



Timmins and District Hospital

L'Hôpital de Timmins et du district

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| Policy Title: STATEMENT OF THE ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS | | |
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RESPONSIBILITY:

To manage the governance process and the affairs of the Board in addition to all responsibilities attendant to being a member of the Board.

STANDARD OF CARE

Section 134(1) of the Ontario Business Corporations Act (OBCA) states:
"Every director or officer of a corporation, in exercising his/her powers and discharging their duty shall:

- a. Act honestly and in good faith with a view to the best interest of the corporation;
- b. Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances."

To this end, the following sets out the duties and responsibilities of a Board member of the Timmins & District Hospital Corporation:

SPECIFIC DUTIES

Duty of Loyalty

- The fiduciary relationship of a Board member to the corporation requires him to be loyal to it.
- Board members must always further the interests of the corporation in its pursuit of its mission.
- The Board member must be an advocate for the hospital and the health care of the community.
- Board members must act honestly and declare and avoid any conflict of interest between themselves and the Hospital Corporation in accordance with the conflict of interest provision in the hospital bylaws.

- Practically this means that a Board member cannot have an undeclared interest in a contract with the hospital corporation, nor can have a spouse, child, parent, brother or sister employed by the Hospital.

Duty of Honesty

- Honesty is a fundamental duty expected of a Board member of the hospital corporation.
- The duty of honesty includes acting in good faith, and in the best interest of the corporation.
- Confidentiality is inherently included in the duty of honesty and the duty of loyalty.

Duty of Care

- Requires a Board member to act with prudence and diligence based on common sense and experience
- Requires a general knowledge by members about how the hospital's activities are carried out and remaining informed about the policies, activities and affairs of the Hospital Corporation.
- Requires a Board member to participate in self-evaluation and overall Board evaluation, regularly.

Duty of Diligence

- Requires a Board member to make such inquiries on board activities and proposals that a person of ordinary care would make in relation to his/her own affairs.
- Involves diligence in preparing for, attending and participating at Board meetings.
- Requires that members be informed sufficiently to make decisions at meetings.
- Where a matter requires special knowledge, a qualified person should inform Board members.

Duty of Skill

- As in the duty of care, prudence on the part of a Board member is required, but the duty of skill requires prudence based on a particular member's experience or qualifications. Thus, the personal qualifications of a board member will have a substantial effect on his/her liabilities.

Duty of Prudence

- Board members are required to use common sense and to act carefully, deliberately and cautiously in trying to foresee the likely consequences of a proposed course of action.
- Board members are not required to go beyond the limits of their own knowledge and ability when they consider the prudence of a particular course of action.

Duty of Privacy/Confidentiality

- As an agent of the Hospital a Board member has individual responsibility for privacy and confidentiality compliance and must make efforts (to the extent reasonable given the circumstances) to protect patients' privacy and to respect the confidentiality of their personal health information.
- Board members are regulated by the Personal Health Information Protection Act, 2004 in the way they collect, use, dispose of, retain, transfer, provide access to and disclose of patients personal health information and must have the permission of the hospital to do so on the hospital's behalf
- Board members, as agents of the hospital, must at all times comply with the signed confidentiality agreement and must use all information (i.e. information regarding patients, employees, physicians, volunteers, visitors, hospital business matters, etc.) they receive in their capacity as a Board member only for the purpose intended and no other purpose except as permitted or required by law

Privacy/Confidentiality Breach

- Complaints regarding breach of privacy regarding patient's personal health information may be lodged with the Information and Privacy Commissioner/Ontario (also referred to as the Commissioner). If prosecuted and convicted of an offense, Board members, as agents of the hospital, who authorized or could have prevented the offence may be fined \$50,000, whether or not the hospital itself is prosecuted or convicted.
- A breach of privacy may entitle the affected individual to sue individual Board members, as agents of the hospital, for actual harm a privacy breach caused, or mental anguish (up to \$10,000) where willful or reckless behavior caused the breach
- The process for addressing breaches will be applied as outlined and Board members may be held personally liable for any breach of privacy or confidentiality.

Preventative Action

To assist Board members in properly performing their duties as directors and to minimize their exposure to liability and litigation, certain preventative measures and steps will be undertaken.

- Every Board member will be provided with a copy of the organization's by-laws; and shall have made available to him/her, information on applicable acts and legislation and such resources as to assist in their understanding of same.

The Board member will review such information to fully appreciate the parameters with which the corporation is to operate.

- Hospital bylaws should be reviewed periodically to determine if the manner in which the hospital functions and the bylaws are consistent with each other. If change is required, determine if approval is required from the membership of the corporation and/or governmental bodies. In the interim, the Board member will support the decisions and policies of the Board, until such time as those decisions or policies are changed by an official action of the board.
- The board member will be kept informed of any pertinent information to allow knowledgeable decision-making. Regular financial statements, regular reports from staff members empowered to carry out the board's decisions and reports from professional advisors should be reviewed at board meetings.
- The hospital corporation provides for director's liability insurance. This provides protection for the Board member should he/she fail to perform his/her obligations as a trustee, providing he/she was not guilty of gross or culpable negligence.

STRATEGIC PLANNING AND MISSION, VISION AND VALUES

1. The Board actively participates in the formulation of and approves the organization's mission, vision and values.
2. The Board actively participates in the development of and approves a strategic plan that is consistent with its mission and values, and which will enable the organization to realize its vision.
3. The Board ensures alignment of operations with the strategic plan and strategic directions.
4. The Board receives regular briefings or progress reports on implementation of strategic directions and initiatives.
5. The Board ensures that its decisions are consistent with the strategic plan and the mission, vision and values.
6. The Board conducts a review of the strategic plan as part of a regular planning cycle.

FINANCIAL OVERSIGHT

1. The Board is responsible for stewardship of financial resources including ensuring availability and overseeing allocation of financial resources.
2. The Board approves policies for financial planning, and approves the annual operating and capital budget.

3. The Board monitors financial performance against the Hospital's budget.
4. The Board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.
5. The Board ensures management has put measures in place to ensure the integrity of internal controls.

GOVERNANCE

1. The Board is responsible for the quality of its own governance.
2. The Board establishes governance structures to facilitate the performance of the Board's role and to enhance individual director performance.
3. The Board is responsible for the recruitment of a skilled, experienced and qualified Board.
4. The Board ensures ongoing Board training and education.
5. The Board assesses and reviews its governance through periodic evaluation of the Board structure. This includes Board recruitment processes, Board composition and size, number of committees and their Terms of Reference, processes for appointment of committee chairs, process for appointment of Board officers and other governance processes and structures.
6. The Board annually appoints the officers.

RISK IDENTIFICATION AND OVERSIGHT

1. The Board is responsible to be knowledgeable about risks inherent in both the external environment and the organization's operations and ensure that appropriate risk analysis is performed as part of Board decision making.
2. The Board oversees management's risk management program.
3. The Board ensures that appropriate programs and processes are in place to protect against risk.
4. The Board is responsible for identifying unusual risks to the organization and for ensuring that there are plans in place to prevent and manage such risks.

QUALITY OF CARE OVERSIGHT

1. The Board is legally accountable for the quality of the care their institution provides, and needs to develop and implement effective quality oversight processes to achieve these objectives.

2. The Board is required as directed by the Excellent Care for All Act (ECFAA) (June, 2010) to establish a quality committee responsible for monitoring and reporting on quality issues at the hospital.
3. The Board is required to monitor and report to Board members on quality issues and on the overall quality of services provided in the health care organization (making use of appropriate data). This includes the review of aggregated critical incident data at the quality committee at least two times per year.
4. The Board is required to review the medical advisory committee's recommendations that relate to systemic or recurring quality of care issues at the hospital (see updated the PHA Regulation 965).
5. The Board is required to consider and make recommendations to the Board members regarding quality improvement initiatives and policies
6. The Board is required to ensure that best practices information is shared with staff at the health care organization and monitor the use of these materials.
7. The Board is required to oversee and inform the preparation of annual quality improvement plans

GENERAL DUTIES

- Respects the confidentiality of the boardroom and refers all inquiries for public statements to the Board Chairperson (or designate) and/or CEO (or designate in accordance with the hospital's Release of Information Policy).
- To engage in regular self-evaluation processes of the Board and to be responsible to notify the Board Chairperson or nominating committee at such time as the member determines that he/she cannot continue to carry out the duties of the position.
- To participate on committees of the Board and in so doing to ensure the development and monitoring the hospital corporation's mission, vision and values.
- The Board member has respect for diversity and values different perspectives.