



BOARD OF DIRECTORS MEETING MINUTES

Friday, June 10, 2016 at 9:00 a.m.
Winnipeg Convention Centre, Winnipeg, MB

Attendance:

| | | | |
|-----------------|-------------|-------------|-----------------|
| P. Baker | J. Cox | S. Gauthier | G. McLennan |
| L. Manning | M. Montanti | H. Unruh | P. Van Caeseele |
| R. Van Denakker | A. Wilgosh | B. Wright | |

Staff:

| | | | |
|------------|-------------|-----------|-------------|
| P. Brennan | C. Burns | C. Conway | D. Humphrey |
| A. Kabani | P. Kresta | J. Slater | T. Mangano |
| E. Hartwig | R. Sawatzky | | |

APPROVAL

1) Call to Order

2) Approval of Agenda

3) Approval of Board Minutes and Conflict of Interest

Minutes of May 13, 2016 were approved. No conflicts were declared.

4) Strategic Discussions: Contracts & Procurement

DSM's Contracts and Procurement provided a departmental overview. The department follows a Non-Binding Negotiated Tendering process, a best practice model that is endorsed by the United Nations. Over the years, the department has achieved multi-million dollar cost savings and has provided counsel to other RHA departments.

5) Standing Reports (Oversight)

Board Chair Report

A. Wilgosh and J. Slater met with the Minister of Health, Seniors and Active Living and discussed the Ministry's health mandate to look for cost efficiencies throughout the system. They provided the Minister with an overview of the Choosing Wisely Manitoba initiative and will forward a more formal proposal for implementation shortly. A letter of invitation was sent to the Minister to speak at DSM's Annual General Meeting in September and to attend the Annual Member's Meeting in October.

Dr. Hussam Azzam provided his verbal resignation, as a member of the DSM Board of Directors, to the Board Chair. An official resignation letter is forthcoming. Once received,

the notification will be forwarded to the Minister. The Board expressed appreciation for Dr. Azzam's valuable contributions over the past several years.

Senior Management Team (SMT) Report

P. Brennan, Chief Administrative Officer, will forward the risk management templates to all board committees over the summer months.

The advancing technology risk description will be sent to board members in advance of the September meeting.

The SMT report was accepted as presented.

Quality and Patient Safety Committee Report (QPSC)

DSM's Transfusion Medicine provided a departmental and risk overview to QPSC. The QPSC Terms of Reference is now complete.

Finance Committee Report

The Finance and Audit Committee met a week prior to the board meeting. The 2015/16 operating deficit is \$2.1 million versus the budgeted deficit of \$2.4 million.

The Finance Committee recommends the 2015-16 Financial Statements be accepted as presented.

MOVED: G. McLennan

SECONDED: M. Montanti

CARRIED.

The 2016/17 budgeted deficit is \$3.2 million. The \$1.1 million increase from 2015/2016 reflects price and volume pressures on consumables, increases to equipment service contracts, investments in Genomics, filled vacancies, increases in Medical FTE & Corporate staffing.

At the end of 2015/16 DSM's total unused reserve is estimated at \$692k and this will be applied against the budgeted 2016/17 deficit to reduce it to \$2.5m or 1.25% of global funding.

A letter has been received from Manitoba Health, Seniors and Active Living informing regional health authorities to seek cost efficiencies of 1.5%. This directive was received after the budget was prepared for approval and the Annual Health Plan submission date of June 1, 2016. DSM's cost efficiency strategies have not yet been reflected in the 2016/17 budgeted deficit.

The DSM 2016/17 Budget was conditionally approved with an expectation that we identify cost savings opportunities equal to 1.5% of our budget. Approval is also subject to the 2016/17 funding letter from Manitoba Health, Seniors and Active Living.

MOVED: G. McLennan
SECONDED: M. Montanti **CARRIED.**

To approve the DSM 2017-18 Annual Health Plan.

MOVED: G. McLennan
SECONDED: L. Manning **CARRIED.**

To approve the appointment of Ernst & Young as external auditors for the 2016-17 year end audit.

MOVED: G. McLennan
SECONDED: L. Manning **CARRIED.**

D. Skwarchuk is an external member of the Finance Committee and has taken a new position with Manitoba Health. The Committee will confirm if D. Skwarchuk wishes to remain as an external member. In the event that D. Skwarchuk wishes not to continue, the Committee will propose a replacement.

6) Governance (Foundational Factors)

Governance Committee Report

A reminder was issued to all board committees that draft KPIs and risk descriptions be presented at the September meeting. The Board Self-Assessment will be performed in Fall 2016.

All board members are to review the Annual Report and forward comments to T. Mangano by July 27th.

KRI & KPI Dashboards

P. Brennan and J. Slater meet prior to each board meeting to update the dashboard with current information. A new board lead for Appropriate & Effective Use is required.

7) Board Q and A Session

Transportation strategy discussion will be added to the September agenda.

8) In-Camera Session

9) Adjournment

Next Meetings: September 9, 2016 – at Winnipeg Convention Centre

September Strategic Discussion: Diagnostic Services for First Nations, Métis and Inuit; Transportation; Advancing Technology Risk Description; and KPI and Risk Descriptions Review.