NORTH BROWARD HOSPITAL DISTRICT
BOARD OF COMMISSIONERS'
REGULAR MEETING
Broward Health Corporate
Spectrum Complex
November 18, 2015 – 4:00 p.m.

MINUTES

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held at 4:00 p.m. at Broward Health Corporate Offices, 1700 NW 49 Street, 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 4:45 p.m.

ROLL CALL

Commissioners:
Present: Commissioner David Di Pietro – Chair
Commissioner Joel Gustafson – Board Member
Commissioner Maureen Canada- Secretary/Treasurer
Commissioner Rocky Rodriguez - Board Member
Commissioner Darryl Wright – Board Member
Commissioner Sheela VanHoose– Board Member
Commissioner Christopher Ure – Board member

The invocation was given The Reverend Dr. Russ Ritchell, Senior Pastor of First Presbyterian of Fort Lauderdale followed by the Pledge of Allegiance led by Commissioner Maureen Canada.

OATH OF OFFICE: Commissioner Christopher T. Ure was sworn in by The Reverend Dr. Russ Ritchell, Senior Pastor of First Presbyterian of Fort Lauderdale. In attendance for the swearing in were members of Commissioner Ure’s family

Commissioner Ure said he was honored to be part of such an esteemed group and to have this opportunity to give back to the community that he and his family have lived in for most of their lives. He looks forward to working with everyone.

ELECTION OF VICE CHAIR:

Ms. Lynn Barrett, General Counsel opened the floor for nominations for Vice Chair: Commissioner Wright nominated Commissioner Rocky Rodriguez, seconded by Commissioner VanHoose. There being no further nominations, nominations were closed.

It was moved by Commissioner VanHoose, seconded by Commissioner Wright,
THAT THE BOARD APPROVE THE NOMINATION OF COMMISSIONER ROCKY RODRIGUEZ AS VICE CHAIR TO THE BOARD OF COMMISSIONERS.

Motion carried unanimously.

Commissioner Rodriguez thanked the Board for this confidence. He also thanked Governor Rick Scott for reappointing him to the Board for another four (4) years. He is looking forward to continuing to serve the community and working with this fine group of doctors and nurses and moving forward.

The Chair congratulated Commissioner Rodriguez on his reappointment.

RECOGNITION OF THE CHILDREN’S DIAGNOSTIC AND TREATMENT CENTER’S CHAMPION AMBASSADOR

Ms. Ana Calderon, Administrator of CDTC provided a short bio on Jazzray and what she and her family have had to overcome.

Jazzray is a 13 year-old girl who is smart, talented, and energetic and takes all advanced classes and always has straight A’s. She dreams one day of becoming a lawyer and one day holding a judge’s seat. When she was only three years old she was constantly not feeling well and experiencing health issues. Her family learned she had leukemia on his fourth birthday. After a few months in the hospital, surpassing her original one month life expectancy, she was transferred to the PICU at Broward Health Medical Center where she was cared for by Dr. Roskos and his hematology/oncology team. Since then, Jazzray has fought very hard and defied all odds to make a full recovery.

Jazzray was referred to CDTC’s primary care when she was 4 yrs. old and currently receives her medical case management through the Lift a Child to Health Program (funded by United Way) to assist with linkage to the various specialists. Her family is incredibly grateful to the wonderful care they have found at CDTC and through their Lift a Child to Health Care Coordinator. To know that they have someone on their side to offer support, comfort and guidance for whatever else may come their way.

CDTC is proud to present Jazzray Blout as their Champion Ambassador.

COMMENTS FROM AUDIENCE:

Dr. Clayton Berger, Ophthalmologist has been with Broward Health for over 20 years and is the Chief of Ophthalmology at BHMC. Dr. Berger said he was here today to show the Commissioners how many hospitals he covers every night that he is on call because some of those hospitals do not an ophthalmologist on staff that will take call. BH North, due to a contract dispute, does not have an ophthalmologist so he takes call for over 800,000 people, two trauma centers and the international patients that come to BHMC. He also discussed some coverage that is also not currently available to patients due to other contract disputes. Dr. Berger is in the middle of his contract negotiations but did not want to discuss his contract; however, he did want to state that he has heard that in his upcoming contract there will be a stipulation that he will have to provide medical malpractice insurance. This is something he cannot afford. He asked
the legal team to please remove it from his contract because if it remains he will not be able to serve Broward Health. He has gone without malpractice coverage for over 20 years. He indicated that if they choose to keep that requirement in his contract, he will serve out whatever length of time they wish and cover in any way that he can to take care of the patients. He will not abandon the District and he hopes that the District does not abandon him.

**Strategic Marketing Plan**

Chair Di Pietro said that he had thought from the Strategic Planning meeting that the Board was going to ratify the Strategic Marketing Plan. He would like to walk this item on the agenda for a vote.

The Chair asked for a motion to walk on the approval of the Strategic Marketing Plan initiative as discussed at the Strategic Planning meeting and direct management to move forward with the plan.

**It was moved by Commissioner Rodriguez, seconded by Commissioner Wright that the Board approve walking on the Strategic Marketing Plan and to direct management to bring back to the Board the components of the strategic marketing plan**

**Motion carried unanimously.**

Discussion:
Chair Di Pietro said he thought was item was going to be put on the agenda.

Commissioner Rodriguez asked if there was a general consensus to approve the plan. Chair Di Pietro stated that management is going to bring back the final plan but he wanted to approve the directive for the CEO/senior management to begin working on this initiative.

Chair Di Pietro asked for a motion to approve the directive for the CEO/senior management to begin working on the Strategic Planning initiative. It was moved by Commissioner Canada, seconded by Commissioner Rodriguez. **Motion carried unanimously.**

Dr. El Sanadi said that this could be brought back to the December board meeting for final approval and realized that the sentiment was to support the marketing/communication plan as presented at the Strategic Planning meeting. Dr. Peek will work very closely with Zimmerman and Outside Eyes (the outside vendors for marketing) to come up with a concrete plan that falls within budget and is best for Broward Health. The motion today would direct management to proceed.

Commissioner Gustafson stated that it must be within budget and questioned whether Broward Health could afford the additional service. He thought this was the issue at the Strategic Planning Meeting.

Dr. El Sanadi informed the Board that administration is continuing to work behind the scenes by compressing some of the services, looking at growing opportunities and seeing how BH can optimize operations and make the budget more robust. Management would like to go back to the vendors and come back with a robust baseline and look at an incentive plan as far as joint performance similar to what is done with other vendors.
Mr. Robert Martin, Sr.VP/CFO commented that with the holidays coming up, he was not sure if there would be enough time to be able to meet with the Zimmerman staff prior to the December board meeting. He suggested bringing it back in January 2016.

In the future, the Chair recommended that the board agenda be sent out in advance to all the Commissioners for their review prior to it being placed in the Board packet. He feels that management dictates the agenda and it should be reviewed and finalized by the Board. This will allow board members to add an item if they so choose.

Commissioner VanHoose said it was a nice gesture by the Chair to give the Board members the opportunity to add agenda items; however, for clarification, if any items are pulled they would be pulled by the Chair. Chair Di Pietro said that was correct.

Dr. El Sanadi agreed that the agenda will be sent out to all the Commissioners prior to be distributed.

Dr. Peek said that she was part of the reason this item was not on the agenda. She explained that immediately following the strategic planning meeting she left for vacation. She would like to propose that she put together a typical board exhibit similar to what is prepared for every other contract or proposal that comes forward and have it based on a risk and rewards situation as discussed. She indicated that she would work with Mr. Robert Martin and the Zimmerman staff to put this together. This will take some time and she asked that she be permitted to bring this back for review and approval at the January 27, 2016 Board meeting.

Dr. El Sanadi said he met with Mr. Zimmerman and he has indicated that he would not be ready to do anything until January. Dr. Peek will bring this back to the Board for review at the Finance Committee meeting in January and then to the January Board meeting for final approval.

Chair Di Pietro agreed that January would be acceptable.

Chair Di Pietro asked for a motion to approve the directive for management to proceed working on the Strategic Marketing/Communication Plan. It was moved by Commissioner Canada, seconded by Commissioner Rodriguez. Motion carried unanimously.

**APPROVAL OF MINUTES**

1. Request approval of the Minutes of the Regular Meeting of the Board of Commissioners held October 28, 2015.

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

    **THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON OCTOBER 28, 2015 BE APPROVED AS PRESENTED.**

    Motion carried unanimously.
2. **BROWARD HEALTH IMPERIAL POINT**

Dr. Lewkowitz provided the following report.

Exciting month for BHIP

- Lynn Cleveland, RN from the Quality Department presented 4 posters at the Florida Association Healthcare Quality annual meeting in Orlando, recognizing exceptional BHIP outcomes in CLABSI reduction, improved culture of safety in OR and efficiency with rapid response program
- Dr. Jorge Perez gave a lecture to the Imperial Point community on surgery post weight loss.
- Imperial Lifestyle Changes spoke the to Imperial Point community on staying Healthy during the Holidays
- Dr. Mini Varghese spoke to Imperial Point community on prostate cancer.
- Also, BHIP became certified by Sun Serve LGBTQ in completing over 100 staff with sensitivity training making the hospital more LGBTQ friendly making us the hospital of choice for the Wilton Manors LGBTQ community.
- At the Fort Lauderdale Chamber of Commerce Excellence in Healthcare award luncheon, the BHIP Holistic Care Council was awarded best employee wellness/lifestyle program.

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 Canada, seconded by Commissioner Rodriguez:*

**THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT’S MEDICAL COUNCIL -- ITEMS 2 (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.**

3. **BROWARD HEALTH CORAL SPRINGS**

Dr. Zingaro provided the following report:

- BHCS Wound Care and Hyperbaric Medicine Department celebrated their 10 Year Anniversary in partnership with Heallogics, Inc.
- Keiser University Nursing Program presented Broward Health Coral Springs the 2015 Employer Choice Award.
• Caren Bock, Children’s Services Manager presented the BHCS PEWS (Pediatric Early Warning Scoring poster) at FONE (Florida Organization of Nurse Executives) in Orlando November 12th.

In addition, Dr. Zingaro wanted to push for the Medical staff leadership at BHCS to possibly attend the Greeley Physician and Hospital Leadership Seminars on December 10-13, 2015 in Boca Raton. He said he is not financially connected to Greeley but has attended their seminars when he first stepped into a leadership position at Coral Springs and found them to be very beneficial. This seminar has medical staff training to lead clinical integration; credentialing solution; peer review boot camp and CMO/VPMA Retreats. Unfortunately, they have been advised by legal that this is a Stark violation and they were trying to get this approved because they believe this would improve the quality of the leadership staff at all the facilities.

Chair Di Pietro explained to Dr. Zingaro that the CIA agreement is a nightmare and General Counsel is doing the best she can; however, Broward Health needs to be compliant with not only CIA regulations but all federal and state regulations.

Dr. Zingaro said he did not want this to be a personal attack on legal but they are trying to work to try to have their physician leaders at a higher level so that they can deal with specific problems related to the medical staff.

Commissioner Rodriguez agreed with Chair Di Pietro. Legal is trying to do the best they can to work with everyone but bear in mind it is not an easy task. The CIA is a reality.

Dr. Guy Zingaro, 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; Medical Staff Reappointments; Allied Health Appointments; and Allied Health Reappointments.

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

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL’S MEDICAL COUNCIL -- ITEMS 3 (A-D):

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

Motion carried unanimously.

4. BROWARD HEALTH NORTH

Dr. Hoffberger provided the following report:

• BHN received the Press Ganey Pinnacle of Excellence Award for sustained excellence in clinical quality for the second year in a row. This award is given to one hospital in each of three bed size categories annually.
• The Joint Commission has also recognized Broward Health North as a Top Performer on Key Quality Measures® for 2015 for our excellent clinical performance with core measures.
• BH North is proud to be named as one of America’s Best Hospitals for Cancer Care and America’s Best Stroke Center by Women’s Choice Award. The Women’s Choice Award honors hospitals that have demonstrated exceptional service in meeting the needs of women.
• BH North also had the final Joint Commission Survey for re-certification of our Disease Specific Programs. BH North’s Alzheimer’s Program was recertified at the end of October with no recommendations for improvement. All four programs (Hip and Knee Joint Replacement, Spine Surgery and Alzheimer’s) have now been re-certified.

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 Reappointment; Allied Health Additions and Changes; Allied Health Reappointments and Community Health Reappointment and Resignation.

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

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH NORTH’S MEDICAL COUNCIL --ITEMS 4 (A-E):

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

Motion carried unanimously.

5. BROWARD HEALTH MEDICAL CENTER

Dr. Yogel thanked Dr. Berger for the hard work that he does for the patients in our community. He hopes that legal is able to work something out with Dr. Berger so he can continue to provide the high level of care that he has provided to BH’s patients and this community.

Dr. Yogel provided the following update:
• BHMC held its annual medical staff party at the Hard Rock Café and it was well attended. He thanked Commissioners’ Rodriguez and Ure and Lynn Barrett for attending.
• BHMC Pediatric residency program is the first in the country that has converted from Osteopathic to Allopathic program.
• BHMC has raised $8.6 million of the $10 million goal for the Children’s Hospital.
• Employee recognition award went to Trish Cordino from the clinical education department. Every month the Medical Staff gives an award to one of the outstanding employees for service up and beyond the call of duty.

• The Perspectives on Florida Healthcare and Excellence Awards luncheon was held by the Greater Fort Lauderdale Chamber of Commerce. Two employees were recognized for their excellent service: Betty Buiey from Guest Services and Kelly Meyer a NICU Nurse.

• Dr. Albroucek from the Department of Radiology and a patient were featured on Channel 10 to discuss new contrast mammography.

• WPLJ had the opportunity Channel 10 had the opportunity to interview Dr. Sharma one of the gastroenterologist for a story on Exocrine Pancreatic Insufficiency.

• BHMC had a CODE GREEN (mass casualty) due to the first at the Fort Lauderdale Airport and treated 21 patient in the Emergency Department including one trauma patient and pediatric patient. All did well and were released.

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 & Weston Urgent Care Center Reappointment.

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

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH MEDICAL CENTER’S MEDICAL COUNCIL-- ITEMS 5 (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 & Weston Urgent Care Center Reappointment

Motion carried unanimously.

CEO REPORT

Dr. El Sanadi reported that October has been a busy month.

• October 29th, BH held an Interfaith Breakfast. He thanked the Commissioners for attending.

• Broward Health Leadership University graduated over 50 students. 45% will get promoted to within their ranks and file.

• Dr. El Sanadi reported that BH met budget for the first time (October) during its fiscal year. They have been working diligently with regard to cost containment and optimization opportunities and he will be reporting on those efforts at the January 2016 Finance Committee meeting.
• Dr. El Sanadi held seven (7) Town Hall meetings. Visited the medical staffs at all of the different facilities—three more to go and with two this Friday. The purpose is to convey to the medical staff and to the leadership the gravity and magnitude and the meaning of what a Corporate Integrity Agreement (CIA) means as far as what BH is doing and how BH is handling it. The first 90 day report is due in 12 days and kudos to Lynn Barrett and Donna Lewis and their terms for their hard work.

• With regard to Fair Market Values (FMV) and stark and anti-kickback regulations these are the items that are discussed and declared to each medical staff member when negotiating their contracts as far as the calculations for the FMV. It is important that BH and its physicians are protected and also be 100% compliant.

• 100% Code of Conduct compliance from the employees. Over 86% for the medical staff members. He thanked Dionne Wong and Donna Lewis for getting this done.

• Dr. El Sanadi informed the Commissioners that he is working on a schedule to consolidate all meetings so that they occur on the third and fourth Wednesday of every month. He will work on this and send out the 2016 calendar by mid-December. BH knows that our Commissioners serve as volunteers so hopefully this will help with their personal time. Chair Di Pietro said it is hard to have one meeting at 2 p.m. on a Tuesday so if the meeting could be consolidated it would be helpful. Dr. El Sanadi said that Ms. Wing will send out the revised 2016 meeting calendar.

• December 9th, is the Physician workshop followed by the Joint Conference Committee meeting. It will be held at 5:30 p.m. at the Spectrum site.

• BH will be sending out RFPs on collections.

• Mr. Stefanacci received the Fundraising Executive of the Year Award.

GME Update:

At this time, he asked Dr. John Delzell, Dr. Patricia Rowe-King and Rita Frantz to come forward.

Dr. Delzell informed the Commissioners that there are about 25 Osteopathic Pediatric programs around the country and there are about 200 ACGME accredited programs but there is only one program in the entire country that has made the transition in this new process from being an osteopathic accredited to being an ACGME accredited. The Pediatric program at Broward Health Medical Center is the first Pediatric Residency program in the nation to make that transition.

Dr. Delzell then introduced Dr. Patricia Rowe-King.

Dr. Rowe-King provided a glimpse of what happened at their ACGME Site visit. The surveyor said it was the 400th site visit that he had done and he had never met a faculty that was so inspiring and as dedicated as the faculty of the Children’s Hospital. She then introduced the team: Rita Frantz who is a rock, Dr. Delzell who has been such a welcome source of information for them, and Dr. Vincent the program director and Claudia Miller the program coordinator. Dr. Rowe-King thanked Mr. Glidewell, the Board and Dr. El Sanadi for all of their support in giving them this opportunity.

Dr. El Sanadi said this is just the beginning. With BH being the first in the country in the conversion, BH is well on its way of doing a full conversion and increasing the slots from 100 to over 300 by June 30, 2020.
Mr. Robert Martin commented that due to the holidays and the shorten time period between Board meetings, he would be providing a short financial performance review. Mr. Martin will provide a full finance presentation at the January 2016 Finance Committee meeting.

He then provided the financial performance for the month of October as well as the first four (4) months of the fiscal year:

- **Admissions:** Admissions down 3% or 140 cases; more troubling is that the compensated volume is down 5% (235 cases) while the uncompensated volume is up 98 cases; short stay cases up 1%; births up 4%; surgeries down 4%; outpatient medical center visits down 8% (almost 2,000 visits)—mostly at BHN, BHCS and BHIP some of which could be attributed to not having Mammo-Pollozza which was not done this year. Emergency Room visits down 1% with compensated volume down 600 visits while uncompensated volume was up 200 cases (this trend has continued each month of this year which is in complete contrast as to what happened last year). YTD: Admissions up 1% (200 cases); compensated volume down 1% (100 cases) and uncompensated up 13% (400 cases). All of the growth is in the uncompensated area. Short stay cases up 5%; births up 2%; surgeries down 2%; outpatient medical center visits down 5% (4700 visits over the first 4 months). BH is seeing a continuing decline in lab and radiology visits due to the fact that the managed care companies are steering everyone to free-standing centers and there is a drop in cancer areas as well. Emergency room visits for the first 4 months were basically flat. BH still needs to utilize nurses and provide tests; however, with the uncompensated being higher BH does not receive payment for those services.

- **Operating Statement:** Net Operating revenue for the month was $7 million vs. a budget of $91 million—short $3.6 million; salary and benefits favorable to budget by $800,000; supplies favorable by $500,000; other expenses favorable by $2.4 million. Total expenses favorable by $3.7 million which offset the drop in the net revenue. Net loss from operations for the month: BH lost $13 million which was $100,000 favorable to budget.

- **Investment Income:** Had a better month and recaptured about 50% of the loss that BH incurred through the first 3 months—$19.9 million of gains vs. a budget $1.5 million for a position variance of $18.4 million. Excess revenue over expense positive by $16.7 million vs. a budgeted loss of $2 million. Favorable variance for the bottom line was $18.7 million for the month. YTD: Net operating revenue of $344 million—$12.1 million unfavorable to budget; other expenses favorable by $7.3 million; total expenses for the first 4 months $398.6 million was $4.6 million favorable to budget; however, not enough to offset the drop in net operating revenue so the losses for the first 4 months of $55 million vs. a budgeted loss of $47.4 million—behind budget for the first 4 months by $7.6 million.

- **YTD Investment Income and taking in account the losses incurred over the last 4 months BH is still at a loss of $8.9 million vs. a budgeted gain of $6.1 million for a negative variance of $15 million. Excess revenue over expense for the first 4 months is a negative $25 million vs. a budgeted negative of $4 million —$21.1 million behind budget.

- **Key Financial Indicators:** still quite strong: Days cash on hand 175 days drop of 56 days from year-end and 43 days from the prior year—(24 days related to OIG settlement-15 days associated with taxes – 7 day LIP payments). Days in AR 51.1 days; Excess margin negative 6.6% due to bad start at the beginning of the fiscal year. Cash collected for the month was $76 million which is $500,000 less than what BH has been averaging of the last 12 month.
- Cash flow statement: Beginning balance of $731.6 million less $124 million, Ending Balance of $563.7 million for Change in Cash and Investment $167.8 million which is a big drop since the beginning of July.

Commissioner Gustafson commented that the finances did not look very promising. Mr. Martin informed the Commissioners that administration has been sitting down with leadership to see where they can take non-essential patient care expenses and reduce them and begin looking at revenue growth opportunities. BH needs to continue to move forward and see how it can get more volume. Mr. Martin stated that the new health exchange enrollment began in November and BH has not seen a lot of new people signing up.

Commissioner Gustafson asked if Mr. Martin could produce numbers from BH’s competition like he has done in the past. Mr. Martin said that he will begin bringing that information to the Board next month. He said the last time he looked, BH was down 1%; Memorial was up 3% and the other hospitals were up 6%. The flip side is the short stay cases at Memorial were up 15-16% and BH’s short stay cases were not up that high.

Commissioner Ure asked how volatile the compensated vs. uncompensated cases are? Is it something that comes out in the wash or is there a cause? Mr. Martin explained that prior to a year and half ago before the Affordable Care Act, BH was running about 20% of uncompensated care. Last year BH saw that number drop and had its best financial year ever. For some reason, it began turning somewhere around April of 2015. The information from the CMS website shows that about 2 million people that had originally signed up on the health exchanges came off of the rolls because they did not pay their premiums. Mr. Martin stated that BH still cares for those patients and utilizes resources so the more uncompensated volume continues the lower BH’s bottom line.

INTERNAL AUDIT REPORT

Ms. Vinnette Hall reported that the Internal Audit department issued six draft reports on various contract reviews and is currently working with management to get responses to some of the opportunities for improvement that were identified in those reports. They expect to have those finalized between now and Thanksgiving. Each Board member will receive a copy of those reports and Ms. Hall will be available to discuss any of those reports with each of you individually. They also completed three special projects that were requested for the compliance department in response to various issues which arose from the compliance program or other operational compliance concerns. They also continue to work on the audit plan and work with compliance on the CIA application.

GENERAL COUNSEL REPORT

Ms. Lynn Barrett reported on the following:

- Contracts: Ms. Barrett commented she appreciates the Chiefs providing a significant amount of communication to her over the last week or two but she wanted them to know that Legal has prepared over 70 to 75 physician agreements just in the last month not including non-physician agreements which amount to 20 to 30. What she has heard particularly from the Chiefs tonight is that there seems to be some lack of communication and some miscommunication among the Chiefs and the legal department. Ms. Barrett invited any physician/or non-physician to come and speak with her directly about any contract issues. Dr. Zingaro has suggested and Ms. Barrett agreed that they communicate consistently. A conference call is scheduled for this Friday to go over all of the contracts
that he has mentioned so that BHCS’s can find out the status of those contracts. It appears that direct communication between Ms. Barrett and the Chiefs will facilitate all or some of the communication issues.

- Ms. Barrett is now attending all of the Physician Town Hall meetings. She and Mr. Perez met with Amy Galloway, the attorney for the Medical Staff, and found that there was a lack of communication and understanding about the CIA and Code of Conduct which they were able to work out. They plan on meeting every month and it appears that direct communication is going to help. Ms. Barrett has an open door policy.

- The Town Halls are speaking to the purpose of the CIA: why as a physician they should care about it and how it will affect them. Hopefully, this will alleviate some of the communication issues.

- Legal has been doing a lot of work on the CIA implementation. The first 90 day report is due the Sunday after Thanksgiving. They have had three hour training sessions with Meditrack on Stark and Anti-Kickback; held training sessions with Board of Commissioners; prepared and distributed the Code of Conduct and working on policies and 50 other items that are required under the CIA; and working very diligently to meet the first major deadline under the CIA.

- They are currently working on efforts to build their internal legal team. They have hired four (4) people in the legal department and recently hired Mr. Van Olberg. Mr. Olberg comes to BH from the Office of General Counsel in the 11th Judicial Circuit and has significant experience in procurement and in clinical trials, physician agreements and codes and ethics. He will be partnered with Mr. Perez on doing some of the ethics and conflicts of interest work.

- Continuing their efforts to be involved in the community and getting the Broward Health name out to everyone, Ms. Barrett was invited to speak at the Florida Bar Health Law Section full day conference and spoke on physician arrangements. She was paired with a very experienced attorney who was at the OIG and CMS for over 25 years.

- Dr. El Sanadi, Ms. Barrett and Mr. Perez also spoke at the Florida Hospital Association on different panels. They spoke on governance and what boards need to know with all the recent OIG information coming out of healthcare boards. Mr. Perez had a fascinating discussion on enforcement action and the view on the Department of Justice and criminal prosecutions.

Ms. Barrett requested a Shade meeting for the month of December at a date and time convenient for the purpose of discussing pending litigation.

**It was moved by Commissioner Rodriguez, seconded by Commissioner VanHoose that the request for a Shade Session in December be approved as requested.**

*Motion carried unanimously.*

**COMMITTEE REPORTS:**

**Pension and Investment Committee**

Commissioner Wright reported that the intent was to have a workshop on November 16, 2015. They had two speakers, Mr. Larry Marino of Segal Advisors BH’s current investment advisor and Mr. John Herbst CPA, the City auditor for the City of Fort Lauderdale.
Commissioner Wright said that the intent covered three topics: one was to do better than BH is currently doing; performance has been great; but one of the items not addressed is the risk taken with performance which they continue to look at and try to find some common ground; and by the beginning of 2016 put out an RFP to see if there are better options for managing BH’s pension and investments. BH has been with the same model for 9 years and he feels that it is time to see if BH can do better by putting out an RFP. At the workshop, they compared the current model Independent Advisor vs. Outsourced Chief Investment Officer (OCIO). Of significant note, BH’s current advisor can also do OCIO. There was a very in-depth discussion on the OCIO model. OCIO is the modern method that most companies are using and Commissioner Wright feels that this is important and BH should look into the OCIO model.

Commissioner Wright said that another workshop needs to be scheduled so the other Commissioners can be educated on what BH is currently doing and what it could be doing with an OCIO model.

Chair Di Pietro asked if there were any additions or corrections, there being none,

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez that the minutes of the Pension and Investment meeting minutes of November 16, 2015 be approved as presented.

Motion carried unanimously.

**DISCUSSION AGENDA**

6. Code of Conduct (for discussion purposes only)

Chair Di Pietro said this was approved at the last meeting but he had not had a chance to read through it. For the record, Chair Di Pietro said he has now read through document. He asked if any of the Commissioners had any questions. Chair Di Pietro said that the only problem he had was the fire arm policy. Ms. Barrett said that Mr. Perez has vetted that issue and it is good.

Ms. Barrett stated that the Code of Conduct was approved and it has been distributed and there is a 100% attestation by employees and about 87% by the Medical Staff.

7. Approve and accept Low Income Pool (LIP) funding of $1,432,639 and authorize the President/CEO to execute an agreement with the agency for Health Care Administration for the provision of community and primary care services.

Ms. Shirley announced that November is Hospice Appreciation Month. Broward Health Gold Coast Home Health and Hospice has provided mini workshops at two facilities so far for better understanding of palliative care services and palliative medicine vs. Hospice palliative care services. These workshops were very well attended. The annual plan will be presented at the January or February Board meeting.

Under Tab 7, Ms. Jasmin reported that Community Health Services (CHS) comes to seek approval of the Low Income Pool funding in the amount of $1,432,639 for the provision of community and primary care services. Ms. Shirley explained that CHS submitted a
proposal in accordance with the Community and Primary Care Services funding guidelines to increase access to primary healthcare service; reduce unnecessary emergency room visits and preventable hospitalization; improve the coordination of care; ensure those in care do not drop of care; and reengage those who have fallen out of care. The maximum dollar amount per project was capped at $1,500,000.

She informed the Board that they received notice of intent to award BH LIP funding. The proposal addresses the following categories of services: hospital ED diversion initiatives; expansion of primary care clinical services; expansion of oral health services and disease management initiatives. This funding will allow BH the ability to enhance the Cerner Ambulatory Electronic Health Record with key modules (readmission prevention/dental/specialist/care coordination and anticoagulation clinic modules); expands capacity to provide care coordination and disease management services and improves access to primary health and dental service.

Ms. Shirley also informed the Board that LIP funding is not budgeted during FY 2016.

Following Ms. Shirley’s presentation,

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

**THAT THE BOARD OF COMMISSIONERS APPROVE AND ACCEPT LOW INCOME POOL (LIP) FUNDING OF $1,432,639 AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH THE AGENCY FOR HEALTH CARE ADMINISTRATION FOR THE PROVISION OF COMMUNITY AND PRIMARY CARE SERVICES.**

Motion carried unanimously

8. Authorization for the President/CEO to issue a Purchase Order to Kerney Associates through the Group Purchasing Organization (MedAssets), in accordance with Section 24(1)(d) of the North Broward Hospital District Charter, and to expend funds required to prepare AHCA and permit documents for the kitchen HVAC renovation at Broward Health Medical Center at a cost of $2,500,000.

Mr. Glidewell, CEO of BHMC, explained to the Board that this project request is to correct the negative pressurization of the kitchen. The negative pressure is caused by the imbalance between the volume of air exhausted by the hood system and the volume of fresh air introduced into the space. The issue has been cited by AHCA during a life safety survey for Medicare and Medicaid. He then referenced Deficiency K 069.

This issue began in 2009 after BHMC has a CMS validation survey with a Life Safety Surveyor which lasted for 7 days. One of the life safety issues identified back in 2009 was found to be out of compliance with National Fire Protection Standards for ventilation control and cooking operations. BHMC engaged some architects to see what would be required to remediate the problem. The architect selected was Harvard Jolly who came up with a couple phases of remediation that needed to happen. The first phase happened last year where a new air handler unit was installed on the roof of the kitchen to introduce some positive air pressure.
The second phase is the installation of a new exhaust system in the kitchen. After looking at the renovation of the kitchen and at the exhaust piece, there were a lot of different alternatives and they were presented with several options. The one that they would prefer to go with is the option to move the cooking and preparation area into the bakery area. This is a 10-month project and is very involved. He then explained in detail how this would be accomplished.

Mr. Glidewell suggested that since the historical architect for this project was Harvard Jolly, they would like for them to do the drawings and get the AHCA permitting for the project. BHMC would then use Kerney & Associates as the actual vendor for providing the exhaust hood equipment and providing the installation of that equipment. Kerney & Associates is a MedAssets vendor. This is a big project and BHMC has explored lots of alternatives and believe that this is the best way to do this. This is a budgeted project in the amount of $2.5 million.

Commissioner VanHoose confirmed that this project was budgeted for 2016 and once approved it will then go to AHCA for approval.

Commissioner VanHoose asked, since MedAssets was recently acquired, could administration do a follow up presentation on GPOs similar to the one that administration did not too long ago. She said it would be interesting to hear how this could change some of the conversation with regard to some regional GPOs since the acquisition of MedAsset.

Dr. El Sanadi replied that administration would be happy to do a follow up to the previous presentation. Administration will look at what the current MedAssets contract looks like, are there any issues as far as them being acquired or merging and how does that impact Broward Health. Administration will review the contract as well as the finances.

Commissioner Wright asked why they decided to go solely with Harvard Jolly. Mr. Glidewell said that they were with BHMC initially and because of the work that they have already preformed, it makes the most sense to stay with them.

Following Mr. Glidewell’s presentation,

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

THAT THE BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO TO ISSUE A PURCHASE ORDER TO KERNEY ASSOCIATES THROUGH THE GROUP PURCHASING ORGANIZATION (MEDASSETS), IN ACCORDANCE WITH SECTION 24(1)(D) OF THE NORTH BROWARD HOSPITAL DISTRICT CHARTER, AND TO EXPEND FUNDS REQUIRED TO PREPARE AHCA AND PERMIT DOCUMENTS FOR THE KITCHEN HVAC RENOVATION AT BROWARD HEALTH MEDICAL CENTER AT A COST OF $2,500,000.

Motion carried unanimously.
9. Approval of the employment agreement for:
   a: Mammen P. Zachariah, M.D. (approval only)
   b: Molly A. Zachariah, M.D. (informational only)
   c: Philip George M.D. (informational only)

Ms. Alice Taylor advised the Board that she was excited to bring these three contracts to the Board today for approval. She said it has been a long journey in negotiating these contracts and with the help of Ms. Barrett and outside counsel they have a signed agreement and she is asking for the Board’s approval.

She said the first contract is with Mammen P. Zachariah M.D. who is a well-known and a well-educated Interventional Cardiologist. He will bring a lot of value to Broward Health.

Chair Di Pietro commented that this did not go to Legal Affairs which is BH’s normal process. Secondly, there was no FMV provided to the Commissioners to review so they were not able to read the commercial reasonableness which as a Board they have been doing for a while. He questioned if BH was now giving no-cut contracts (guaranteed compensation for one year) after deciding not to give no-cut contracts. Chair Di Pietro questioned why this was being done for this contract. He felt that this could cause an issue with other physician contracts. He also commented that they have not had the physician workshop yet or set a policy to do this and now administration was setting a precedent with this contract.

Dr. El Sanadi said that it is being brought to them today as an informational item. He referred to the FMV as far as the percentile but they will certainly produce the FMV to each Commissioner for their review. He explained that these are new clinicians to BH’s service area and to its facilities and BH needs to give them the opportunity to build up their practices which is the reason for the no-cut clause.

With regard to negotiating with individual physicians, Dr. El Sanadi explained that each physician has their own set of specific set of circumstances. He reminded the Commissioners that at the Legal Affairs committee, Ms. Barrett presented templates for three different sets of contracts and what administration can strive to is probably 80% conformity; however, there may be times when it will be a 20% variation because of the specialty, quality matrix and what needs to happen with that particular physician for that circumstance. Dr. El Sanadi said that BH has different kinds of physicians and each contract will be a little different.

Following further discussion,

It was then recommended that on December 9th, the Shade session requested by Ms. Barrett will be held at 4:00 p.m., followed by a Special Board meeting to address the three contracts; followed by the Physician Workshop and Joint Conference Committee meeting.

**Item 9 is TABLED.**

**COMMITTEE ASSIGNMENTS:**
Chair Di Pietro noted that he had received all of the Commissioners’ requests and will be forwarding the appointments to Ms. Wing for distribution.

**COMMENTS BY COMMISSIONER**

Commissioner Rocky Rodriguez advised the Board that he recently attended, along with Ms. Charlotte Mather and Commissioner VanHoose, the 2015 Sayfie Review Florida Leaders’ Summit. At that conference Broward Health was awarded the Gulf Sponsor award plaque which he presented to Dr. El Sanadi.

Commissioner Sheela VanHoose congratulated and welcomed Commissioner Ure to the North Broward Hospital District fun team Care Warriors and said it is really a great organization to be a part of. She advised the Commissioners that she attended the Sayfie Summit along with Commissioner Rodriguez. She explained that the purpose of the Sayfie Summit was to provide questions from healthcare leaders (Tuesday was HealthCare Day) across the state to all the presidential candidates and to get their feedback. The one big topic was around MACRA and the impact it will have on physician groups. One of the concerns with the new MACRA law is that it is going to change a lot of BH’s physician groups. Many physician groups will have a different burden which might increase the workload or burden on BH’s employed physicians in changing to a more employed physician contract. So they are expecting over the next couple of years a complete change in how healthcare is provided. From an oversight perspective it is very important for BH to make sure that it is providing the very best healthcare for its community in Broward County.

Secondly, the Commission of Healthcare and Hospital Funding sent a letter to the legislature (they are going to meet tomorrow at 9 a.m.) to begin their legislative priorities for 2016 in regards to transparency of hospital funding. Commissioner VanHoose indicated that BH could see by tomorrow their legislative request which will then impact Broward Health moving forward.

Commissioner Joel Gustafson said that previously on the Board’s agenda, Mr. Stefanacci provided a status report on the Broward Health Foundation. He suggested placing that back on the agenda again so the Board can see just how far the Foundation has come along. It is a vibrant entity of Broward Health and he would like to see it back on the agenda. He also announced that Mr. Stefanacci was presented the Fundraising Executive of the Year award.

Dr. El Sanadi agreed.

Chair Di Pietro said that he has had requests from several people to serve on the Foundation. He asked if there was a limit as to how many of the District’s Board members could serve on the Foundation Board. Dr. El Sanadi said he did not believe that there was a limit and reminded the Board that several months ago they appointed Commissioner Canada to serve on the Foundation Board.

Chair Di Pietro indicated that Commissioner Ure has asked to serve on the Foundation board.

Mr. Dennis Stefanacci advised the Board that currently they have been approved by the Board of Commissioners to have a total of 30 Foundation Board members. Currently they have 28
members with two potential members that have already been approached and have accepted. Mr. Stefanacci said that he would come back to the Board in December and request that the Broward Health Foundation membership be expanded to 35 members.

Chair Di Pietro asked for a motion to walk on the request to increase the Broward Health Foundation Board to a 35 member Board.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez that the Board of Commissioners walk on the request to expand the Broward Health Foundation Board of Directors membership to 35.

Motion carried unanimously.

It was then moved by Commissioner Canada, seconded by Commissioner Gustafson that the Board of Commissioners approve the expansion of the Broward Health Foundation’s Board of Directors to a 35 member Board.

Motion carried unanimously.

Commissioner Maureen Canada said that she was able to attend the opening of the Donor Wall event at BHMC. This is a tribute to all the different donors who have contributed certain amount money to the Broward Health Foundation. Each hospital will have a different Donor Wall and they are all computer generated and interactive--they are pretty fabulous. She gave kudos to the Foundation for getting this done and congratulated Mr. Stefanacci. Commissioner Canada had the pleasure of attending the luncheon today in recognition of Mr. Stefanacci’s hard work. Commissioner Rodriguez was also present.

Commissioner Ure said that this is a great honor to be appointed to the North Broward Hospital District’s Board of Commissioners and he is looking forward to serving with everyone. He is excited to be part of this group.

Chair Di Pietro welcomed Commissioner Ure to the Board.

NEXT REGULAR BOARD MEETING The next regularly scheduled Board of Commissioners’ meeting will be held on December 16, 2015, 2015 at 10:30 a.m. Broward Health Imperial Point, 6401 North Federal Highway, Fort Lauderdale, Florida.

Meeting adjourned at 6:45 p.m.

Respectfully submitted,
Maureen Canada, Secretary/Treasurer

BY: Maryanne Wing

A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE.