

**NORTH BROWARD HOSPITAL DISTRICT
BOARD OF COMMISSIONERS'
REGULAR MEETING
Wednesday, July 30, 2014
Broward Health Medical Center
Auditoriums**

MINUTES

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held on Wednesday, July 30, 2014, at 4:00 p.m. in the auditoriums at Broward Health Medical Center, 1600 South Andrews Avenue, Fort Lauderdale, 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 Di Pietro called the meeting to order at 4:20 p.m.

ROLL CALL

Commissioners:

Present: Commissioner David Di Pietro – Chair
Commissioner Joel Gustafson – Vice Chair
Commissioner Debbie Kohl- Treasurer/Secretary
Commissioner David Nieland- Board Member
Commissioner Rocky Rodriguez - Board Member
Commissioner Darryl Wright – Board Member

The invocation was given by Chaplain John Mohorn Broward Sheriff's Office followed by the Pledge of Allegiance led by Calvin Glidewell, CEO Broward Health Medical Center

UPDATE ON SFCCN---

Chair Di Pietro reminded the Commissioners that they voted on the establishment of the SFCCN 180 days ago. Chair Di Pietro stated that even though there was an outstanding issue with the governance structure, they did not want to delay the process moving forward.

Mr. John Benz, President/CEO of SFCCN a jointly owned LLC of the North and South Broward Hospital Districts provided the following status report for the first 180 days:

- Back in January there was a request by Commissioner Nieland relating to the signing authority in the operating agreement. Commissioner Nieland requested having the signing authority reduced from \$450,000 to \$250,000---Mr. Benz said that was done the subsequent month.
- SFCCN signed the Medicaid contract on February 6, 2014. In June, SFCCN received 43,000 Medicaid lives on an average of \$232.50 per month.
- SFCCN Staff (80-BH employees and 80-Memorial employees with an additional 23 hired employees) have moved in to the main SFCCN office in Sunrise.

- July 1st, employees were offered the benefits that they would be entitled to come January 1st. There have been subsequent meetings with both District and Memorial HR personnel to define whether they choose to stay at SFCCN or leave employment. They have until October 1st to make their decision. He explained that the benefit program was designed with BH and Memorial HR personnel looking at each plan along with an outside consultant.
- Budget is \$159 million---43,000 lives on the risk contract but another 110,000 lives that are being managed whether they are BH or Memorials' employees and family members along with various managed care programs as well as PPUC funds and primary care centers.
- Salary survey has been done for all 80 positions that will remain at SFCCN. It will go through a compensation committee chaired by Mr. Nask and Mr. Sacco.
- In the last 60 days, SFCCN is trying to build a team with personnel from two different organizations in a common building. Their goal is to become ONE in 2015.
- In the next 90 days, the compensation policy will be finalized.
- The standing of the corporation has been finalized and documented and the tax issues are all completed.
- October 1, is the deadline for employees to decide either to stay or leave. The first 60 days was to get the culture in place and the next is about integration whether it is personnel or systems. Mr. Benz said they have a long way to go to merge these systems
- SFCCN is processing claims in 7 day periods.
- January 1, 2015 is called Independence Day---that is the day that SFCCN will run fully by itself as a subsidiary according to the Operating Agreement.
- SFCCN expects productivity and performance to improve daily. By October 1st, they will be approaching their major providers to address the contracting issues. They will try to meet the market and try to be the choice within the plans that provide Medicaid services for the providers. Of the 43,000 lives, 12,000 are new and 8,000 were lost. The key is the risk stratification of those individuals.

Mr. Nask asked if there was a July financial statement. Mr. Benz indicated that he could have the July financials done by August 21; however, some claims may still be outstanding but they will be estimating the claims that have yet to be submitted for payment. Within six months to a year the reports will show a predictability pattern analysis where they will be able to see a trending pattern.

Chair Wright asked if there was a requirement for them to see an audit. Mr. Martin stated that there is a requirement in the Interlocal agreement for the SFCCN to produce the financial report within 10 business days but there is no requirement to show them to the District Board.

Mr. Benz said that they will present a professional financial statement with budget actual but over time they will become much more accurate. The budget will be based on actuarial assumptions of what was expected to be spent. Claims will be the biggest issue since they won't know what the lag will be for billing and payments.

Chair Di Pietro requested that Mr. Martin report on the SFCCN financials monthly to the NBHD Commissioners at the Finance Committee meetings. It was also suggested that Mr. Benz attend the NBHD Finance meetings quarterly to provide an update. Mr. Benz agreed.

Chair Di Pietro asked if the SFCCN financial reports are sent to the state. Mr. Benz stated that after June 2015, SFCCN will have to file a report to the state showing the amount of money that was spent on medical claims in relationship to what he was budgeted to spend. Should SFCCN spend less than 85%, they will have to return it to the state. The only profitability in the Medicaid contract is that you get keep 100% of the first 5% and 50% of the second 5%--the rest goes back to the state.

Chair Di Pietro asked if SFCCN is audited by the state. The answer was yes. Mr. Benz reported that by the end of the year, the SFCCN will be hiring an external and internal auditor as well as a compliance officer with the external auditor will coming from one of the big eight firms.

Chair Di Pietro asked about the pension plans for the employees who leave. Mr. Benz said that they have walked through all of the issues and there are some options. It is complicated because it is based on when the person started. However, the SFCCN will be offering a pension plan based on a defined contribution program with a minimum of 3% contribution and if they contribute 6% there will be a 25% match. At the discretion of the operations if there are profits to be distributed the entity has the right to contribute another 1½% or total of 6% which is probably a little less generous than what BH has been offering. Mr. Benz informed the Commissioners that SFCCN used a consulting firm (Towers and Watson) and asked them what the health plans were paying and not the hospitals. As it relates to health insurance, SFCCN will offer their own self-insured plan to the 200 employees from administrative funds.

Chair Di Pietro asked if the Board was okay with the current SFCCN governance structure (CEO of the SFCCN reporting to the CEOs of both the North and South Hospital Districts). This was an issue that was previously raised by the NBHD Board. There was no response from the District Commissioners regarding this matter.

Mr. Nask stated that the Board Secretary of the NBHD will begin sending out monthly copies of the SFCCN minutes to the NBHD Commissioners for their review and information.

COMMENTS FROM AUDIENCE:

Mr. John de Groot a community resident addressed the Board. He asked the Commissioners if they realized that basically the governance structure of the North Broward Hospital District has not changed since 1950 when it was created. He again challenged the Board's competency in handling matters and then addressed some financial information that he distributed to the Board for their review.

APPROVAL OF MINUTES

1. Request approval of the Minutes of the Regular Meeting of the Board of Commissioners held June 25, 2014.

It was moved by Commissioner Rodriguez, seconded by Commissioner Nieland:

THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON JUNE 25, 2014 BE APPROVED AS PRESENTED.

Motion carried unanimously.

2. Request approval of the Minutes of the Special Board meeting of the Board of Commissioners held on July 18, 2014.

It was moved by Commissioner Rodriguez, seconded by Commissioner Wright:

THAT THE MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS HELD ON JULY 18, 2014 BE APPROVED AS PRESENTED.

Motion carried unanimously.

MEDICAL COUNCIL AGENDA

3. BROWARD HEALTH MEDICAL CENTER

Dr. Yogel presented the following update:

- BHMC was recognized by the US News and World Report as Best Top Performing Regional Hospital in two adult specialties (Cardiology and Cardiac Surgery as well as Nephrology).
- BHMC also received a designation as a “Blue Distinction Center” for the Liver Transplant program. Recognized for excellence in patient safety and outcomes. They are the only south Florida hospital with this designation.
- Announced that Mark Sprada BHMC’s Chief Nursing officer has been selected as the Chief Nursing Officer for the District and will be moving over to the corporate office. BHMC will be going through a selection process to fill that vacant position.
- BHMC has hired a new Chief Experience officer, Colleen McCurry who is an industry recognized customer service expert with the Sudor Group. She will begin her employment with BHMC on August 4th.
- BHMC held a two week process of round-the-clock mandatory town hall meetings for employees where they rotated through poster sessions and presentations/discussions with the various administrators and staff to discuss hospital successes and opportunities as well as other initiatives.
- BHMC received 100% approval from AHCA on the construction renovation on the CT Simulator project in the Cancer Center.
- Completed the installation of the two interventional upgrades to the Hybrid room. This is software that will help with better imaging and precise intervention for treatment of more comprehensive stroke patients.

Dr. Louis Yogel, Chief of Staff of Broward Health Medical Center, 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 Rodriguez, seconded by Commissioner Gustafson:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF THE BROWARD HEALTH MEDICAL CENTER'S MEDICAL COUNCIL OF ITEMS 3 (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

Motion carried unanimously.

4. **BROWARD HEALTH IMPERIAL POINT**

Dr. Lewkowitz presented the following update:

- BHIP has had 200 joint replacements since their Joint Replacement center opened in August of 2013. To mark the event, there is a reunion planned for the patients and staff showcasing the renovations that have been made on the 5th floor at BHIP which includes 20 private rooms. This event will be held on August 20 at 3:00 p.m. prior to the Finance Committee meeting. All Commissioners are invited.
- Mock survey was held on July 19-20 and BHIP did very well with a few issues on documentation.
- Focused groups are being conducted with physicians regarding the Physician Satisfaction Survey—next one to be held on August 6th.

Dr. Lewkowitz informed the Commissioners that there was one physician that was missed for the July recommendations and needs to be added to the report. Dr. David Kenigsberg, Cardiologist was reappointed in July but he was omitted by error on the report that is being presented today. Dr. Kenigsberg has no change in his status and is being reappointed for two years.

Dr. Howard Lewkowitz, 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.

It was moved by Commissioner Nieland, seconded by Commissioner Rodriguez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT'S MEDICAL COUNCIL OF ITEMS 4 (A-D) AS AMENDED.

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

Motion carried unanimously.

5. **BROWARD HEALTH CORAL SPRINGS**

In the absence of Dr. Azeem Sachedina, Chief of Staff of Broward Health Coral Springs, Mr. Drew Grossman CEO of BHCS reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Appointments; Medical Staff Reappointments; Allied Health Appointments; and Allied Health Reappointments.

It was moved by Commissioner Rodriguez, seconded by Commissioner Wright:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL'S MEDICAL COUNCIL OF ITEMS 5 (A-D):

- A. Medical Staff Appointments
- B. Medical Staff Reappointments
- C. Allied Health Appointments
- D. Allied Health Reappointments

Motion carried unanimously.

6. **BROWARD HEALTH NORTH**

Dr. Hoffberger thanked everyone for attending the groundbreaking.

- BHN honored its Most Valuable Physicians: Dr. John Malloy who was a physical therapist many years ago and went back to medical school and went into orthopedic and spine surgery and is now back at BHN; Dr. Sameer Satija a Cardiologist who is a local Pine Crest graduate. Dr. Hoffberger commented that it is nice to see that people stay and support their community as they grow in their careers.
- The renovations are moving forward with lots of meetings.

Dr. Darren Hoffberger 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; Medical Staff Reappointments; Allied Health Staff Additions, Changes and Resignation; Allied Health Staff Reappointments; and Community Health Services Resignations.

It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH NORTH'S MEDICAL COUNCIL OF ITEMS 6 (A-E):

- A. Medical Staff Additions, Changes and Resignations
- B. Medical Staff Reappointments
- C. Allied Health Staff Additions, Changes and Resignation

- D. Allied Health Staff Reappointments
- E. Community Health Services Resignations

Motion carried unanimously.

RESULTS OF THE BYLAW BALLOTS--- Dr. Georges Boutin

Dr. Boutin informed the Commissioners that in January a Joint Conference meeting was held and at that meeting there was a proposition to amend the bylaws. The minutes of the January Joint Conference meeting were approved by the Board of Commissioners at their February Board meeting. However, according to the medical staff bylaws there is a requirement that the medical staff membership be consulted. Ballots were sent out to all voting members and the results are that 80% approved of amending the bylaws.

Chair Di Pietro asked Dr. Boutin to recap the process and the amendments. Dr. Boutin explained the process in detail. Chair Di Pietro asked Dr. Boutin to remind the Commissioners what were the material changes to the bylaws. Dr. Boutin stated that there were two items: tightening up of the Board certification process and that Physiologist are part of the medical staff which was mandated by the state. Dr. Boutin informed the Commissioners that before that they were considered allied health professionals.

It was moved by Commissioner Rodriguez, seconded by Commissioner Gustafson that the results of the Bylaw ballot be approved as submitted.

CEO REPORT:

Mr. Nask commented that the common thread between the SFCCN, ACO and Health Exchanges is that all of those different payment plans are going to reduce utilization, improved quality, and transfer of risk to the organizations. As BH goes forward with all of the programs and moving into an outpatient setting—it will need to continue developing more robust access programs which was started a year ago and continues to go on.

Mr. Nask provided an update on the physician contracts that were presented to the Board last month. Mr. Nask reported that administration has had five (5) signed physician contracts (Pediatricians and Hematology /Oncology) returned to them. The other two groups (Orthopedic and Cardiology) are due to be returned to BH around the middle of August. BH has had some discussion and dialogue with those groups. Mr. Nask informed the Commissioners that BH has implemented the lower rates with the orthopedic group effective July 1 so they are now at the median reimbursement structure.

Commissioner Nieland asked if the Board would be looking at any extensions. Mr. Nask replied no. He said that the contracts are in their hands and the offers are out there; they can either accept or decline. Chair Di Pietro questioned what would happen if they decided not to accept the offer would they have to transition out immediately. Mr. Nask said that they would have up to 90 to 120 days to transition out.

Commissioner Wright asked when the Board would learn of any litigious procedures. Mr. Goren replied as soon as he knew of any he would inform the Board.

Chair Di Pietro asked if Administration was doing any strategic recruitment planning with respect to replacement to make sure that the patients are being cared for should some physicians decide to leave. Mr. Nask answered yes.

CFO REPORT

Mr. Martin reported that BH has turned the books over to the external auditors to start the auditing process. On a preliminary basis system-wide for the full fiscal year ending June 30th, loss from operations for the year was \$123 million vs. a budgeted loss of \$134 million—for a positive variance of \$11 million for the full fiscal year. Mr. Martin said financially it was a very good year compared to budget.

Mr. Martin also informed the Board that he would be reporting the year-end numbers in more detail at the August Finance committee as well as the operations for the month of July.

GENERAL COUNSEL REPORT

Mr. Goren stated that Mr. D J Doody a partner in his law firm will be reporting on an issue regarding the Sunrise property. A memorandum outlining that issue has been placed at their places on the dais.

Mr. Doody reminded the Board that back in April they approved an agreement for purchase and sale to sell a vacant piece of property owned by the District in Sunrise to Master Development. Effective as of April 30, 2014, BH entered into a purchase and sale agreement for a purchase price of \$4 million. Mr. Doody then provided a detailed overview of the agreement that was approved by the Board in April.

Mr. Doody advised the Board that on Monday July 28th at 3:30 p.m. they received a proposed first amendment to the agreement asking for an extension of the inspection period to September 8th. Mr. Doody commented given such short notice it means that the Board has only had 1 ½ hours to decide; otherwise, come Monday at 5:00 p.m. the deal would be over and the District will either have to terminate the contract or accept the property. Master Development proposed to extend their inspection period retaining the protection of their \$50,000 because at the end of the inspection period the District was entitled to \$25,000. Mr. Doody said that he contacted Mr. Nask and advised him to sign the first amendment subject to ratification by the Board. Mr. Doody stated that before the Board is the consideration for approving the first amendment to the real estate contract, if approved, it would extend the inspection period out to September 8th.

Chair Di Petro asked what caused the delay. Mr. Doody said that the letter from counsel stated that the purchaser has been working diligently to complete all the inspections but with the summer vacation season there have been delays in receiving some of the reports that are needed to complete the due diligence process.

Commissioner Rodriguez asked Mr. Doody if he was correct in stating that in the agreement there were no contingencies in the contract regarding the buyer acquiring the other adjacent parcels. Mr. Doody said correct. Commissioner Rodriguez commented that the district deal was to sell this parcel and it had nothing to do with the acquiring other parcels. Mr. Doody said the District agreement was a straight forward transaction, the District sells the property in an as-in condition

and the buyer would get a 90 day period to complete inspections and an additional 90 days to get governmental approval: the District closes and there were no other components to the District deal.

Commissioner Rodriguez stated upon completion of the inspection period the \$25,000 from the escrow money would become due to the District. Mr. Doody responded and said that upon the completion of the inspection period and the buyer deeming the property acceptable, \$25,000 was deemed non-refundable and would go to the District. Commissioner Rodriguez said that if the District agrees to this extension then the \$25,000 would not apply until the end of the September 8th period. Mr. Doody said correct.

Commissioner Rodriguez said he thought that in the contract they were to be given three (3) extensions at \$25,000 each if needed and three (3) extensions at \$10,000 for governmental approval. He commented that as he recalled the extensions were \$25,000 based on the wording 30 calendar days and now they are asking for 42 days which is now six (6) weeks and equates to \$42,000. Commissioner Rodriguez commented that the buyer could come back in another month and half and say they do not want the property while in the meantime the District has kept the property off the market for nothing and has nothing to show for it. Commissioner Rodriguez said that he did not mind extending the agreement; however he wants them to pay the \$25,000 and if they need another 30 day extension, he would like to see them pay another \$25,000. Commissioner Rodriguez said that he would approve the extension as long as they transferred \$25,000 to the District.

Mr. Nask asked if the contract stated that at the end of 90 days that the buyer would be paying the District \$25,000 and then nothing after that and it would then close. Mr. Doody stated that before the closing Master Development would have an additional 90 days for governmental approval and then they had 15 days to close. Mr. Doody again clarified in detail the terms of the contract. Mr. Doody informed the Board that what Master Development is now seeking is to extend only the inspection period to September 8th.

Commissioner Rodriguez moved that Master Development transfer the \$25,000 to the District Account and the Board of Commissioners authorize the inspection extension to September 8th.

Chair Di Pietro ask what the appropriate motion would be since this is a real estate transaction. **Mr. Doody stated the motion should read: Ratification of the amendment to subject to terms articulated by Commissioner Rodriguez that the District would earn the \$25,000 and Mr. Nask signature is ratified. Moved by Commissioner Rodriguez; seconded by Commissioner Kohl.**

Discussion:

Commissioner Gustafson asked if Master Development had initiated any applications for site approval. Commissioner Gustafson commented that since the District owns the property and since there is still discussion about inspections would not the District need to sign the application. Mr. Doody said that the District has not designated Master Development as the District's agent to make the applications and to the best of his knowledge he was not aware of any applications being made with the City of Sunrise regarding those government applications.

Mr. Robert Shapiro, President of Master Development stated that they will agree to Commissioner Rodriguez's request and pay the \$25,000. With regard to the City of Sunrise, Mr. Shapiro said that all of the City of Sunrise Commissioners that they had met with had nothing but positive comments. Mr. Shapiro informed the Board that they are currently in the process of getting tenants,

completing site plans and doing what is needed. He said that it has been a difficult getting the due diligence completed during the summer months.

Motion carried unanimously.

Mr. Goren said that previously they had requested two shade sessions to be held following the July 30th board meeting; however, one of the cases settled in mediation for \$40,000 (Klosik case) this week under the existing wide district-wide Settlement Policy. Therefore, Mr. Goren said that there will only be on Shade Session today regarding the Lawrence case which is going to trial sometime in August.

Mr. Goren also asked for authority to hold two shade sessions: 1) McNair vs. BHMC case no. 12-33463 pending before Judge Tom Lynch to be held after the August 27th Board meeting.

It was moved by Commissioner Kohl, seconded by Commissioner Rodriguez authorizing Mr. Goren to hold a Shade Session following the August 27th Board of Commissioners meeting. Motion carried unanimously.

2) A Shade Session regarding a pending False Act Claims case. Mr. Goren reminded the Board that on June 4th there was a Shade Session related to this matter, however, there are some developments that might need the Board's attention during the month of August. Mr. Goren asked that they authorize a Shade Session either at the end of August or at the beginning of September. He asked that this Shade Session not be connected to a regular Board meeting.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez to authorize the holding a Shade Session at a time to be determined as stated by General Counsel.

Motion carried unanimously.

Mr. Goren addressed the Fire Rescue Case with the City of Coral Springs. Mr. Goren advised the Board that the City of Coral Springs took an appeal. There have been several unique procedural issues that have occurred in context with the case. Mr. Goren informed them that there have been several unique procedural issues that have occurred such as the outside attorneys handling the case for the City are no longer handling the case and is now being handled internally by the City Attorney's office. Mr. Goren said from a technical perspective there are some technical issues about whether they are of record able to prosecute the appeal. Mr. Goren informed the Commissioners that the District's outside attorneys have filed a motion to dismiss the appeal currently pending in the 4th District.

COMMITTEE REPORTS:

Audit Committee: Commissioner Darryl Wright said that the Audit Committee convened on July 7, 2014 at 2:00 p.m. Ms. Panyi gave the Internal Audit update: there was a discussion about security cameras and Mr. Carlos Rodriguez , project manager for G4S Protective Services, will be present at the August 20th Finance Committee to address questions about security and possible security improvements as needed; discussed capital expenditures; patient accounting; IT security; donated tangible assets; Aramark cash handling procedures.

At this time, Commissioner Wright asked that Ms. Donna Lewis VP of Compliance present her report. Ms. Lewis asked that the minutes be corrected to reflect that HIPAA is spelled with two A's and not one. Ms. Lewis stated that at the July 7th Audit Committee she reported on the Corporate Compliance Work Plan for Fiscal Year 2015. She stated that similar to last year the report is divided into 4 sections: Stark AntiKickback Statute; Billing Coding Documentation; HIPAA Privacy and Security; and then other projects. The Work Plan was approved at Committee pending some additions which was adding on an Audit to look at modifiers and also to do a dual coding audit when the coders start dual coding in ICD-10 on the second quarter of the fiscal year. There was also a deletion from the Work Plan which was other projects. Deletion from the Compliance Work Plan but still captured within the system (Referral source database is going to be managed by Operations going forward).

Commissioner Wright said that they also covered Medical Directorship Duties to patient satisfaction; under new business: a motion was made to look into doing more of an external review but under more of a compliance area to diversify rather than adding more CPAs.

It was moved by Commissioner Rodriguez, seconded by Commissioner Wright that the minutes of the Audit Committee of July 7th be accepted as presented.

Discussion:

Commissioner Nieland said that he was going to meet with Mr. Nask to look at the contract for the G4 Security Cameras just to get a second set of eyes on it before the August 20th meeting.

Motion carried unanimously.

AGENDA CHANGES—There were none

DISCUSSION AGENDA

7. Request Approval of
 1. 2014 Rolled Back Millage Rate of 1.6541

Mr. Robert Martin, Sr.VP/CFO stated that the first request was approval of the 2014 Roll Back Millage rate of 1.6541 which will keep the District's net tax collections on the same level as they currently received last fiscal year; the second request was for the adoption of the Proposed Millage Rate of 1.5939 which would result in a tax reduction collections on a net bases of about \$5 million; and third the setting the date times and locations for the First Tax Hearing and Second and Final Tax Hearing (First tax hearing September 17 at 5:30 p.m. BHMC auditoriums; Second and Final tax hearing September 29 at 5:30 p.m. BH North Conference Center.)

Mr. Martin informed the Commissioners that when they approve the adoption of the proposed 2014 millage rate of 1.5939 today, they will not be able to come back in September at the tax hearings and request a higher millage rate; however, they will be able to request a lower millage rate at either the two tax hearings.

It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl:

THAT THE BOARD OF COMMISSIONERS APPROVE THE 2014 ROLLED BACK MILLAGE RATE OF 1.6541.

Motion carried unanimously.

2. Adoption of Proposed 2014 Millage Rate of 1.5939

Mr. Nask explained that this is the number that the District would be utilizing and it cannot be increased at the tax hearings but it could go lower. It is a budgeted number for processing the Trim notice.

Commissioner Nieland commented that this is one of the lowest tax rates in the District's history. Mr. Nask replied that was correct.

Chair Di Pietro said that by approving the Proposed Millage Rate of 1.5939 the Commissioners would be voting to reduce taxes by 3.64 percent with the possibly of an additional cut at the Second Tax Hearing.

It was moved by Commissioner Rodriguez, seconded by Commissioner Gustafson:

THAT THE BOARD OF COMMISSIONERS ADOPT THE PROPOSED 2014 MILLAGE RATE OF 1.5939.

Rolled call showed:

**Commissioner Di Pietro – yes
Commissioner Gustafson – yes
Commissioner Kohl – yes
Commissioner Nieland – yes
Commissioner Rodriguez – yes
Commissioner Wright - no**

Motion carried 5-1

3. Setting of Date, Time and Place for First and Second Tax Hearings

It was moved by Commissioner Rodriguez, seconded by Commissioner Gustafson

THAT THE BOARD OF COMMISSIONERS SET THE FOLLOWING DATES, TIMES AND LOCATIONS OF THE FIRST AND SECOND TAX HEARINGS:

First Tax Hearing:

Wednesday, September 17, 2014 at 5:30 p.m. at Broward Health Medical Center auditoriums;

2) Second and Final Tax Hearing:

Monday, September 29, 2014 at 5:30 p.m. at BHNorth in the Conference Center

Motion carried unanimously.

8. Request Approval to authorize the President/CEO to take necessary actions required to exercise the addendum to the Sysmex lease for the XN series hematology analyzers at a

total cost of \$1,618,953 payable in monthly payments of \$26,982.55 for 60 months. General Counsel has reviewed and approved as to legal form and conditions and Corporate Finance has completed a review of the appropriate business terms.

Mr. Paul Echelard, SR/VPCOO presented Item 8. Mr. Echelard said that this is a lease addendum to Broward Health's current Sysmex lease that will result in a savings of approximately \$406,000 over a 5-year period in reagent costs compared to BH current costs. Each of these costs is currently budgeted within BH facilities. Mr. Echelard presented background information on the current equipment. He said that after 5-years the technology progresses and the current equipment is at the end of its 5 year life, Mr. Echelard informed the Commissioners that BH needs to renew the lease to get new and updated equipment that is more efficient and gives quicker results and utilizes a lot less reagent which is where most of the expense occurs.

It was moved by Commissioner Rodriguez, seconded by Commissioner Nieland:

THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO TAKE NECESSARY ACTIONS REQUIRED TO EXERCISE THE ADDENDUM TO THE SYSMEX LEASE FOR THE XN SERIES HEMATOLOGY ANALYZERS AT A TOTAL COST OF \$1,618,953 PAYABLE IN MONTHLY PAYMENTS OF \$26,982.55 FOR 60 MONTHS. GENERAL COUNSEL HAS REVIEWED AND APPROVED AS TO LEGAL FORM AND CONDITIONS AND CORPORATE FINANCE HAS COMPLETED A REVIEW OF THE APPROPRIATE BUSINESS TERMS.

Motion carried unanimously.

9. Request Approval for the Broward Health Foundation Board's recommendation to rename the children's hospital at Broward Health Medical Center in recognition of a \$10 million commitment by a donor of the KIDS Campaign.

Mr. Dennis Stefanacci stated that this request comes from the Broward Health Foundation Board of Directors who is asking that the Board authorize the Foundation to actively seek a \$10 million gift to rename the Children's Hospital once the system's contract with Chris Evert expires in September of 2016. He stated that for the Foundation to achieve the \$26 million goal of this campaign it is critical that it be in the position to seek such a gift that is tied to the renaming of the Children's Hospital. This action will better enable the Foundation to both reach and even succeed its goal and safely fund one of its major items in its Strategic plan as well as enabling the District to return a comparable amount back to the District for other uses once this goal is achieved.

Mr. Stefanacci said that while \$10 million is a great deal of money and one of the largest gifts to be made in Broward County, he can assure the Commissioners that they will be seeking a partner who is highly respected in the community and one who will become a vital and vibrant member of the Children's Hospital family.

Chair Di Pietro asked if this authorizes them to proceed forward. Mr. Stefanacci said that it authorizes them to seek a gift in that amount for the renaming of the Children's Hospital.

Chair Di Pietro asked if this would come back before the Board or is this it. Mr. Stefanacci said that it would not come back to the Board.

Mr. Nask asked if \$10 million is the appropriate price and if it is whoever that donor may be then Broward Health would be able to commit to them that BH can change the name for the money.

Mr. Martin asked if this a permanent name change. Mr. Stefanacci said yes, it is in perpetuity. He explained that doing it in perpetuity solidifies the relationship with the donor and invests them in the future of the organization moving forward.

Chair Di Pietro asked what is the contractual relationship that BH has with Ms. Evert. Mr. Nask said that BH makes a donation to her foundation.

Commissioner Gustafson said as the Board member who sits on the Foundation Board, Mr. Stefanacci has worked on this very diligently and the Foundation board has been actively involved with this initiative. Commissioner Gustafson also commented that the Foundation is such a different looking entity: the membership has doubled with mostly new faces and there is a lot of vibrant activity. Commissioner Gustafson feels that this is a very worthy effort and the Board should accept this proposal. He also complimented Mr. Stefanacci by saying that he was doing a great job.

Mr. Stefanacci said that the Foundation has worked actively on this gift for almost two years.

Chair Di Pietro asked if the Board gets approval of the final name. Mr. Stefanacci said that they have to be very careful as to how they roll out the campaign and what's associated with the gift that they are asking to be made.

Following further discussion,

It was moved by Commissioner Rodriguez, seconded by Commissioner Wright:

THAT THE BOARD OF COMMISSIONERS OF THE NORTH BROWARD HOSPITAL DISTRICT APPROVE THE BROWARD HEALTH FOUNDATION BOARD OF DIRECTORS RECOMMENDATION THAT THE FOUNDATION BE AUTHORIZE TO SEEK A \$10 MILLION GIFT TO RENAME THE CHDILREN'S HOSPITAL UPON COMPLETION OF THE SYSTEMS CURRENT CONTRACT WITH CHRISEVERT IN SEPTEMBER 2016.

Motion carried unanimously.

Mr. Stefanacci expressed appreciation to Commissioner Gustafson who has been a very active member of the Foundation. He said that there were a number of members present today who have become actively involved in the life of the Foundation and that is why the Foundation has been very successful. Part of the success comes from having an active board—it is never easy to raise money but it is much easier when you have a group of people who are your ambassadors and who are well respected in the community out there making the case for the Foundation and Broward Health--they are all very much appreciated.

10. Request Approval to name Larry Blackburn as a Director of the Broward Health Foundation for the FY2014-15 term.

Mr. Stefanacci asked for approval of Mr. Larry Blackburn, Healthcare Director Florida Operations for Turner Construction as its 29th member of its Board of Directors for the FY 2014-15 term.

Commissioner Nieland asked if they foresee any possible conflict of interest with this if this company does business with the District.

Mr. Stefanacci said he does not foresee any issues. He explained that they sit down with every Board member and make it clear to them that membership on the Foundation Board does not give them access to business. In fact, Board members have to sign a Conflict of Interest form.

It was moved by Commissioner Kohl, seconded by Commissioner Wright:

THAT THE BOARD OF COMMISSIONERS APPROVE NAMING LARRY BLACKBURN AS A DIRECTOR OF THE BROWARD HEALTH FOUNDATION FOR THE FY 2014-15 TERM.

Motion carried unanimously.

11. Request Approval for Community Health Services to resubmit its Ryan White Part A proposal for funding Medical Case Management for its HIV/AIDS patients.

Ms. Jasmin Shirley said that CHS was coming back to the Board seeking approval to resubmit another grant proposal. She reminded the Board that CHS came to them in April for the same proposal; however, subsequently after that the county had to rescind that proposal and has asked everyone to re-let them again. Ms. Shirley said that this is after the fact but they were able to add their last approval to their proposal and let them know when this Board meeting which is today, they will be sending them permission to move forward in submitting that proposal.

It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl:

THAT THE BOARD OF COMMISSIONERS APPROVE COMMUNITY HEALTH SERVICES RESUBMITTING ITS RYAN WHITE PART A PROPOSAL FOR FUNDING MEDICAL CASE MANAGEMENT FOR ITS HIV/AIDS PATIENTS.

Motion carried unanimously.

12. Request Approval to Authorize Notice of Award to ANF Group, Inc., the lowest responsible bidder, for Capital Project #12NB1464-B—BH North Retail Pharmacy

Mr. Polemeni informed the Board that he was requesting approval to authorize Notice of Award to ANF Group Inc the lowest responsible bidder for the capital project 12NB1464-

B—BH North Retail Pharmacy build out. Mr. Polemeni reminded the Board that he has to withdraw this request last time due to an error by Miller Construction's bid form. Miller Construction has recognized their error and there will not be any bid protests. Mr. Polemeni said that this is a clean and clear bid and they are ready to proceed with this important project.

Chair Di Pietro asked if this fell under the budget for the total construction. Mr. Nask said that this is a separate project similar to the one at BHMC. It is a separate capital project and it is budgeted.

It was moved by Commissioner Rodriguez, seconded by Commissioner Wright:

THAT THE BOARD OF COMMISSIONERS AUTHORIZE NOTICE OF AWARD TO ANF GROUP, INC., THE LOWEST RESPONSIBLE BIDDERS, FOR CAPITAL PROJECT # 12NB1464-B---BH NORTH RETAIL PHARMACY.

Motion carried unanimously.

13. Request Approval of Commissioner Recognition Policy

Ms. Charlotte Mather presented the Commissioner Recognition Policy. She read certain parts of the policy which included: the mission statement and the purpose of the policy. Ms. Mather said as the Governing Board the Commissioners will be able to share appreciation to BH's employees. She informed the Commissioners that she worked with a variety of individuals to make sure that in honoring the idea that the Commissioners would be able to recognize people, consideration was also taken into making sure that there is no interference with disciplinary process that might be occurring with an employee. It is important that the Commissioner not recognize someone who is involved in a progressive disciplinary process within the last six months. She said that they carefully put into the policy that the Commissioner would have to personally observe someone who is demonstrating exemplary customer service/team work; or might be told by a CEO about an employee who has done sometime above and beyond; or they have received a wonderful letter from a patient acknowledging the great work that and employee has done. Ms. Mather reviewed the eligibility portion of the policy in detail.

Ms. Mather informed the Commissioners that there is a form called the "SPOT" form to be used by the Commissioner. Once they have filled out the form, the Commissioner would submit it to the Custodian of Records who would then submit it to HR to make sure that the person meets the eligibility criteria. Once approved by HR, the Custodian of Record would contact the Commissioner and inform him that it is alright to give that employee a coin letting them know that they are important to the organization. Ms. Mather said that this is a positive process which will again provide for another mechanism for appreciation.

Commissioner Rodriguez said that he was pleased that Ms. Mather put in to the policy safeguards relating to disciplinary actions because everyone smiles at Commissioners, but not always to their bosses.

Commissioner Wright asked Mr. Goren if awarding of the coin would also include contractors or ancillary support staff. Mr. Goren stated that if the Board wants to add that to the policy—the policy would then need to be amended.

Commissioner Wright said he would like to be able to give those community people and vendors a coin recognizing their service; however, would that be an issue with HR. Ms., Mather said that in looking at this initially, there was some discussion about acknowledging the community. However, it was decided to keep the program narrow by just recognizing BH employees to see how it works and flows and making sure that those safeguards were in place.

Ms. Mather said that if the Commissioners want to recognize community members and vendors, then she believes it would need a separate policy and addressed with different criteria to ensure certain safeguards.

Commissioner Wright said he would like to recommend amending the policy to include recognizing vendors and community members now.

Mr. Goren said that there is a motion to approve the policy first; if Commissioner Wright wants to move to amend that policy, then he can make an amendment to the policy.

Commissioner Gustafson said that he thought the idea of giving out coins to recognize employees was a good idea but suggested that they wait to see how it rolls out before adding community members and vendors. He then suggested that maybe in a year or so after seeing how it rolled out coming back with a new separate policy to include those people who are not employed or who are community leaders.

Mr. Goren referred to an open item (Section 6) which states that the administration and interpretation of the policy is to be determined (TBD). Mr. Goren stated since this is the Board of Commissioners' policy they would have that responsibility and the policy will be changed to reflect that determination.

Chair Di Pietro asked where this policy goes once approved. Mr. Goren said that this is a district-wide policy of which there are many. He informed them that Donna Lewis is in charge of the policy committee and since this is a district-wide policy it will now be numbered and will be made accessible not only by the Commissioners but also the public.

For clarification, Mr. Nask asked when an employee gets identified and then a form is submitted to validate the eligibility of the employee what happens if the employee is not eligible due to a disciplinary action that the employee is not aware of. Mr. Nask said that there needs to be some control making sure that Broward Health was not creating a retaliation program.

Mr. Goren stated that for the record, the employee would not know that their name was being submitted unless the Commissioner tells them; therefore, if the Commissioner does not tell an employee that he was nominating them there would not be an issue.

Commissioner Wright informed Mr. Goren that he would withdraw his motion to amend. Mr. Goren stated for the record Commissioner Wright is withdrawing his motion to

amend with the premise that a policy would be brought back to address the community at some time.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE COMMISSIONER RECOGNITION POLICY WITH THE ADDITIONAL LANGUAGE STATING THAT THE ADMINISTRATION AND INTERPRETATION OF THIS POLICY IS THE RESPONSIBILITY OF THE BOARD OF COMMISSIONERS.

Motion carried unanimously.

14. Request Approval of a Conflict Waiver---Duane Morris

Mr. Goren said that this is a conflict waiver submitted by Duane Morris who has helped the District with Medicaid appeals. There is no legal conflict today and may not be one tomorrow; however, the District currently has a relationship with a company called JLA Associates that works with the District is Medicaid appeal matters. Mr. Goren explained that the potential conflict that exists is that Duane Morris is acting on behalf of not just Broward Health but other public hospitals in the context of this appeal process. Mr. Goren stated that there may be a time for a potential conflict between information gathered from one hospital to the next in the context of a difference of opinion. The letter clearly states that if there is a divergence of opinion they would preserve every right to avoid the conflict and would certainly report back to the Board. Mr. Goren stated that this is one of the lesser consequences where there should not be a conflict but in the abundance of caution Duane Morris has requested an approval of a Conflict Waiver. Mr. Goren stated that Robert Martin and Debbie Breen support the request. In addition, Mr. Goren stated that he also supports the waiver.

Chair Di Pietro said that this is a potential conflict and not an actual conflict. Mr. Goren replied yes. Chair Di Pietro said he had no problem with approving the waiver.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez:

THAT THE BOARD OF COMMISSIONER APPROVE THE CONFLICT WAIVER WITH DUANE MORRIS.

Motion carried unanimously.

COMMENTS BY COMMISSIONERS

Commissioner Rodriguez commented on the WAVE project. Commissioner Rodriguez said that he asked Mr. Nask to let him know how much money the District spends on indigent care in the City of Fort Lauderdale. Mr. Nask compiled that information and it amounts to \$50 million in charges and about \$20 million in costs. Commissioner Rodriguez feels that when the City of Fort Lauderdale comes to the District asking for \$150,000 a year for the WAVE project, he would like for Counsel to bring this information to the attention of the City of Fort Lauderdale. Commissioner

Rodriguez feels that the money would be better spent on providing indigent care than having trolley's running around the city.

Commissioner Wright wanted to make sure that the Recording Secretary understood that he voted NO on the proposed millage rate.

Commissioner Kohl said that she attended the summer Intern Graduation held yesterday. She said it was very impressive hearing the students giving their presentations on what they had done while interning at Broward Health. She said it was a very impressive as well as being a lovey event with a nice outcome.

Commissioner Nieland said he was also at the event with Commissioner Kohl and it was great.

PUBLIC MEETING RECESS

At this time: 6:35 p.m. the Public Meeting of the Board of Commissioners recessed to enter into a Closed Attorney Client Session to discuss the Lawrence vs.NBHD d/b/a BHMC Case No. 10-29333 in accordance with Florida Statute 286.011. It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl that the Board recess at this time, 6:38 p.m. to enter into a Shade Session. Motion carried unanimously.

At 6:55 p.m. the Public Meeting reconvened.

Chair Di Pietro informed the of Board of Commissioners that the next regularly scheduled Board of Commissioners' meeting will be held on August 27, 2014 at 4:00 p.m. in the auditoriums at Broward Health Imperial Point, 6401 North Federal Highway, Fort Lauderdale, Florida.

Meeting adjourned at 7:00 p.m.

Respectfully submitted,
Debbie L. Kohl Secretary/Treasurer

BY: Maryanne Wing

A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE