 and is a highly respected paediatrician in our community.

Our QHC Department of Paediatrics has successfully recruited new Paediatricians and we now have 3.5 FTE paediatricians and this will increase to 4.5 FTE in the New Year. We have several other qualified paediatricians interested in QHC and I am very confident we will be at our full complement of 5 FTE or more by early 2015.

I want to acknowledge and thank Dr. Michael de la Roche for his tremendous hard work and dedication as the Interim Chief of Paediatrics for the last 2 years. He, working collaboratively with the members of the Department, has been instrumental in the successful rebuilding of our Paediatrics Department at QHC. Thank you Michael!

Dr. Amber Hayward-Stewart has stepped down as Division Head of Emergency Medicine at Trenton Memorial Hospital after 4 years of dedicated service in this role. We all wish her success in her future endeavours. Dr. Rans Perera has been recommended by Dr. Chris Hayman and the MAC as the new Division Head for Emergency Medicine at TMH. Dr. Perera has been a member of the Department of Emergency Medicine for 4 years practicing at the Trenton Memorial Hospital Emergency Department. Dr. Perera, Dr. Hayman and the MAC have also recommended Dr. Ryan Dobbs as the Deputy Division Head to work with Dr. Perera in the clinical leadership of the TMH Emergency Department. Dr. Dobbs has been a member of the Department of Emergency Medicine for 3 years, also practicing at the TMH Emergency Department. Having Dr. Perera and Dr. Dobbs in these leadership roles is a true asset for QHC and allows for good succession planning and mutual support.

Dr. Al Bell has stepped down as Division Head of Emergency Medicine at BGH after 2 years in this leadership role and for his dedication and service we very grateful. Dr. Michael de la Roche has been recommended by the BGH Emergency Medicine Division, Dr. Chris Hayman and the MAC as the new Division Head. Again we are very grateful for Dr. de la Roche's willingness to continue to serve in a leadership capacity.

Quality of Care and Process Improvement

The large process improvement project focusing on acute medicine in-patient care called IMPACT (“Integration of Medical Professionals Accepting Change Together”) has been very active! The goal is to improve flow and reduce waste. Essential components for improving standardization of physician work that the IMPACT Team have identified are: Bullet rounds where expected date of discharge is confirmed with the entire team; using our standard order sets for all cases; and ensuring patients are on our clinical pathways where a pathway exists. We have a new physician lead, Dr. Roger Leong, who is championing project IMPACT with his colleagues. Regular performance metrics are produced by our Decision Support team that are being passed onto the physicians to create a strong cadence of accountability.

Communication and Engagement

The recent severe outbreak of ebola in west Africa is of concern to us all. While it is far away and seems remote, all hospitals in Canada need to be well prepared for the possibility that someone may arrive seeking care who has been in west Africa who has symptoms that might raise the need to consider ebola as a possible diagnosis. QHC’s Infection Prevention and Control service working collaboratively with many departments across QHC and with Public Health have developed the necessary protocols and procedures for safe practices in this eventuality. Training of our staff is part of these preparations. Similar preparations have recently been made for managing any possible cases of Middle Eastern Respiratory Syndrome (MERS).

Finally, we will be hosting another Canadian Medical Association Physician Management Institute (PMI) course for physicians and clinical leaders on November 15 and 16, 2014. The topic is “Dollars and Sense: Leadership in the Delivery of Cost-Effective Health Care.” These excellent PMI courses have been extremely successful both in the information and learning they bring as well as the opportunity to connect as a team!

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Zoutman", written over a horizontal line.

Dick Zoutman, MD, FRCPC
Chief of Staff

To:	QHC Board of Directors
From:	Medical Advisory Committee
Topic:	Recommendations Report
Date of Meeting:	September 30, 2014
For:	Decision
Motion:	<p><i>That the QHC Board of Directors appoint Dr. Kelly Vanier as Department Chief of Paediatrics effective October 1, 2014.</i></p> <p><i>That the QHC Board of Directors appoint Dr. Rans Perera as Division Head of Emergency Medicine – TMH Division, Dr. Ryan Dobbs as Deputy Division Head of Emergency Medicine – TMH division, and Dr. Michael de la Roche as Division Head of Emergency Medicine – BGH division, effective September 1, 2014.</i></p>

Background

Dr. Michael de la Roche advised the members that Dr. Kelly Vanier had been selected as Department Chief of Paediatrics with the support of the department members.

Dr. Kelly Vanier replaces interim Department Chief of Paediatrics Dr. Michael de la Roche, who was acknowledged and thanked for his two years of service in the role and his work to build up the department and obtain an alternate funding arrangement. Dr. Vanier has been a member of QHC's paediatric medical staff since 2007.

Dr. Chris Hayman advised the members of the following selections in the Department of Emergency with the support of the respective division members:

- Dr. Rans Perera, Division Head, Emergency Medicine – TMH Division
- Dr. Ryan Dobbs, Deputy Division Head, Emergency Medicine – TMH Division
- Dr. Michael de la Roche, Division Head, Emergency Medicine – BGH Division

Dr. Rans Perera and Dr. Ryan Dobbs replace Dr. Amber Hayward-Stewart, while Dr. Michael de la Roche replaces Dr. Al Bell. Dr. Hayward-Stewart and Dr. Bell were thanked for their service in their roles.

To:	QHC Board of Directors
From:	Karen Baker, QHC Board Treasurer and Chair of Audit and Finance Committee
Subject:	Procurement/ RFP Update
Date of Meeting	September 30, 2014
For:	Decision
Motion:	<ol style="list-style-type: none"> 1. <i>The Audit and Finance Committee recommends to the Board of Directors that the regional contract for orthopedic prosthesis be awarded to Zimmer.</i> 2. <i>The Audit and Finance Committee recommends to the Board of Directors to extend the term of the current auditors by two years so that they are engaged for the current year audit as well as 2015/16 and 2016/17.</i>

Regional Orthopedic Contract

Discussions began in November 2012 for a collaborative procurement for Arthroplasty hips and knees between 3SO member hospitals and Champlain Healthcare Shared Services (CHSS) member hospitals.

Extensive planning between the two regions eventually led to the development of a thorough and comprehensive Request for Proposal (RFP) document based on input from key stakeholders and subject matter experts across both regions. After undergoing many months of extensive collaborative planning, an RFP was issued on behalf of the member hospitals of 3SO and CHSS on October 28, 2013 to obtain Proposals for Arthroplasty hips and knees implants and accessories.

Participating member hospitals from 3SO region include; Brockville General Hospital (BGH), Hotel Dieu Hospital (HDH), Kingston General Hospital (KGH), Perth and Smiths Falls District Hospital (PSFDH) and Quinte Healthcare Corporation (QHC). Participating member hospitals from the CHSS region include; The Ottawa Hospital (TOH), Queensway Carlton Hospital (QCH), Montfort Hospital, Pembroke Hospital and Cornwall Hospital.

The objective of this procurement was to:

- 1) Consolidate and leverage the spend on Arthroplasty implants.
- 2) Select a primary service provider for each region based on best overall value.
- 3) Ensure each member has an equal stake in determining the business model that best fits with the SE LHIN service requirements.
- 4) Reduce the cost of implants and hold pricing firm for the duration of the resulting contract.

Key drivers that led to the undertaking of this procurement are as follows:

- All participating hospitals are required to RFP these products as per the requirements of the Broader Public Sector (BPS) Procurement Directives
- Explore the market to ensure best value is secured while maintaining the quality of products required for best patient outcomes
- Need to increase and renew instrumentation at member hospitals
- Need to introduce new technology
- Need to secure competitive costs for products used in this Quality Based Procedure (QBP) to assist in ensuring that our hospitals product costs are in line to other regions across the Province
- Improve service offerings from our suppliers

Risks to QHC

QHC has long standing relationships with our existing vendor Zimmer. Our surgeons have developed their practices based on using the prosthesis of our current vendor. As such there was significant quality of care risks that needed to be balanced with any decision to change vendors. Also, there was significant uncertainty associated with whether there would be positive or negative financial benefit to QHC until it was determined who the primary vendor would be.

Results of the RFP

The evaluation team followed the process as outlined within the BPS Procurement Directives. The result was the identification of a preferred vendor for the region; Zimmer. This was a favorable outcome for QHC as Zimmer is already the vendor of choice for QHC for knee replacements. Zimmer, following contract negotiations will become QHC's primary vendor for both hips and knees. The contract however will be structured based on an 80/20 rule where 80% of the implants come from the primary vendor, while 20% will be sourced from a secondary vendor. This will ensure continued competition and that adequate supply will be available which will mitigate the risk of sourcing all through one vendor.

Financial Benefits

The value of the contract for QHC is estimated to be \$1.080M per annum. The anticipated financial benefit from this contract renegotiation is savings of \$360K per annum from the previous contract. The initial term of the contract is for five years. The anticipated annual regional savings for the region is \$10M over the five year term.

Current Status of contract negotiations

Contract negotiations are close to completion and a contract with Zimmer will be signed shortly.

Audit Engagement

KPMG were appointed auditors for a five year term starting in fiscal 2010/11 and concluding this fiscal year 2014/15. The audit engagement is eligible for an exemption under the BPS guidelines and as such management is requesting approval to apply this exemption and defer going to market for two additional years. Management has arranged for an agreement with KPMG to perform the audit based on the proposed fee structure as stipulated in the attached letter. As such an RFP would be released to market in 2016/17 to support the 2017/18 and future audits.

To:	QHC Board of Directors
From:	Stuart Wright, Chair of Human Resources Committee
Subject:	2014/15 CEO & COS Competencies & Learning Plans
Date of Meeting:	September 30, 2014
For:	Decision Making
Motion:	<i>That the QHC Board of Directors approves the recommended 2014/15 Performance Expectations (competencies and learning plans) for the CEO and the COS.</i>

As per Board policy II-4, the performance of the CEO and COS are evaluated on an annual basis. Each year, the Board employees determine their annual performance goals and the essential competencies and learning plan required to accomplish those goals.

On June 3, 2014 the Board HR Committee approved Mrs. Egberts and Dr. Zoutman's 2014/15 personal annual goals. On June 24, 2014 the QHC Board of Directors approved the CEO and COS 2014/15 annual goals with the understanding that their competencies and learning plans would be presented in September, 2014.

Through an on-line survey, directors provided feedback regarding the CEO and COS 2013/14 performance and provided input into their competencies for 2014/15. The 2014/15 selected competencies are based on the OHA core competencies and Board of Directors feedback, and are those competencies that were identified as being essential to the accomplishment of the performance goals. The CEO and COS annual learning plans identify specific areas of learning and development that will support the achievement of their goals, and are closely linked to the goals and competencies.

On September 16, 2014, Mrs. Egberts and Dr. Zoutman presented their 2014/15 competencies and learning plan to the Board HR Committee. The Board HR Committee supports the 2014/15 competencies and learning plans presented for the CEO and the COS, and therefore recommends to the QHC Board of Directors for approval.

The attached summary outlines the 2014/15 Performance Expectations (competencies and learning plans) for the CEO and COS. Note that not all identified competencies have a specific learning plan as there will be supplementary learning opportunities that will be leveraged to acquire the skills and behaviours.

To:	Board of Directors
From:	Doug McGregor, Chair of the Nominations and Communications Sub-Committee
Subject:	Approval of New Advisory Council Members
Date of Meeting:	September 30, 2014
For:	Decision
Motion:	<i>That the QHC Board of Directors approve the following Auxiliary and Municipal Advisory Council Members for 2014-2017: Trenton Memorial Hospital Auxiliary Lynn LaRue Members At-Large Mark Bonokoski Len Da Silva</i>

Since the last Board Meeting, QHC has received another three applicants for the Advisory Council of QHC. The applications and biographical information for each is attached.

Following the approval of these three applicants, there would be seven vacancies remaining on the Advisory Council:

- Two vacancies for the members at-large;
- Two vacancies each to represent the Municipality of Bancroft and Hastings County; and
- One vacancy to represent the Municipality of Belleville.

To:	QHC Board of Directors
From:	John Embregts, Chair, Quality of Patient Care committee
Subject:	Quality of Patient Care Committee Update
Date of Meeting:	September 30, 2014
For:	Information

In addition to the items covered on the formal board agenda the committee also discussed and received the following updates from management.

1. Terms of Reference and Committee Work Plan

The Quality of Patient Care Committee of September 23, 2014 reviewed and approved the revised Terms of Reference (with updated position titles) and the 2014-15 work plan.

2. Quality of Patient Care Quarterly Indicators

The Committee also reviewed the attached quarterly Quality of Patient Care report, with an introduction of the revised format and indicator definitions. Medication reconciliation and clinical pathway performance were discussed and action plans clarified.

3. Quality Implications of Addictions and Mental Health Redesign

In March 2013, the South East Local Health Integrated Network (SELHIN) initiated a process to redesign the delivery of addictions and mental health services across the region. This Addictions and Mental Health (AMH) Redesign included hospital and community care, and was initiated by a concern that addictions and mental health care was fragmented, difficult to access and not meeting current quality standards.

In August 2014 the SELHIN Board of Directors agreed to move forward with a model of care that amalgamates community addictions and mental health services within 3 entities. In-hospital care, delivered by Quinte Health Care (western region), Kingston General Hospital and Providence Care (central region) and Brockville General Hospital (eastern region), would be contracted to each of the three entities. These 3 entities, joined by Providence Care Regional Services and the Mental Health Support Network South East Ontario, (MNSNSEO) would then deliver comprehensive mental health services across all regions of the SELHIN.

QHC has been fully engaged in the initial planning stages and will continue to participate in governance and clinical implementation. Updates regarding potential risks and benefits to quality will be brought forward to the Quality of Patient Care committee on a regular basis.

Quality of Patient Care Board Scorecard

3.8.1

	Measure	2013/14 Target	2014/15 Target	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1	2014/15 Q2	2014/15 Q3	2014/15 Q4	NOTES	
Safe	Medication Reconciliation - Quarter	50.80	62.00	53.30	62.70	59.10	55.20	55.70	.	.	.	.
	Medication Reconciliation - YTD	50.80	62.00	53.30	57.90	58.30	57.50	55.70	.	.	.	.
	Hospital Standard Mortality Rate	100.00	100.00	85.00	63.00	83.00	65.00	.	.	.	.	CIHI reports not available beyond 2013/14 Q4
	CDI Rate per 1000 Patient Days	.85	.44	.52	.39	.42	.10	.60	.	.	.	.
	MRSA Rate per 1000 Patient Days	.01	.01	.05	.00	.00	.00	.00	Updated Targets to match HSAA
	CLI Rate per 1000 Patient Days	2.00	2.00	.00	.00	.00	.00	.00	Updated Targets to match HSAA
	VAP Rate per 1000 Vent Days	1.00	1.00	4.52	.00	1.84	2.48	4.31	less than 5 cases / total vent days * 1000. Updated Targets to match HSAA
	Surgical Safety Check List	100.00	99.00	99.70	99.40	99.80	99.90	99.80	2014/15 target updated to compare to other Community Hospitals. Provincial target 100%.
	Surgical Site Infection Preventions	95.00	95.00	96.91	96.67	99.50	98.00	96.61
	Hand hygiene - after Patient Contact	85.00	85.00	94.30	91.60	90.50	92.00	92.30
Hand Hygiene - before Patient Contact	85.00	85.00	89.00	86.50	87.10	88.50	91.50	.	.	.	.	.
Effective	Financial Margin (%) YTD	.00	.00	-1.45	-.12	-.25	.05	-1.78	The YTD Financial Margin for July 2014 is: -0.38
	Re-admission Rate within 30 Days for case mix groups COPD and CHF	19.30	12.80	14.90	14.10	11.50	14.90	.	.	.	.	CIHI reports not available beyond 2013/14 Q4
	Pathway Adoption % - Quarter	.	75.00	67.84
	Pathway Adoption % - YTD	.	75.00	67.84
Patient Centered	Patient Satisfaction % - ED	87.30	87.30	85.80	88.00	89.10	87.70	.	.	.	.	NRC Picker (National Research Corporation) reports not available beyond 2013/14/Q4
	Patient Satisfaction % - Inpatient	94.10	94.10	95.50	94.80	81.10	92.20	.	.	.	.	NRC Picker (National Research Corporation) reports not available beyond 2013/14/Q4
Timely	Alternate Level of Care (ALC) Days (%)	15.10	15.10	13.00	13.00	13.20	15.00	17.30	.	.	.	.

Measure	2013/14 Target	2014/15 Target	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1	2014/15 Q2	2014/15 Q3	2014/15 Q4	NOTES
ED Wait Time Admitted Patients - Quarter	20.00	17.50	15.70	16.40	20.10	21.30	24.70	.	.	.	.
ED Wait Time Admitted Patients - YTD	20.00	17.50	15.70	16.10	17.60	18.60	24.70	.	.	.	.
ED Wait Time - CTAS I-III	6.30	6.30	6.50	6.90	6.90	7.00	6.90	.	.	.	.
ED Wait Time - CTAS IV-V	3.60	3.60	4.10	4.30	4.30	4.50	4.40	.	.	.	.
Cancer Surgery Wait Time	39.00	39.00	50.00	60.00	46.00	42.00	35.00	.	.	.	.
Cataract Surgery Wait Time	97.00	97.00	166.00	167.00	176.00	177.00	174.00	.	.	.	.
Hip Replacement Wait Time	127.00	127.00	173.00	161.00	146.00	109.00	81.00	.	.	.	.
Knee Replacement Wait Time	132.00	132.00	185.00	170.00	154.00	99.00	95.00	.	.	.	.
CT Scan Wait Time (Belleville)	16.00	28.00	25.00	26.00	23.00	24.00	28.00	.	.	.	2014/15 target set to match Provincial target
CT Scan Wait Time (Trenton)	16.00	28.00	20.00	20.00	21.00	17.00	27.00	.	.	.	2014/15 target set to match Provincial target
MRI Scan Wait Time	72.00	72.00	36.00	40.00	27.00	26.00	28.00	.	.	.	.

Note: The 2013/14 Q1-Q4 colouring is done based on the 2013/14 Target.

To:	QHC Board of Directors
From:	Karen Baker, QHC Board Treasurer and Chair of Audit and Finance Committee
Topic:	Audit and Finance Committee Update
Date of Meeting:	September 30, 2014
For:	Information

In addition to the items covered on the formal board agenda; the committee also discussed and received the following updates from management.

- 1. Terms of reference, work plan and Board policy IV-4 Approvals and Signing Authority**
The committee reviewed its terms of reference and work plan for the year. Both will go the Governance committee for review. Some changes were also proposed for Board policy IV-4 Approvals and Signing Authority. This has been forwarded to the Governance committee for review as well.
- 2. Capital Projects Update**
The Audit and Finance committee received its regular monitoring report on construction at QHC.
- 3. Regional Hospital Information Systems (RHIS) planning**
The committee received an update on RHIS planning and was advised that an RFP was being prepared by the region for release in the new calendar year.
- 4. Key Indicator Review**
The committee received its regular key indicator report which includes Hospital Service Accountability Agreement (HSAA) performance indicators. The 14/15 targets are draft and will be finalized with the execution of the HSAA in November. Acute weighted cases are outside the lower corridor target by 26 weighted cases. We have experienced a decrease in discharged cases and we have seen an increase in more resource intensive patients.

There have been notable improvements in process and patient care for mental health patients resulting in reduced length of stay and admission avoidance. QHC is renegotiating the performance corridor for Mental Health inpatient weighted patient days with the SE LHIN. QHC is also renegotiating the performance corridors for ambulatory visits and Rehab weighted patient days.
- 5. 2015/16 Operating and Capital Plan Development**
QHC management has identified an estimated gap of \$7M between revenue sources and expenditures for the 2015/16 year. QHC management anticipates significant difficulty to table a balanced budget without significant service changes. Preliminary planning assumptions to close the gap will be tabled at the November Audit and Finance committee meeting.

3.8.2

Audit and Finance Indicators Board Scorecard

	Measure	2013/14 Target	2014/15 Target	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1	2014/15 Q2	2014/15 Q3	2014/15 Q4	NOTES	
Audit and Finance	Acute Inpatient Weighted Cases (quarter)	3500.00	3500.00	3,284.70	3,179.70	3,685.70	3,487.40	3,264.00	.	.	.	.
	Acute Inpatient Weighted Cases (annual)	14000.00	14000.00	3,284.70	6,464.50	10,150.20	13,637.60	3,264.00	.	.	.	.
	Emergency Department Weighted Cases (quarter)	1148.00	1137.50	1,151.90	1,225.20	1,110.00	1,085.50	1,239.90	.	.	.	.
	Emergency Department Weighted Cases (annual)	4590.00	4550.00	1,151.90	2,377.10	3,487.10	4,572.60	1,239.90	.	.	.	.
	Day Surgery Weighted Cases (quarter)	875.00	937.50	962.70	891.90	959.30	948.30	1,134.60	.	.	.	.
	Day Surgery Weighted Cases (annual)	3500.00	3750.00	962.70	1,854.60	2,813.90	3,762.20	1,134.60	.	.	.	.
	Mental Health Inpatient Weighted Patient Days (quarter)	2750.00	1830.00	1,540.00	1,240.00	2,005.00	1,480.00	.	.	.	.	.
	Mental Health Inpatient Weighted Patient Days (annual)	11000.00	7320.00	1,540.00	2,780.00	4,785.00	6,265.00	.	.	.	.	.
	Rehab Inpatient Weighted Patient Days (quarter)	119.00	119.00	85.80	102.20	123.70	93.40	.	.	.	.	.
	Rehab Inpatient Weighted Patient Days (annual)	475.00	475.00	85.80	188.00	311.70	405.10	.	.	.	.	.
	Complex Continuing Care Weighted Patient Days (quarter)	1988.00	1912.50	2,673.00	2,151.00	1,750.00	1,732.00	.	.	.	.	.
	Complex Continuing Care Weighted Patient Days (annual)	7950.00	7650.00	2,673.00	4,824.00	6,574.00	8,306.00	.	.	.	.	.
	Ambulatory Care visits (quarter)	22850.00	17237.50	18,649.00	17,180.00	17,960.00	20,781.00	17,461.00	2013/14 Q4 revised to actual. Previous report was an estimated value.
	Ambulatory Care visits (annual)	91400.00	68950.00	18,649.00	35,829.00	53,789.00	74,570.00	17,461.00	HSAA target for 2014/15 being reviewed.
	Cataract Surgery Cases (quarter)	454.00	454.00	412.00	426.00	441.00	462.00	514.00
	Cataract Surgery Cases (annual)	1815.00	1815.00	412.00	838.00	1,279.00	1,741.00	514.00
Primary Hip Replacement Cases (quarter)	53.50	60.25	66.00	54.00	58.00	62.00	67.00	.	.	.	.	.
Primary Hip Replacement Cases (annual)	214.00	241.00	66.00	120.00	178.00	240.00	67.00	.	.	.	.	.

3.8.2

Measure	2013/14 Target	2014/15 Target	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1	2014/15 Q2	2014/15 Q3	2014/15 Q4	NOTES
Primary Knee Replacement Cases (quarter)	120.00	113.50	95.00	93.00	128.00	136.00	113.00	.	.	.	.
Primary Knee Replacement Cases (annual)	477.00	454.00	95.00	188.00	316.00	452.00	113.00	.	.	.	.
Current Ratio	.80	.80	.82	.76	.79	.84	.76	.	.	.	.
Margin	.00	.00	-1.45	-.12	-.25	.05	-1.78	.	.	.	The YTD Financial Margin for July 2014 is: -0.38

Note: Measures that are on a Annual basis only have Q4 coloured, as only Q4 can be compared to the annual target.

To:	QHC Board of Directors
From:	Stuart Wright, Chair of Human Resources Committee
Topic:	Human Resources Committee Update
Date of Meeting:	September 30, 2014
For:	Information

In addition to the items covered on the formal board agenda; the committee also discussed and received the following updates from management.

1. Senior Leadership 2014/15 Goals Linked to Compensation, CEO & COS 2014/15 Annual Goals

The Senior Leadership Goals Linked to Compensation, and CEO & COS 2014/15 Annual Goals were presented. SLT goals linked to compensation reflect corporate goals, and are shared goals with the CEO and COS.

2. Labour Relations Update

As part of the committee's work plan, the labour relations update was provided and it was noted that there were no outstanding items to bring forward at this time.

3. CEO & COS Replacement in a Sudden Vacancy

In accordance with Board policies II-1 (Chief Executive Officer Selection and Succession Planning) and II-9 (Chief of Staff Selection and Succession Planning), the Board will ensure that provision is made for continuity of leadership for the organization, and will have in place a documented process for succession of these two positions.

The CEO and COS have each provided written notice to the Board Chair of the name of an interim replacement in a sudden vacancy situation.

4. HR Committee Terms of Reference & Workplan

As per policy V-A-7 *Board Standing and Ad Hoc Committees*, Governance Committee is responsible for reviewing the Terms of Reference and Work Plans for Board Committees. The Board HR Committee Terms of Reference and Workplan were presented and will be submitted to Board Governance Committee for recommendation.

5. CEO & COS 2014/15 Evaluation Process

The CEO & COS 2014/15 Performance Evaluation Process was presented. The Board will be given the opportunity to comment on their 2014/15 performance and provide input for their 2015/16 competencies.

6. HR Strategic Plan Quarterly Indicators

The committee reviewed the Qtr.1 HR Strategic Plan Quarterly Indicators. Highlighted (in yellow status) on the HR Scorecard, we are performing slightly below target in the *Overtime Hours (quarter)*. QHC realized 162.8 more overtime hours than had been targeted, which is largely attributed to unplanned surge activity in the organization as well as non-occupational related sick leaves concentrated in a few departments. QHC has active plans to help manage the surge activity. From a health human resources perspective, QHC is focusing on both increasing the

labour supply in the nursing resource pool and orientating resource pool staff to more departments to support a safe deployment of staff in managing surge activity.

Noteworthy, there is no Employee Engagement Score in Q1 to report, as the survey will be taking place in Q2, Q3, and Q4 only. Moreover, although the Leadership Participation and Annual Education Completion Rate measures appear low, it is expected that these targets will be achieved by the end of Q4 based on the cumulative nature of the performance metrics and the scheduled learning offerings throughout the 2014/15 year.

HR Indicators Board Scorecard

3.8.3

	Measure	2013/14 Target	2014/15 Target	2013/14 Q1	2013/14 Q2	2013/14 Q3	2013/14 Q4	2014/15 Q1	NOTES
HR Indicators	Employee Engagement Score %	58.70	64.00	.	55.90	62.30	65.80	.	No surveys done in Q1
	Overtime Hours (quarter)	.	8704.00	8,213.90	8,649.50	10,219.00	9,564.70	8,866.80	Different metric than 2013/14 reports.
	Overtime Hours (annual)	.	34815.00	8,213.90	16,863.40	27,082.40	36,647.10	8,866.80	Different metric than 2013/14 reports.
	Lost Time Incidents (quarter)	6.00	3.00	3.00	1.00	5.00	3.00	2.00	.
	Lost Time Incidents (annual)	24.00	12.00	3.00	4.00	9.00	12.00	2.00	Continue to monitor progress.
	Leadership Development Participation % (annual)	80.00	80.00	10.40	53.60	90.00	90.00	1.70	Different metric than 2013/14. Based on metric and program design, it is expected that performance will be low in Q1 and Q2 and increase throughout the year.
	Annual Education Completion % (annual)	80.00	85.00	16.30	32.10	53.90	91.80	.00	Based on program design (focus in Q3 and Q4) it is expected that performance will be low in Q1 and Q2 and increase throughout the year.

Note: Measures that are on a Annual basis only have Q4 coloured, as only Q4 can be compared to the annual target.

To:	QHC Board of Directors
From:	Doug McGregor, Governance Committee Chair
Topic:	Governance Committee Update
Date of Meeting:	September 30, 2014
For:	Information

The Committee also discussed and received the following updates from management at their September 23, 2014 meeting:

1. Governance Collaboration Update

Senior Leadership provided an update on the collaboration initiatives that the hospital is involved in across the LHIN. This included an update on the LHIN Board's Collaborative Governance and Community Engagement (CGCE) committee. Other key collaboration initiatives include the Clinical Services Roadmap, Addictions and Mental Health (AMH) redesign, Regional Hospital Information System (HIS) Request for Proposal (RFP) and the Behavioral Support Services Transition Unit.

2. Enterprise Risk Management (ERM)

Senior Leadership informed the committee that they had investigated the HIROC risk assessment system and will be proceeding with the evaluation in the fall. The evaluation is based largely on HIROC claim history and will make QHC eligible for a rebate on HIROC fees. An ERM survey of Senior Leaders (SLT and Directors) will follow in Q4 14/15. This will be around the QHC ERM risk domains of strategy, legal & regulatory, quality & patient safety, human resources & workplace safety, finance, infrastructure and information & technology. The results of the HIROC evaluation and the ERM survey will be used to develop a multi-year plan.

3. Board Development – Education Sessions and Conferences.

Governance committee reviewed the process for directors requesting conference attendance and the list of confirmed conferences. Directors who wish to attend a conference should send their requests through the Board EA support, Julia Byers.

4. Feedback from Board Education Day

Overall, the feedback from the Board Education Day was positive. Governance committee will recommend a similar one-day session with hospital tours for next year's education. Education topics and format will be adjusted based on the feedback and comments received.

5. Governance Committee Terms of Reference and Work Plan

The committee reviewed its terms of reference and work plan. At the November meeting, all committee terms of reference and work plans will be reviewed and brought to the November Board meeting for approval.

To:	QHC Board of Directors
From:	Doug McGregor, Chair, Nominations & Communications Sub-Committee
Topic:	Nominations & Communications Sub-Committee Update
Date of Meeting:	September 30, 2014
For:	Information

The Sub-Committee also discussed and received the following updates from management at their September 16, 2014 meeting:

1. Advisory Council Survey Results and 2014/15 Meeting Plan

A survey of Advisory Council members conducted in August 2014 shows the members continue to find it to be a rewarding and meaningful endeavor. For example, 88% said it is rewarding to be an Advisory Council member; 73% feel they have had the opportunity to provide feedback in a meaningful way and 96% find the meetings to be informative. The specific survey results are being used to help shape the specific plans and meeting agendas for the Advisory Council in 2014/15.

2. Update on Communications & Engagement Activities

Mrs. Rowe provided an update on the implementation of the 2014 QHC Communications & Engagement Plan. Communications activities in the coming months will focus on the 2015/16 operating plan process; community engagement regarding the redevelopment planning for PECMH; and the regional planning by the South East LHIN, hospitals and CCAC.

To:	QHC Board of Directors
From:	Steve Blakely, Board Chair
Subject:	CEO Employment Agreement Renewal
Date of Meeting:	September 30, 2014
For:	Information

I am very pleased to report to the Board that the President & CEO employment contract with Mary Clare was renewed on August 31, 2014 for a term of five years, ending August 30, 2019. We first reported to the HR Committee in June that it was time to begin the contract renewal process. After receiving support from the Board, myself and Jeff Hohenkerk finalized the new contract with Mary Clare between July and August.

In accordance with the current provincial legislation, the renewed contract was negotiated without any changes to the compensation or benefits. In the spirit of transparency, the signed contract will be available to the public via the QHC website.

To:	QHC Board of Directors
From:	Mary Clare Egberts, President & CEO
Topic:	Report of the President & CEO – Discussion
Date of Meeting:	September 30, 2014
For:	Information

Balanced Scorecard

The Balanced Scorecard results for Q1 2014/15 are attached. Since we did not conduct a staff engagement survey during the first quarter, we do not have a Q1 result for this metric. Of the four remaining goals, we are showing red for two (at risk of not achieving the goal in 2014/15) and yellow for two (interventions are required to ensure we meet this goal in 2014/15). In response, we have reformatted our weekly Operations Huddles with our Director group to ensure we are putting even greater emphasis on putting the right projects in place; regularly monitoring the results; and making timely adjustments as needed to ensure we are meeting the goals.

In particular, it is unlikely that we will meet our goal for ER lengths of stay for admitted patients in 2014/15, given the significant decline we experienced in this indicator in Q1. The ongoing surge in patient volumes has impacted our ability to ensure patients are moving out of the emergency room and into an inpatient bed in an appropriate timeframe. We now have twice weekly scrums with the key leaders to implement and monitor possible solutions to the complex surge issues in a more expedited way. For example, the IMPACT project that Dr. Zoutman speaks about in his Report of the Chief of Staff is a key driver to improving patient flow and therefore reducing ER lengths of stay.

15/16 Operating Plan Development

Early this month we launched our 2015/16 operating plan process to meet the following three QHC goals for 2015/16.

Strategic Directions	2015/16 Wildly Important Goals
Enhance the Quality and Safety of Care Create an Exceptional Patient Experience Improve Care Transitions	Enhance the care for seniors
Create an Exceptional Workplace	Increase the employee engagement score
Strategic Enablers	Remain financially healthy

We know that 2015/16 will be another challenging year from the financial perspective. This is the fourth and last year of the hospital funding reform in Ontario and as such the provincial government will again be reducing QHC's funding. We will also need to find cost savings in order to meet inflationary increases, including commitments to staff contracts. We expect that we will need to reduce our expenses by about \$7 million in 2015/16 in order to remain financially healthy, a similar target to what we have needed to find in each of the past three years.

We have put an operating plan process in place for the next six months that will help us to remain financially healthy, while we continue to at least maintain our quality and safety of care and focus on our employee engagement. It will be a challenging process this year, and we are committed to work with our staff, physicians and partners to make the best possible decisions for the future of hospital-based health care services in our region.

QHC Balanced Scorecard – Q1 2014/15

5.2

Direction	Enhance the Quality and Safety of Care	Create an Exceptional Patient Experience	Provide Effective Care Transitions	Be an Exceptional Workplace	Improve Strategic Enablers
Goal	Medication Reconciliation	ER Lengths-of-Stay	Clinical Pathways	Employee Engagement	Financial Health
Target	% of patients receiving medication reconciliation on admission $\geq 62\%$	90 th percentile length of stay for admitted patients ≤ 17.5 hours	% of eligible patients using pathways for COPD, CHF and pneumonia $\geq 75\%$	% positive employee engagement score $\geq 64\%$	Total margin ≥ 0
Q1 2014/15 Performance	55.7% 	24.7 	67.8% 		-0.38%  Margin (July 2014)

To:	QHC Board of Directors
From:	Katherine Stansfield, Vice President & Chief Nursing Officer
Topic:	Report of the Chief Nursing Officer
Date of Meeting:	September 30, 2014
For:	Information

Patient Flow Challenges

The occupancy level of the inpatient medical units in all 4 hospitals, as well as the Complex Continuing Care and Rehabilitation units, continues to exceed 100% over the summer months. Like many hospitals in Ontario and particularly in the SELHIN, the challenge is exacerbated by an increase in Alternate Level of Care (ALC) patients, now growing to over 40 in our organization, despite a marked decrease in the rate that patients are converting to ALC status. The most recent SELHIN ALC report shows that the prime barriers to discharge to LTC remain complex and behavioral issues. QHC is participating at the SELHIN level on 2 initiatives to address this issue.

However there are multiple root causes, and QHC has taken a renewed focus, with twice weekly organization-wide "scrums" to manage them. A physician lead has been appointed to inform and champion physician practice changes. We are consulting with high performing hospitals in the province to gain insight and have had an external expert review of our IMPACT medicine project. Staff suggestions are incorporated into improvement plans.

QHC has also completed a demographic analysis of recent changes in our patient population and is incorporating into future planning with a focus on preventing loss of functionality in our elder patients, leading to reduced lengths of stay and ALC conversion. Quality of care indicators, as well as human resources factors such as overtime and sick time are monitored closely.

To:	QHC Board of Directors
From:	Karen Baker, QHC Board Treasurer and Chair of Audit and Finance Committee
Subject:	July 2014 Financial Statements
Date of Meeting	September 30, 2014
For:	Decision
Motion:	<i>That the QHC Board of Directors approves the July 2014 financial statements.</i>

Year to Date July 2014 Financial Results

Year to date results for the four months ended July 31, 2014 show a deficit of \$240K before building related items. This represents an unfavourable variance to budget of \$363K.

Recognition of MOH and LHIN revenues reflects our best estimates as we await communication of our actual 14/15 funding levels.

A significant portion of the variance in Recoveries and Other Revenues is due to the CRA recovery that was applied for in fiscal 2013/14. The current status of the issue is that we have requested a ruling from CRA, however we do not anticipate a ruling within this fiscal year.

The variance in Compensation reflects the surge activity that has been experienced throughout the period of this report. The fiscal 14/15 budget was built to reflect the slowdown in activity in Medicine and ICU that has been typical for this time of year. The surge activity has impacted the ER and other inpatient units as we have dealt with the resulting demands for incremental staffing and the placement of off-service patients to other inpatient units. As a result, we have seen an increase in both sick and overtime hours over the prior year. A team has been focusing on the impact of this surge activity and working to understand and influence the controllable related factors.

The positive variance in Medical & Surgical Supplies is largely related to the Operating Room and likely reflects a combination of savings realized from Project Apollo and the impact of the planned seasonal slowdown.

Drugs and Medicine shows a negative variance that relates to the Oncology program. This overage is offset by a positive variance in revenues from CCO. These costs and revenues are difficult to predict as they are tied to treatment regimens for the case types currently being treated.

Supplies and Other Expenses are currently under budget but this is expected to even out over time. Some of the areas contributing to this variance are Plant Maintenance and Utilities.

We have not prepared a year-end forecast as we are waiting for the 14/15 actual funding numbers to be released by the SE LHIN. We plan to present a year-end forecast at the next meeting scheduled for November.

Balance Sheet

The Current Ratio at July 31, 2014 is 76%. The release of the holdback for Phase II construction was processed on September 9, 2014 in the amount of \$3.4M. This will have a significant impact on our cash balance and current ratio going forward. Earlier projections predicted that the ratio could dip to .65. We continue to monitor our cash flow carefully.

The Total Margin at July 31, 2014 is -.38%.

To:	QHC Board of Directors
From:	Stuart Wright, Chair of Human Resources Committee
Subject:	QHC Talent Management Framework
Date of Meeting:	September 30, 2014
For:	Decision Making
Motion:	<i>That the QHC Board of Directors approves the talent management framework and implementation timelines with ongoing monitoring by the HR Committee.</i>

Background

Approximately 40% of QHC management leaders are eligible for retirement within the next five years. Implementation of a talent management framework and creation of a formal succession plan will help to mitigate the risk of attrition. There is therefore a need to align succession management and leadership development in a formal process.

Achievements to Date

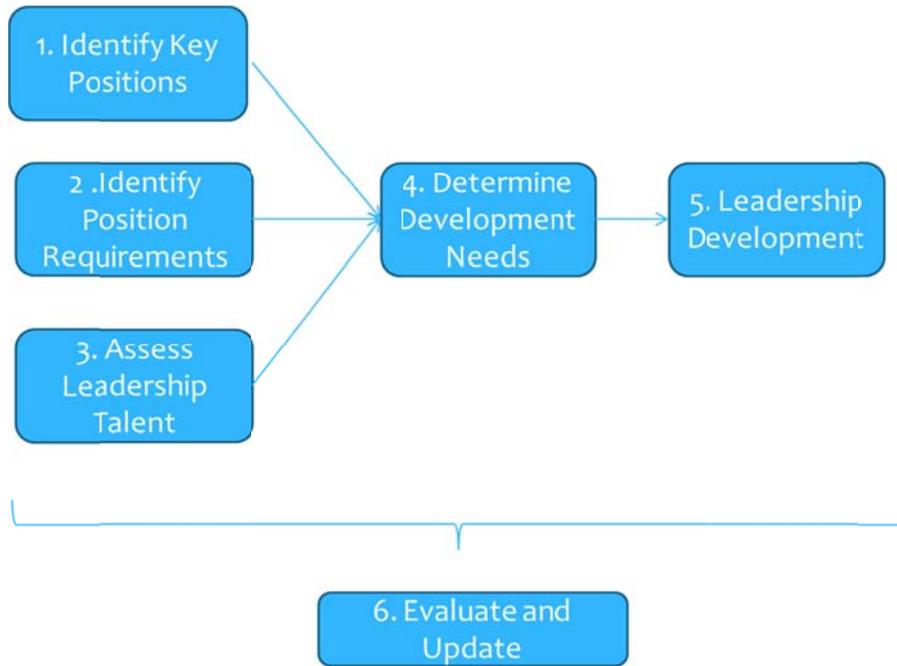
Although QHC has not had a formal Talent Management/ Succession Plan program in place, leadership development has been an area of strategic focus, with programming developed based on the OHA leadership competencies. Aligning with *Be an Exceptional Workplace*, leadership development remains our focus and is one of the five Human Resources strategic directions. QHC has introduced the following leadership development programs:

- 2012/13
 - OHA Leadership Competency Development for CEO and COS
- 2013/14
 - Leadership Development Program focused on OHA Leadership Competencies
 - VP and Director Competency Self-Assessment
 - CEO and COS Job Description review and update
 - Introduction of job rotation/secondment at leadership level
- 2014/15
 - Continued Leadership Development Program focused on OHA Leadership Competencies
 - Manager Competency Self-Assessment
 - CEO Succession Plan

QHC Talent Management Framework

On January 7, 2014, the Board HR Committee requested that senior management develop a 3-year Talent Management/ Succession Plan with milestones for QHC. On September 16, 2014, a Talent Management/ Succession Planning framework was presented to and approved by the HR Committee. The talent management and succession planning program is focused on

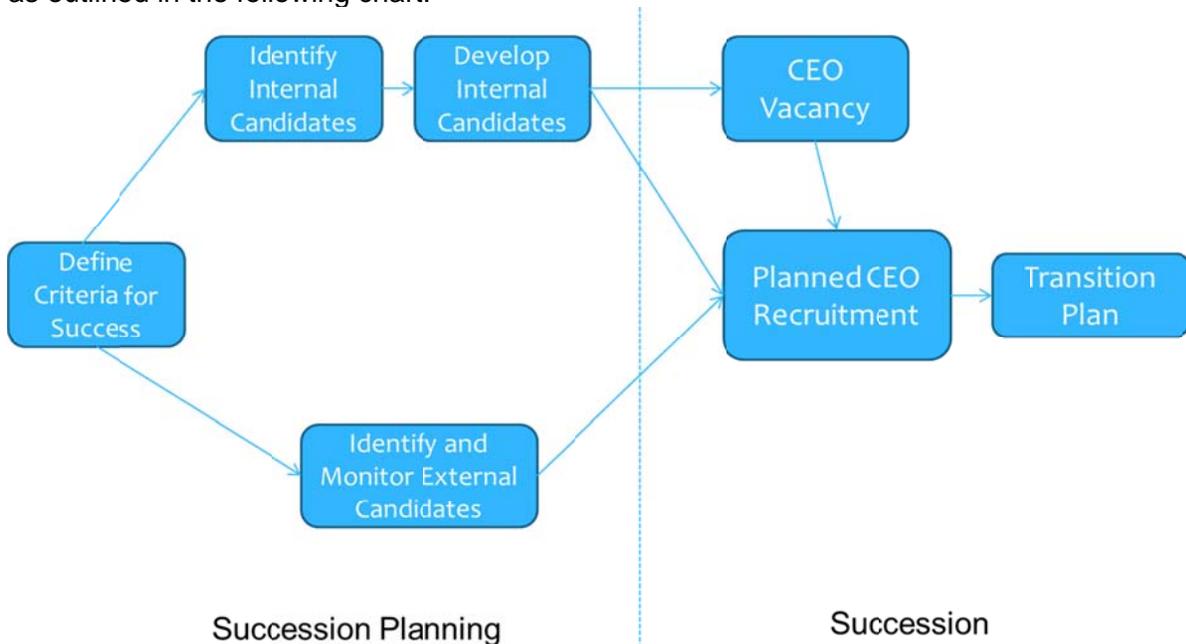
building leadership talent required now and into the future, and is critical to the long-term success of QHC. The succession planning framework is summarized in the following flowchart:



As illustrated, the succession plan process focuses on identifying key positions, determining the key skills, identifying successors within existing management to develop appropriate skills and ability. Employees identified as having the skills, knowledge and the desire can be developed so that they can undertake more senior roles or move laterally to fill specific key positions.

CEO Succession Planning

With respect to succession planning for the CEO, a more defined process has been developed, as outlined in the following chart:



As shown, the planning process is balanced between developing internal candidates and monitoring external candidates. The process for succession is split between a planned replacement (retirement) versus unplanned. In the case of an unplanned departure, the CEO has provided the Board Chair with a recommended internal candidate to act as interim CEO while a recruitment process is put in place.

Implementation Time Lines

Based on the framework, HR committee approved the following implementation scheduled:

Process steps	Completion Date
CEO succession plan implementation	October 2015
Identification of key positions	October 2014
Identification of required skills, abilities	April 2015
Assessment of Talent Director level	October 2015
Assessment of Talent Manager level	October 2015
Develop Talent Director level	April 2016
Develop Manager level	October 2016
Evaluate results of succession plan	October 2016

HR committee will have oversight to the implementation of the framework through annual updates from Senior Leadership.

To:	Board of Directors
From:	Doug McGregor, Chair Governance Committee
Topic:	Medical Staff Representation on Board Committees
Date of Meeting:	September 30, 2014
For:	Decision
Motion:	<i>That the Governance Committee endorses changing the committee Terms of Reference to permit membership of medical staff recommended by the Medical Advisory Committee (MAC) when Professional Staff Association (PSA) ex-officio Board Members are not identified or cannot commit to the board accountability of serving on board committees.</i>

Background

QHC By-Law 1 clause 4.1 identifies that the “*President and Vice-President of the Medical Staff*” (represented at QHC by the Professional Staff Association – PSA) are ex-officio members of the board. The Public Hospitals Act, Regulation 965 requires that only the President of the hospital’s Medical Staff be an ex-officio member of the board. In addition to board membership, there are PSA representatives on the Quality of Patient Care, Audit & Finance and Human Resources Committees.

Issue

In recent years, it has been difficult to find a PSA President and Vice-President to fill both ex-officio positions on the board as well as positions on committees. One expectation of board members, both elected and ex-officio is that they also serve on board committees. In general the expectation is that they serve on more than one committee. This is important as most of the board work is done at the committee level and without attendance board members may not have the context for board meetings.

Where the PSA President and Vice-President were not available, the board has permitted other PSA executive (treasurer and secretary) to serve on committees, however it is important to note that the positions on the board committees were not originally intended as general PSA representatives, but specifically for the ex-officio board members, i.e. the President and Vice-President.

Without the PSA President and Vice-President on committees, the board may be lacking input from the medical staff.

Recommendation

In order to provide medical staff input for the Quality of Patient Care, Audit and Finance and Human Resources committee, it is recommended that the terms of reference for these committees be changed from: *Elected Officer of the Professional Staff Association to “PSA ex-officio board member, or where they are not available another member of the medical staff as recommended by the MAC and approved by the committee”*

This meets the two goals of having PSA ex-officio board members to play a role on the committees as well as permitting other physician involvement when the PSA President or Vice-President is not identified or cannot commit to serving on committees.