

**NORTH BROWARD HOSPITAL DISTRICT  
BOARD OF COMMISSIONERS'  
REGULAR MEETING  
Broward Health Coral Springs  
Medical Office Complex, Conference Room 1<sup>st</sup> Floor  
July 25, 2012 – 4:00 p.m.**

**MINUTES**

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held on Wednesday, July 25, 2012 at 4:00 p.m. in the Medical Office Complex, Conference Room 1<sup>st</sup> Floor, Broward Health Coral Springs, 3100 Coral Hills Drive, Coral Springs, Florida.

Notice of this meeting is attached to the official Minutes as EXHIBIT I. The official Agenda for this meeting, as presented for the consideration of the Board, is attached to the official Minutes as EXHIBIT II. Original registration sheets listing attendees, as well as those who wished to address the Board, are attached to the official Minutes on file in the Board of Commissioners' office.

Chair Gustafson called the meeting to order at 4:05 p.m.

**ROLL CALL**

*Commissioners:*

Present: Commissioner Joel Gustafson – Chair  
Commissioner Jennifer O'Flannery Anderson – Vice Chair  
Commissioner Richard Paul-Hus - Treasurer/Secretary  
Commissioner Miguel Fernandez - Board Member  
Commissioner David Di Pietro - Board Member-arr: 4:15 p.m.  
Commissioner Clarence McKee – Board Member – arr: 4:20 p.m.  
Commissioner Debbie L. Kohl – Board Member

The invocation was given by Rabbi Yankie Denburg, Chabad of Southwest Coral Springs, followed by the Pledge of Allegiance led by Drew Grossman, CEO, Broward Health Coral Springs.

**PRESENTATION OF GOLD COAST HEALTH AND HOSPICE ANNUAL REPORT**

**2011** – Jasmin Shirley, VP Community Health Systems presented the 2011 Annual Report in detail. She discussed the Strategic Planning Program Demographics; Quality Improvement/Education Calendars as well as dashboards for Home Health and Hospice. She also presented a financial summary showing key indicators for both Home Health and Hospice.

Commissioner Paul-Hus asked why the profit margin has decreased. Ms. Shirley said it was still profitable; however, they did not receive as many of the Medicare referrals and the number of uncompensated charity care patients increased.

**COMMENTS FROM AUDIENCE:**

Mr. John deGroot addressed the Board and also distributed some financial material. Mr. deGroot said that his comments have nothing to do with the quality of care or dedication of the healthcare professionals at Broward Health--they are excellent people. However, Mr. deGroot said that he

did not share those feelings about Administration or the Commissioners. He also commented that in 2009, Broward Health outsourced all of the hospice beds in the NBHD to Vitas which he said was issued without competitive bid and Board approval. Mr. deGroot feels that the Commissioners are not being given all the information that they need to exercise their due diligence and fiduciary responsibilities.

Rep. Gwendolyn Clark-Reed commented on Ms. Shirley's presentation on Hospice. She wanted the Commissioners to know that in the African American community many residents receive their Hospice care in their homes. She said that those families feel it is a more comfortable situation for their family members.

She also addressed KidCare. Rep. Clark-Reed stated that last year in the legislative session it was made much easier for families to sign up for KidCare. Rep. Clark-Reed said she knew that Broward Health was having a number of health fairs and wanted to make sure that KidCare was a part of those health fairs. She commented that it is important for parents to know about the insurance, their ability to apply for the insurance and how it actually works. She thanked Broward Health for its services.

### **APPROVAL OF MINUTES**

1. Request approval of the Minutes of a Regular Meeting of the Board of Commissioners held June 27, 2012 Board of Commissioners meeting.

**It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON JUNE 27, 2012 BE APPROVED AS PRESENTED.**

**Motion carried unanimously.**

2. Request approval of the Minutes of a Special Meeting of the Board of Commissioners held July 13, 2012 Board of Commissioners meeting.

**It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS HELD ON JULY 13, 2012 BE APPROVED AS PRESENTED.**

**Motion carried unanimously.**

### **MEDICAL COUNCIL AGENDA**

3. **BROWARD HEALTH CORAL SPRINGS**

Dr. Greenspan reported that BHCS completed its Primary Stroke Program by Joint Commission with no findings—a perfect score.

Dr. Carrie Greenspan, Chief of Staff of Broward Health Coral Springs, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Appointments and Changes; and Medical Staff Reappointments;

**It was moved by Commissioner Fernandez, seconded by Commissioner O’Flannery Anderson:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL’S MEDICAL COUNCIL OF ITEMS**

**3 (A-B):**

- A. Medical Staff Appointments and Changes
- B. Medical Staff Reappointments

**Motion carried unanimously.**

4. **BROWARD HEALTH IMPERIAL POINT**

Dr. Groene provided the following update:

- Broward Health legal team provided ethics and compliance education at their Medical Council meeting.
- Medical staff made a \$12,000 contribution to BHIP for new signage for outside patient doors.
- First CPOE training is being planned for several days in November with the go-live date sometime in December.
- BHIP is planning for their 40<sup>th</sup> Birthday Party which will be held October 27<sup>th</sup>.

Dr. Linda Groene, Chief of Staff of Broward Health Imperial Point, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Medical Staff Reappointments; Allied Health Changes and Additions; and Allied Health Reappointments.

Commissioner DiPietro informed Mr. Goren and the Board that he was abstaining from voting on the deletion of privileges for Dr. Subhasd Gupta. Dr. Gupta has retained Commissioner Di Pietro for legal services. Mr. Goren said the record will reflect that Commissioner Di Pietro will not be voting on that matter and will file the appropriate disclosure Form 8B.

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT’S MEDICAL COUNCIL OF ITEMS 4 (A-D):**

- A. Medical Staff Changes and Additions

- B. Medical Staff Reappointments
- C. Allied Health Changes and Additions
- D. Allied Health Reappointments

**Motion carried unanimously.**

Commissioner McKee questioned why the Medical Staff donated monies to purchase signs for the outside of patient rooms. He asked if this was not included in BHIP budget.

Dr. Groene said that the Medical Council often makes charitable donations and why not to BHIP. She said that BHIP needs a lot of beautification—lobby needs to be redone and there is only so much money to go around.

Ms. Alice Taylor, CEO of BHIP, explained to Commissioner McKee that the Medical Council came to them and asked if there were any projects that they could contribute to that was not included in their budget. Ms. Taylor gave them a list of projects and they choose to purchase signs for patient rooms. These dollars came from their dues.

5. **BROWARD HEALTH NORTH**

Dr. Ford reported on the following:

- Earlier this month, BHN had their survey on Inpatient Rehabilitation Unit—received an outstanding score and they stated that BHN’s care was excellent.
- Department of Radiology had a re-inspection of the mammography unit and found no deficiencies.
- BHN’s Orthopedic program for Hips has been rated in the Top 10 in Florida by AHCA.
- There was a follow up on the physician survey. Some areas of concern were address and there has been a vast improvement.

Dr. Douglas Ford, Chief of Staff of Broward Health North, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Additions, Changes and Resignations; Allied Health Additions, Changes and Resignations; Medical Staff Reappointments; Allied Health Reappointments and Community Health Reappointments.

**It was moved by Commissioner Paul-Hus, seconded by Commissioner O’Flannery Anderson:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH NORTH’S MEDICAL COUNCIL OF ITEMS 5 (A-E):**

- A. Medical Staff Additions, Changes and Resignations
- B. Allied Health Additions, Changes and Resignations
- C. Medical Staff Reappointments
- D. Allied Health Reappointments
- E. Community Health Reappointments

Commissioner Paul-Hus asked how BHN compared to Holy Cross in Joint Replacements. Dr. Ford said that he believed that BHN was well ahead but did not know the exact numbers. Commissioner Paul-Hus referred to the billboard that Holy Cross has on I-95 saying that they are No. 1 in Joint Replacements. Dr. Ford said that they also have one on Commercial Blvd that they are looking to take over. He said BHN's doctors are very good—they teach other doctors, recovery is good and BHN has patients that come from all over the country, Canada and the Caribbean to see Dr. Janke and his team. BHN is very proud of its Joint Replacement Program.

Commissioner Di Pietro commented that the billboards probably help but is it not the case that patients are referred to specialists by their primary care physicians. If BH has good relationships with its physicians, they will refer patients to its specialists.

Dr. Ford said there are many factors why patients go to a specific physician. Patients look up information on the internet, physician referral and former patient referrals. In addition, according to Dr. Ford, BHN's rehab service has a very comprehensive program with excellent results.

**Motion carried unanimously.**

## 6. **BROWARD HEALTH MEDICAL CENTER**

Mr. Glidewell provided the following update:

- BHMHC just completed its Joint Commission Survey on June 25-29<sup>th</sup>. It was a very comprehensive survey with BHMHC receiving a full 3 year accreditation—there were no findings of condition. He thanked his administrative team, clinical teams and physicians.
- Continuing to work on BHMHC statutory teaching hospital with FIU which is going very well.
- Re-confirmation from University of Miami to support BHMHC Liver Transplant program. BHMHC submitted a CON for a Liver Transplant Program and they have agreed to support it if approval is granted.
- Hired a Chief Experience Officer, Jennifer Conroy, who is working very hard on a cultural transformation and focusing not only on scores but on the culture and the way that service is delivered at BHMHC starting with behavioral standards for all employees. Mr. Glidewell said they received some pretty good results last month – 8 out of the 10 categories in HCAHPS, BHMHC went up pretty significantly.

In the absence of Dr. Rajiv Chokshi, Chief of Staff of Broward Health Medical Center, Calvin Glidewell, CEO reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Allied Health Changes and Additions; Community Health Services Changes and Additions; Medical Staff Reappointments; Allied Health Reappointments; and Community Health Services and Weston Urgent Care Center Reappointments

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Paul-Hus:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF THE BROWARD HEALTH MEDICAL CENTER’S MEDICAL COUNCIL OF ITEMS 6 (A – F):**

- A. Medical Staff Changes and Additions
- B. Allied Health Changes and Additions
- C. Community Health Services Changes and Additions
- D. Medical Staff Reappointments
- E. Allied Health Reappointments
- F. Community Health Services and Weston Urgent Care Center Reappointments

Chair Gustafson said that he had the opportunity to attend the Joint Commission wrap up session and found it to be very enlightening. He suggested that it would be beneficial for the Commissioners to have a mini presentation similar to the one made to Joint Commission. Chair Gustafson said that the Commissioners would learn what hospitals do to provide the services that they provide from all kinds of disciplines.

**Motion carried unanimously.**

**CEO REPORT:**

Mr. Frank Nask reported that BHMC, BH Weston and BHCS all have completed their surveys by Joint Commission and all have had received their 3 year accreditations. He informed the Commissioners that they are expecting Joint Commission to conduct similar surveys at BHN and BHIP very shortly.

**CFO REPORT:**

Mr. Robert Martin informed the Commissioners that Broward Health is in the process of tying up loose ends associated with BH’s 2011-2012 fiscal year-end. Broward Health is finalizing its fiscal year-end closing procedures with a goal of getting its books to Price Waterhouse on Monday to conduct its audit of BH’s financial statements. Mr. Martin said that he plans on giving an update on the 2012 fiscal year-end financial performance as well as the financial performance associated with July 2012, at the upcoming August Finance Committee meeting.

**GENERAL COUNSEL REPORT**

Mr. Goren reported that directly following the public session of the Regular Board meeting there will be a Shade Session to address a pending litigation matter between Managed Care Solutions vs. NBHD. Broward Health’s outside attorney Levi Williams is handling this matter on behalf of. The shade session will be held in pursuance to Chapter 286 of the Florida Statutes. Mr. Goren said that he and Mr. Williams will be asking for advice from the Commissioners with regard to the pending litigation. He reminded the

Commissioners that there was a prior Shade Session on this matter with some direction given at that time. Today would be the update of that Shade Session.

Mr. Goren informed the Commissioners that Commissioner Kohl was not a member of the Board at the time of the first Shade Session. He advised the Commissioners that Mr. Jack Seiler of Seiler, Sautter, Zaden, Rimes & Weihe (law firm) who is Chairman for the Board of the Broward Bank of Commerce where Commissioner Kohl is employed is a member of the legal team for Managed Care Solutions. Mr. Goren stated that under Florida Law and under Chapter 112, Commissioner Kohl cannot be privy to the negotiations/advice given in the Shade Session. She would not be able to vote at that time and would also not be able to vote in the public session because of a perceived conflict that might occur regarding her relationship with Mr. Seiler. Therefore, Commissioner Kohl will be excused from the Shade Session following this public meeting.

Mr. Goren stated that Commissioner Kohl will be filing the appropriate disclosure form 8B under Chapter 112 stating her conflict.

Chair Gustafson asked Mr. Goren to explain for the Commissioners and the public what a Shade Session is and the requirements. Mr. Goren provided a very detailed explanation of what a Shade Session is and its requirements under the Florida Statute. He also informed the Commissioners of the types of issues that would qualify holding a Shade Session under the Florida Statute: litigation, strategic planning and labor issues.

Mr. Goren reminded the Commissioners that Commissioner Paul-Hus recused himself last month on a conflict matter. For the record, Mr. Goren announced that Commissioner Paul-Hus has filed under Chapter 112 the appropriate Disclosure Form 8B with the Clerk. He stated that Commissioner Paul-Hus has fulfilled his obligation.

Mr. Goren then requested permission to schedule two Shade Sessions in August following the regular Board meeting. He stated that there are two cases pending in the Circuit Court: Sansbury and Mantel both have trial dockets in September. Sansbury is a medical malpractice case; Mantle case is a labor/personnel case. Both cases have been pending for some time.

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez that two shade sessions (Sansbury and Mantel) be held following the Regular Board of Commissioners meeting in August 29, 2012 at Broward Health Imperial Point.**

**Discussion:**

Commissioner Di Pietro asked if there is a litigation matter that falls under Chapter 119; whereby, BH is allowed to have unlimited shade sessions. Mr. Goren said no.

Mr. Goren said that shade sessions are not exempt from Chapter 286. Mr. Goren explained that Chapter 119 is the public records law and that transcript is not private, that transcript is public but it is sealed. It is kept with the agency clerk and is available to the public for inspection only under two occasions: if the case is settled or if it has been resolved after a trial in the appellate court system. He said it is never destroyed.

Commissioner Di Pietro commented that he would like to invite Charlotte Mather to attend the August Board meeting so that the Board can direct her to advise Broward Health's lobbyist to try and have the legislature amend Chapter 119 should a subpoena be issued or advocate for that change.

Commissioner Di Pietro said that currently Broward Health is unable to meet in the Shade on the OIG investigation because there is no litigation. For that reason, the Commissioners have only been able to meet individually with legal counsel and administration but cannot speak together as a Board. He believes that it is appropriate for Broward Health to look into changing the Statute to provide Broward Health with an exception so that the BH Board could meet and speak frankly among themselves. He feels that he has not had the opportunity to do that and the gravity of the potential damages is in the millions.

Mr. Goren said that there has been several attempts in the past number of years to essentially provide for two carve outs. One of which relates to claims and the other is in investigatory behavior. For some reason legislators have had some resistance to adding those to the list of options and opportunities for holding a shade session. Mr. Goren said he would be in support of that because it would give the Board the opportunity to have an exchange that is not currently permitted to have in certain matters. Mr. Goren said he would be happy to write that bill if the representatives would allow him to do so.

**Motion carried unanimously.**

#### **COMMITTEE REPORTS—**

**Legal Affairs and Governmental Relations Committee – July 18, 2012** – Commissioner David Di Pietro reported that the OIG legal bills were discussed and an issue was raised by Commissioner Di Pietro and Commissioner McKee that it is difficult to evaluate the bills. The Board agreed and a motion was made to have Commissioner Di Pietro review the OIG legal bills. Since these bills are redacted and there is no litigation privilege, these bills are sent in block form. There was also a discussion with regard to the Pro Forma for General Counsel's office. This was a request by Commissioner McKee. Sometime ago, there was a discussion about going in-house vs. outside counsel and the savings that might be derived from either version. No action was taken.

Mr. Goren said that they are in the process of updating the Pro Forma and will place it on the August Legal Affairs agenda.

Commissioner Di Pietro said that Mr. Goren's quarterly bills will be added to the Legal Affairs agenda in August along with setting set rates for attorneys as well as a discussion on the Procurement Code and Signature Authority policy. Mr. Goren said that they have a matrix that shows the hourly rates for legal counsel.

**It was moved by Commissioner McKee, seconded by Commissioner Di Pietro that the Minutes of the July Legal Affairs Committee meeting be approved.**

**Motion carried unanimously.**

#### **AGENDA CHANGES—There were none**

**CONSENT AGENDA**

**(Items listed below were reviewed and recommended for approval by the Legal Affairs Committees)**

**Chair Gustafson entertained a motion to approve Item 7 on the Consent Agenda.**

7. Request approval of Arent Fox Billings for the Month of June, 2012 – OIG matter

**It was moved by Commissioner O’Flannery Anderson seconded by Commissioner Fernandez:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE ARENT FOX BILLINGS FOR THE MONTH OF JUNE 12, 2012 – OIG MATTER.**

**Discussion:**

Commissioner Di Pietro said that he would approve the bills this time but will wait and see how is comfort level is next month.

**Motion carried unanimously.**

**DISCUSSION AGENDA**

8. Request approval based upon statutory requirements and process criteria,  
a) That the Board of Commissioners approve the 2012 Rolled Back Millage Rate of 1.8564.

Mr. Robert Martin, Sr. VP/CFO presented Item 8. He said that administration needs to seek approval on 3 areas. The first item will be seeking approval of the 2012 Rolled Back Millage Rate of 1.8564 which was the calculation shown in Exhibit B, Section 8.

The second item approval of the millage rate for 2012-2013 of 1.8750 which is the same as 2011-2012 and the third would be the meeting schedules for the two tax hearings.

Chair Gustafson said that Broward Health has not approved a budget but administration is asking that they approve the Rolled Back Millage Rate which is just a calculation.

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE 2012 ROLLED BACK MILLAGE OF 1.8564.**

**Discussion:**

Commissioner Di Pietro asked since the property values went down in Broward was that the reason the rolled back was higher. Mr. Martin stated that the property values went up a little so the rolled back goes down to keep the tax dollars the same.

Commissioner Di Pietro said that since the State is reducing Medicaid payments, it appears that they are asking everyone to try and find some savings and suggested putting administration's feet to the fire to look for some reductions. He said that looking at the budget it appears that Broward Health was increasing taxes by \$2 million. He commented that Memorial's millage is .075 and BH's is potentially 1.8; it appears that there is a huge disparity just because you live north of Griffin Road. Commissioner Di Pietro said that over a period of time, so not to cause the service line to be hindered, but the Board should send a message that they are looking for cost savings. It now appears that Broward Health is raising taxes.

Commissioner Di Pietro said he was not prepared to support this rate until he can see where Broward Health can find some cost effective ways to decrease its overhead and costs to return back to the taxpayers more instead of less without affecting service lines. He said if Memorial can do it, so should Broward Health.

Mr. Martin said that the motion is to set the Rolled Back rate which has nothing to do with cost savings. It is setting a calculated rolled back rate and proceeded to explain how the Rolled Back rate is calculated in detail. Mr. Martin said that the next request is setting the millage rate.

Mr. Martin said that with regard to FY 2013 Budget, at the Budget workshop Administration is coming up with an additional \$22 million of operational improvements to the budget based on the continuation of state Medicaid reductions. Meaningful Use reimbursements received in 2012, plus one-time expenses that Broward Health has had to overcome on unfunded mandates by the federal government.

Mr. Nask explained that the Rolled Back Rate is what Broward Health receives from the County Tax Assessor. It is a mathematical equation of the tax values. Mr. Nask said that Broward Health does not set the Rolled Back Rate.

Mr. Goren explained that there was an error in the Board Book. There are 4 separate items that needed to be approved. One was the Rolled Back Rate; the other was setting the millage rate; and the 3rd and 4<sup>th</sup> was setting the dates, time and location of the two tax hearing.

Mr. Goren also informed the Commissioners that Item 2, setting the millage rate is where once it is set today, they cannot go back and make it higher, but they can lower the rate.

Commissioner O'Flannery Anderson asked if the 1.8750 millage rate represents the same amount of tax revenue collected last year. Mr. Martin said it is 1.5 million dollars more only because the proposed property values have increased.

Mr. Martin said that Broward Health collected \$1.5 million less in 2012 than what Broward Health thought it was going to collect by setting the millage rate at 1.875 last year.

Chair Gustafson said it was his understanding that during the tax hearings last year, the Board actually lowered the millage rate than what was proposed.

Following further discussion, Commissioner Di Pietro said prior to the budget meeting, he would like to see a breakdown of the demographics of the SBHD payer mix, insured and uninsured Medicare, and the same breakdown for Broward Health. This will allow him to look on a percentage basis if Broward Health is serving percentage and population wise more indigents and what that number is and is that number worth a extra \$100 million in tax revenue. Mr. Martin said they can pull that information from the AHCA reports.

Commissioner Paul-Hus said that from 2007 to present, Broward Health has lowered the millage rate. BH has decreased its tax revenue by \$200 million to \$150 million and BH's community benefits have gone from \$25 million to \$100 million of unfunded expenses. Commissioner Paul-Hus said what this reflects is that BH's operations have become significantly more efficient and under collects taxes to accommodate the needs of the system. He feels that the system is stressed with \$22 million in cuts on top of the year before. He said that he was not concerned about the message Broward Health's sends to anyone with regard to taxes; however, he is concerned that BH remains financially sound to operate not so much for this year but for the next 10 to 15 years for this community.

**Motion carried unanimously.**

- b. That the Board of Commissioners to set the proposed tentative millage rate for 2012 at 1.8750. and;

**It was moved by Commissioner Fernandez, seconded by Commissioner Kohl:**

**THAT THE BOARD OF COMMISSIONERS SET THE PROPOSED TENTATIVE MILLAGE RATE FOR 2012 AT 1.8750.**

**Motion carried. Opposed Commissioner Di Pietro**

- c. Approve the date, time and place for the First Tax Hearing: September 12, 2012 at 5:30 p.m. at Broward Health Medical Center auditoriums.

**It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE BOARD OF COMMISSIONERS APPROVE THE DATE, TIME AND PLACE FOR THE FIRST TAX HEARING: SEPTEMBER 12, 2012 AT 5:30 P.M. AT BROWARD HEALTH MEDICAL CENTER AUDITORIUMS.**

Three of the Commissioners (Paul-Hus, Fernandez and possibly O'Flannery Anderson who said she might be able to call in) said that they were unable to

attend the first tax hearing but would be available for the second tax hearing. There was some discussion with regard to rescheduling; however, Mr. Goren informed the Commissioners that it was too late to change the date due to regulatory requirements.

**Motion carried unanimously.**

- d. Approve the date, time and place for the Second and Final Tax Hearing: September 19, 2012 at 5:30 p.m. at Broward Health North Conference Center

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Kohl:**

**THAT THE BOARD OF COMISISONER APPROVE THE DATE, TIME AND PLACE FOR THE SECOND AND FINAL TAX HEARING: SEPTEMBER 19, 2012 AT 5:30 P.M. AT BROWARD HEALTH NORTH CONFERENCE CENTER.**

**Motion carried unanimously.**

9. Request approval to award the contract for fair market valuation services to Deloitte Financial Advisory Services, LLP, the highest ranking firm at a cost of \$275,000.

Mr. Robert Martin presented Item 9.

Mr. Martin said that this request is a follow up to House Bill 711. Mr. Martin stated that an RFP was sent out at the end of May. BH received five (5) responses to the RFP; reviewed the responses and scored the written responses; scoring committee consisted of Commissioner Kohl, Frank Nask, Debbie Breen and Mr. Martin. Based on reviewing the responses, it was narrowed down to three (3) firms: Navigant, Ernst & Young and Deloitte. All three firms came in and did oral presentations. Following the oral presentations, they were scored individually and Deloitte ended up with the highest combined score; therefore, it is the request to enter into a contract with Deloitte to provide fair market valuation services. He explained that Deloitte has 75 days to complete a written report. Once BH and Deloitte enter into the contract for the services, the Board would have 160 days to document its findings and complete the process as required under House Bill 711.

**Discussion:**

Commissioner Paul-Hus asked Mr. Martin to explain aside from cost, what were the attributes that the committee considered which lead to the Committee’s ranking of the firms. Mr. Martin said that cost was a factor but how the firms presented themselves and whether or not they had qualified individuals on all levels of the services and what the Committee felt comfortable with. At the end of the day, it was the committee’s opinion that Deloitte clearly won the award.

Commissioner Paul-Hus asked for a timetable. Mr. Martin stated that Deloitte said that they can begin immediately once BH enters into a contract with them.

Deloitte has 75 days to provide the analysis and BH has only 160 days to complete the process.

Commissioner Paul-Hus asked if the dates for the hearings have been set. Mr. Nask replied not yet. This analysis from Deloitte must be made available and then the hearings are set. Commissioner Paul-Hus asked if Broward Health is doing four (4) public hearings. Mr. Nask said that only one is required but Broward Health hold as many as it chooses.

Chair Gustafson said Memorial only held one public meeting.

Commissioner Di Pietro said he was not aware that Broward Health was this far into this process. He said this could be the biggest decision that is ever made by the Board and felt like the entire Board should have been involved in the selection process. He asked the Commissioners if they felt comfortable just looking at paperwork on choosing Deloitte. Commissioner Di Pietro noted that Deloitte is a fine firm.

Mr. Martin said that the Board approved Commissioner Kohl sitting on the Scoring Committee. Commissioner Di Pietro said he was glad that she participated and normally having one Commissioner overseeing a process would be fine with him except this is a huge decision. This is the fair market value for the entire system which could lead to a potential sale.

Commissioner Fernandez commented that the process followed by the Scoring Committee was approved by the Board.

Mr. Nask stated that when the report comes out, the entire Board will be part of that process.

Commissioner O'Flannery Anderson thanked Commissioner Kohl for serving on the Scoring Committee.

Commissioner Di Pietro asked what made Deloitte better than the others if it is accounting principles. Mr. Nask replied that it was the breathe of the organization. They came with six people who were very knowledgeable in various areas such as tax, operations and clinical. Commissioner Di Pietro asked if Deloitte does any auditing for Broward Health. The answer was no.

Commissioner Di Pietro suggested that Broward Health check with Deloitte to see that they do not represent any private entity so there is no conflict of interest. He said it was important that this process be transparent and conflict free.

Commissioner Paul-Hus said it is Deloitte's fiduciary responsibility to let BH know if there is a conflict.

Commissioner Di Pietro inquired if the question was asked if it was conflict free. Mr. Martin replied he did not think so.

Mr. Goren said that should the Commission choose to engage Deloitte, subject to negotiations of the contract, BH could require as a condition of the contract have Deloitte certify that it has no conflict.

Commissioner Di Pietro said that this is huge public asset and he wants to make sure that the process is 100% transparent and conflict free.

Mr. Nask said it was a fair question and Broward Health can certainly ask the question.

Mr. Nask said that this process is giving Broward Health a value, if there is a transaction to be done then the entire Board would be involved.

Commissioner Paul-Hus said that he appreciates General Counsel's suggestion to address the conflict issue during the contract negotiations. He believes that Broward Health's choice in going with one of the big four firms is a premium that BH is paying for and that should prevent anyone being concerned or criticizing this process. He said that Broward Health is paying the premium for the integrity of these firms. Commissioner Paul-Hus said he liked Counsel's advice to address the conflict matter during the contract negotiations.

At this time, Mr. Goren advised the Board that Commissioner McKee has an appearance of a conflict of interest regarding Deloitte and having a particular business relationship with them. Therefore, Commissioner McKee has not debated the subject and will recuse himself from voting on the topic. Mr. Goren stated that Commissioner McKee will file the appropriate disclosure form 8B with the Clerk in the required timeframe.

**It was moved by Commissioner Fernandez, seconded by Commissioner Paul-Hus:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE AWARDING OF THE CONTRACT FOR FAIR MARKET VALUATION SERVICES TO DELOITTE FINANCIAL ADVISORY SERVICES, LLP, THE HIGHEST RANKING FIRM AT A COST OF \$275,000.**

**Discussion on the Motion:**

Commissioner Di Pietro asked that the motion be amended to reflect that General Counsel provide some documentation that all conflicts have been researched and considered and bring that information back to the Board, not for any vote, but for information.

Commissioner Di Pietro asked if the CPA board has written rules regarding conflicts. Commissioner Kohl replied yes: they are contained within the ethics rules. Commissioner Di Pietro moved that he would like a certification that there are no ethical conflicts under Florida Professional Liability or whatever the standard is for CPAs

Mr. Goren said that the motion needs to embrace that concept because the Board is burdening the potential vendor with that obligation

Chair Gustafson said he would accept the amendment as part of the motion. He asked for a second. There being none, the motion failed.

Commissioner Fernandez asked Commissioner Di Pietro to repeat the motion.

Commissioner Di Pietro moved that the motion be amendment to reflect that Deloitte will provide Broward Health a certification that there is no ethical conflicts in relationship to any potential private hospitals that could be potential bidders that there is no ethical conflict that lies with them in doing this valuation.

Commissioner Fernandez asked if the language could be tightened up.

Mr. Goren said that what Commissioner Di Pietro is trying to suggest is that if there is an ethical rule that governs CPAs in the context of auditing or other certified results, he is requesting that Deloitte certify that there is no such conflict or violation of the rules that govern their behavior or their engagement.

Commissioner Di Pietro then gave an example of what could be a conflict.

Commissioner Kohl said that she believes that BH needs to speak with Deloitte to see what they are willing to do to certify—certification could be at a cost to BH. Because of the ethics rules, she did not think that Deloitte would even be permitted to do an engagement if a conflict existed. Commissioner Kohl said it warrants a conversation with Deloitte to see what they can or cannot do for Broward Health.

Following further discussion, Commissioner Di Pietro's amendment failed for lack of a second.

**THE ORIGINAL MOTION CARRIED WITH COMMISSIONER DI PIETRO OPPOSING:  
COMMISSIONER MCKEE ABSTAINED.**

For the record, Mr. Nask stated that they would get some confirmation from Deloitte that they do not have a conflict.

10. Request approval to authorize the President/CEO to accept funding and execute a contract between the North Broward Hospital District and the Florida Department of Elder Affairs in the amount of \$222,800 for the period August 1, 2012, through June 30, 2013, subject to General Counsel's review and approval as to legal form and conditioned on no material changes in the approved business terms.

Pauline Grant presented Item 10. She asked for approval to renew the Alzheimer's disease Initiative Grant with the State of Florida Department of Elder Affairs. The grant will provide \$222,800 for the memory disorder center at BHN. She stated that the Center provides diagnostic services, caregiver support, community and professional education for Alzheimer's and related dementia disorders. Following her presentation:

**It was moved by Commissioner Paul-Hus, seconded by Commissioner O’Flannery Anderson:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO ACCEPT FUNDING AND EXECUTE A CONTRACT BETWEEN THE NORTH BROWARD HOSPITAL DISTRICT AND THE FLORIDA DEPARTMENT OF ELDER AFFAIRS IN THE AMOUNT OF \$222,800 FOR THE PERIOD AUGUST 1, 2012 THROUGH JUNE 30, 2013, SUBJECT TO GENERAL COUNSEL’S REVIEW AND APPROVAL AS TO LEGAL FORM AND CONDITIONED ON NO MATERIAL CHANGES IN THE APPROVED BUSINESS TERMS.**

**Motion carried unanimously.**

11. Request approval to authorize the President/CEO to execute the standard state contract with the Florida Department of Health in the amount of \$1,101,447 for the provision of health services at Amadeo Trinchitella Deerfield Beach High School health Center subject to approval as to legal form by General Counsel and conditioned on no material changes in the business terms.

Ms. Jasmin Shirley presented Item 11. She asked for approval to received \$1,101,447 from the Florida Department of Health for the provision of health services at Amadeo Trinchitella Deerfield Beach High School. These grant dollars will assist BH to continue to provide medical services and preventative health care for school children, their families and the surrounding community.

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE STANDARD STATE CONTRACT WITH THE FLORIDA DEPARTMENT OF HEALTH IN THE AMOUNT OF \$1,101,447 FOR THE PROVISION OF HEALTH SERVICES AT AMADEO TRINCHITELLA DEERFIELD BEACH HIGH SCHOOL HEALTH CENTER SUBJECT TO APPROVAL AS TO LEGAL FORM BY GENERAL COUNSEL AND CONDITIONED ON NO MATERIAL CHANGES IN THE BUSINESS TERMS.**

**Motion carried unanimously.**

12. Request approval to authorize the President/CEO to accept the award and execute a contract in the amount of \$579,750 with the Healthy Start coalition of Broward County for the period of July 1, 2012 through June 30, 2013. The contract is subject to General Counsel’s review and approval as to legal form and conditioned on no material change in the approved business terms.

Ms. Shirley presented Item 12. She informed the Commissioners that Healthy Start services provides for pregnant and parenting adolescents enrolled in two Alternative Education Centers, to continue screening and care coordination at Prenatal and Pediatric Care Centers, BMC and BHCS.

**It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner McKee:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO ACCEPT THE AWARD AND EXECUTE A CONTRACT IN THE AMOUNT OF \$579,750 WITH THE HEALTHY START COALITION OF BROWARD COUNTY FOR THE PERIOD OF JULY 1, 2012 THROUGH JUNE 30, 2013. THE CONTRACT IS SUBJECT TO GENERAL COUNSEL’S REVIEW AND APPROVAL AS TO LEGAL FORM AND CONDITIONED ON NO MATERIAL CHANGE IN THE APPROVED BUSINESS TERMS.**

**Motion carried unanimously.**

13. Request approval to authorize the President/CEO to purchase networked Hewlett-Packard Printers PCs at a cost of \$325,000 through a formal RFQ process, subject to General Counsel’s review and approval as to legal form and conditioned on no material changes in the approved business terms.

Ms. Doris Crain Peek, Sr. VP/CIO presented Items 13, 14 and 15. She informed the Commissioners that all three items are similar and related. She provided some global background information for all three of the items. Ms. Peek informed the Commissioners that all three requests are for replacing obsolete equipment that is greater than 5 years old. This equipment is out of service and warranty and in many cases it is so old that IT is unable to patch it. She informed the Commissioners that this equipment is a risk to the BH enterprise. Each one of the request is for a unique device type, one is for printers, one for PCs and one for thin-client computers. Due to the critical nature in replacing these devices and because the budget is not yet approved, she was coming to the Commissioners to obtain pre-approval to make the purchase because it will take a full year to deploy all of this equipment. Ms. Peek said rather than waste 3 months, she is asking that the Board of Commissioners pre-approve this request. She noted that this equipment is in the budget for 2013.

**Item 13:** The first request is to replace 250 printers which are half of the obsolete printers over the enterprise. HP is the preferred vendor for Cerner EMR application.

Commissioner Di Pietro wanted to know the cost per printer. Ms. Peek explained that printers have different capabilities depending on what area they will be placed in e.g., clinical or finance. Ms. Peek said that the breakdown rate of the printers is \$795 per printer. The printers are multi printing and multi users and heavy duty.

Commissioner Di Pietro asked why not go out for bid.

Ms. Peek said that IT prefers to go out for bid rather than utilizing MedAssets. She said that you get a better discounted price and in many cases they throw in value added items, such as education or an extra printer.

**It was moved by Commissioner Fernandez, seconded by Commissioner Paul-Hus:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO PURCHASE NETWORKED HEWLETT-PACKARD PRINTERS PCs AT A COST OF \$325,000 THROUGH A FORMAL RFQ PROCESS, SUBJECT TO GENERAL COUNSEL'S REVIEW AND APPROVAL AS TO LEGAL FORM AND CONDITIONED ON NO MATERIAL CHANGES IN THE APPROVED BUSINESS TERMS.**

**Motion carried unanimously.**

14. Request approval to authorize the President/CEO to purchase Dell PCs at a cost of \$795,000 through a formal RFQ process, subject to General Counsel's review and approval as to legal form and conditioned on no material changes in the approved business terms.

Ms. Peek informed the Commissioners this request is to replace 1,000 obsolete PCs that are greater than five (5) years old and are incapable of taking security patches. These are a risk to the network. The average price is \$795.000.

Commissioner Di Pietro asked if it included software. Ms. Peek said that it includes the operating system. She also explained that the reason it is a little bit higher is because IT uses a vendor that will put the majority of BH's applications on the PCs before they are shipped.

**It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Paul-Hus:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO PURCHASE DELL PCs AT A COST OF \$795,000 THROUGH A FORMAL RFQ PROCESS, SUBJECT TO GENERAL COUNSEL'S REVIEW AND APPROVAL AS TO LEGAL FORM AND CONDITIONED ON NO MATERIAL CHANGES IN THE APPROVED BUSINESS TERMS.**

**Motion carried unanimously.**

15. Request approval to authorize the President/CEO to purchase Dell-Wyse Thin-Client PCs at a cost of \$651,450 through a formal RFQ process, subject to General Counsel's review and approval as to legal form and conditioned on no material changes in the approved business terms.

Ms. Peek this request is to purchase 1,515 thin-client PCs. She said that they are considered dumb terminals, (they have no hard drives and little memory and few moving parts). She explained that these PCs are placed in the medical centers and it is just a way of communicating back to the server.

**It was moved by Commissioner Fernandez, seconded by Commissioner O'Flannery Anderson:**

**THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO PURCHASE DELL-WYSE THIN-CLIENT PCs AT A COST OF \$651,450 THROUGH A FORMAL RFQ PROCESS, SUBJECT TO GENERAL COUNSEL'S REVIEW AND**

**APPROVAL AS TO LEGAL FORM AND CONDITIONED ON NO MATERIAL CHANGES IN THE APPROVED BUSINESS TERMS.**

**Motion carried unanimously.**

**COMMENTS BY COMMISSIONERS**

Chair Gustafson commented on Maria Panyi's son, Marcello, winning a silver medal at the Fencing National Championships in Anaheim CA during the 4<sup>th</sup> of July holidays. Marcello is ranked second in the country for the national ranking in his age category.

Commissioner O'Flannery Anderson asked if it was time for the Board to do Mr. Nask performance evaluation. Ms. Wong stated that it was time for Mr. Nask's evaluation and explained the process in detail. She said it is done through the HR Committee and because of the topic all Commissioners are invited to participate. Ms. Wong also advised the Commissioners that this meeting is open to the Public.

**At this time the public meeting of the Board of Commissioners recessed at 6:20 p.m. to enter into a Shade Session. Mr. Goren provided details for the Shade Session.**

**The Shade Session ended at 7:00 p.m. and Mr. Goren asked for a motion to close the Shade Session.**

**It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Fernandez that the Shade Session be closed. Motion carried.**

**The Public meeting of the Board of Commissioners re-convened at 7:00 p.m. It was noted that Commissioner Kohl was not present as she did not attend the Shade Session due to a potential conflict. All other Commissioners were present when the Public meeting re-convened.**

**Update on Coral Springs Fire Rescue:**

Mr. Goren informed the Commissioners that there was another item that he needed to communicate to them. It relates to the Coral Springs Fire Rescue. Mr. Goren advised the Board that the Coral Springs' Counsel has decided not to settle with Broward Health. They believe that if they do it will create a precedent. Their outside counsel believes that the only way to resolve this matter is through litigation. Mr. Goren said and he and Mr. Herin (BH's outside counsel) recommends that the Board waive any further requirements of Chapter 164 so that a lawsuit could be authorized to be filed under a declaratory judgment action (DJA) against the City of Coral Springs to basically have a court determine whether or not the City of Coral Springs is allowed and authorized to assess BH for a Fire Rescue fee in the City of Coral Springs for its public facilities. Mr. Goren said that they believe not; however, Coral Springs's counsel believes they can or that there is still an open question notwithstanding the Supreme Court decision back in February.

Commissioner McKee asked if he is allowed to have any conversation with any Coral Springs' Commissioners.

Mr. Goren said that the question that Commissioner McKee is asking is can he then have any conversation with Coral Springs Commissioners and the answer is that BH will be in litigation in no time and the answer would probably be not on this specific issue. However, Commissioner McKee is permitted to speak with them on any other matter.

Mr. Goren requested the Board of Commissioners by motion waive any further proceedings under Chapter 164 to allow BH's outside counsel, John Herin from the Grey Robinson firm to file a Declaratory Judgment Action in the Broward Circuit Court to protect the rights of the District with regard to the Fire Rescue Assessment in Coral Springs.

Mr. Goren stated that Coral Springs's Special Counsel is going to recommend to the Coral Springs Commission that they not meet with the NBHD Commission. Commissioner Di Pietro said that he would go and speak to their Commission.

Mr. Goren thanked Commissioner Di Pietro but stated that by making this motion, BH is not waiving the good faith opportunity to meet with their Commission. So if their Special Counsel speaks to the Coral Springs' Commission and they say that they want to speak to the NBHD Commissioners, then the motion that is being requested is conditioned upon their Commission agreeing to meet with you or not to meet with you.

**It was moved by Commissioner Fernandez, seconded by Commissioner O'Flannery Anderson that the NBHD waive any further requirements of Chapter 164 regarding conflict resolution and to authorize outside counsel to file appropriate legal action subject to the Coral Springs Commission agreeing not to meet with the BH Commission.**

**Motion carried**

Mr. Goren informed the Board of Commissioners that the hourly rate for the District's outside counsel is \$245 per hour. Mr. Goren said that he asked Mr. Herin what the outside costs would be if this went to trial—it would be up to \$40,000 or less which basically half of the current 1 year assessment.

**NEXT REGULAR BOARD MEETING**

The next regularly scheduled Board of Commissioners' meeting will be held on August 29, 2012 in the auditoriums at Broward Health Imperial Point, 6405 North Federal Highway, Fort Lauderdale, Florida.

Public Meeting adjourned at 7:10 p.m.

Respectfully submitted,  
Richard Paul-Hus, Secretary/Treasurer

**BY: Maryanne Wing**

**A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE**