



NORTH BROWARD HOSPITAL DISTRICT  
BOARD OF COMMISSIONERS  
**BOARD OF COMMISSIONERS MEETING**  
1700 NW 49<sup>th</sup> Street, Ste. 150  
Fort Lauderdale, FL  
MARCH 28, 2018

**\*MINUTES**

**MEETING CALLED TO ORDER:** 4:38 pm

**BOARD MEMBERS:**

- √ Commissioner Ure, Acting Chair
- √ Commissioner Wellins
- √ Commissioner Klein
- √ Commissioner Gregoire

**THE PLEDGE OF ALLEGIANCE:** Commissioner Gregoire

**PUBLIC COMMENTS:** No public comments at this meeting

**RATIFICATION RESOLUTION / 17-12-20-01**

1. Ratification of Chief Executive Officer of Broward Health Imperial Point

Ms. Capasso introduced Mr. Jonathon Watkins who proceeded to give a brief overview of his professional history and accomplishments. Ms. Capasso asked that the Board of Commissioners to approve Jonathan Watkins as Chief Executive Officer of Broward Health Imperial Point.

Roll call

YES Commissioner Ure, Acting Chair

YES Commissioner Wellins

YES Commissioner Klein

YES Commissioner Gregoire

### **RESIGNATION OF COMMISSIONER ROCKY RODRIGUEZ:**

Commissioner Ure reported that earlier this day the Board received a letter from the Governor informing them that Chairman Rodriguez resigned from the Board. He stated that Chairman Rodriguez's leadership would be missed.

Ms. Barrett, Legal Counsel, confirmed that under the Bylaws of the District, the Vice Chair would step into the role of Acting Chairman having all the power and the authority of the Chair. The Acting Chair would remain in this roll until the Board decides to nominate a new Permanent Chair for the duration of the Former Chair's term. In the case that the Board could not agree on the new Permanent Chair, the Acting Chair would remain in the roll until the next election at the October 2018 Board Meeting.

Commissioner Gregoire moved to make Commissioner Ure Permanent Chairman for the Board of Commissioners.

Ms. Barrett stated that if the Board were to take action, the item would have to be walked-onto the Agenda.

Commissioner Ure suggested the item be moved to the April 2018 Board Meeting. He also stated that he would be honored to serve as Chair should the Board decide it.

Commissioner Wellins believes Commissioner Klein's professional and legal background and his independence from the past would be a way for the Board to transition forward.

### **MOTION:**

Motion was made by Commissioner Wellins to walk onto the Agenda the Nomination of Board Chair, seconded by Commissioner Gregoire.

### **Motion carried unanimously.**

Commissioner Wellins moved to nominate Commissioner Klein as the Permanent Chair effective immediately.

Commissioner Klein stated that he is honored by the nomination and would accept if the Board would agree to have him serve as Chair.

Commissioner Gregoire moved to nominate Commissioner Ure as the Permanent Chair effective immediately.

Commissioner Ure restated that the issue should be addressed and resolved in the April Board.

Commissioner Gregoire moved to table the selection of the Chair until the next Board Meeting, seconded by Commissioner Wellins.

**APPROVAL OF MINUTES:**

1. Commissioner Klein moved to approve the October 23, 2017 Audit Committee Minutes, seconded by Commissioner Wellins.

**Motion carried unanimously.**

2. Commissioner Wellins moved to approve the November 29, 2017 Human Resource Committee Minutes, seconded by Commissioner Klein.

**Motion carried unanimously.**

**COMMITTEE REPORTS:**

**Audit Committee**

**March 21, 2018**

**Commissioner Ure**

Commissioner Ure stated that the Audit Committee addressed a variety of topics including the selection of two outside Audit Volunteers to serve on the Audit Committee. Commissioner Ure reported that what was mainly discussed was having a Special Board Meeting scheduled in the near future to address the two positions.

**Human Resource Committee**

**March 21, 2018**

**Commissioner Wellins**

Commissioner Wellins stated that the HR Committee recommended a salary proposal for the nursing staff to better align the RNs with competitive compensations. Commissioner Wellins asked Mr. Nyamora to communicate the salary proposal in greater detail.

Mr. Nyamora stated that nurse compression has been a major issue for the organization. He further stated that the turnover at Broward Health is high due to the compensation not being at Fair Market Value. After the analysis, the Human Resource Department determined 2.4 million would be the amount recommended be allotted to the nurse's compensation. 54% of the nurses would receive a raise at an average of 5%, however critical care nurses would receive a higher rate.

Commissioner Wellins reported that the second item discussed at the last Human Resource Meeting was the Incentive Compensation Plan for approximately 300 members of the Management Team. The Human Resource Committee recommended bringing the item to the Board on the Discussion Agenda.

Commissioner Gregoire stated that there are currently two reportable events under the Corporate Integrity Agreement. The first event involves the salaries of two physicians that could not be confirmed were at Fair Market Value. The contracts have been corrected and are currently compliant.

The second reportable event involves Employee Health Network called Best Choice Plus. For a number of years there has been an Anti-Trust Violation with certain contracts. Commissioner Gregoire wanted to be clear that there has been no profit made by the violations.

**MOTION:**

Motion was made by Commissioner Wellins to authorize the reporting of the two events to the appropriate entities and follow all appropriate guidelines for self-reporting through the FDC and that transparency and openness is provided as much as possible. Motion was seconded by Commissioner Gregoire.

**Motion carried unanimously.**

\*Commissioner Klein reported that he abstained from seconding the motion due to not being informed enough on the item.

Commissioner Gregoire reported that the second annual report under the CIA was submitted in December of 2017 and that a letter of acknowledgement was received, however there has been no additional feedback as of yet from the Monitor. She also reported that changes have been periodically reported to the Monitor, such as Commissioner Gregoire becoming an addition to the Board and any changes within the Compliance Committee were also reported to the Monitor. A third communication was made to the Monitor reporting that a clause in a contract made with the State Department of Health does not comply with the CIA. An exception was requested from the Monitor, which she approved. The fourth item reported was Compliance Committee Reorganization. Mr. Hartfield explained that the reorganization to the Compliance ORG Chart was reported to the Monitor reflecting new positions and new reporting structures within the Compliance Department. In addition, the focus arrangement reviews and ethics reviews were transferred from being managed by other departments to now being managed by the Compliance Department.

Commissioner Gregoire reported that there have been three new appointments to the department.

- Adlin Tuya as the new Ethics Manager
- Chris Cuellar as the new Regional Compliance Manager
- Henry Ortiz as the new Remuneration Tracking Manager

**4. MEDICAL STAFF / CREDENTIALING UPDATE:** – Dr. Andrew Ta

4a) Broward Health North

4b) Broward Health Imperial

4c) Broward Health Coral Springs

4d) Broward Health Medical Center

- Medical Staff Changes and Additions
- Allied Health Changes and Additions

- Community Health Services Changes and Additions
- Medical Staff Reappointments
- Allied Health Reappointments
- Community Health Services & Weston Urgent Care Center Reappointment –Tabled

Dr. Ta reported the following:

- System wide there were 19 new positions and 30 new Allied Health Professionals
- 114 positions and 30 Allied Health Professional re-appointments
- 18 volunteer resignations and no involuntary resignations or suspensions
- All appointments and reappointments were reviewed and approved by the T&Q Committee and MEC of each facility in accordance with Medical Staff Bylaws and Rules and Regulations
- There were no reportable events in the National Physician Data Bank

**MOTION:**

Motion was made by Commissioner Gregoire to approve Medical Staff Credentialing. The motion was seconded by Commissioner Klein.

**Motion carried unanimously.**

**PRESIDENT/CEO UPDATE:** – Beverly Capasso

Ms. Capasso reported that the best of humanity was witnessed from the Broward Health medical staff in reaction to the Marjorie Stoneman Douglas High School tragedy that took place on February 14. The Broward Health caregivers were ready to assist and give comfort to patients and their families.

Ms. Capasso also reported that the Broward Health Foundation launched the *Give from the Heart* campaign in which 100% of the donations are going to the victims and their families. The campaign has already generated more than \$85k.

Ms. Capasso listed the following achievements and awards:

- The Department of Health & Human Services awarded Broward Health with the 2017 Health Center Quality Improvement Award in which BH received a grant in recognition of systems achievements, expanding access and quality and cost effective care
- Broward Health North was the only facility in South Florida to receive Advanced Certification from the Joint Commission for Total Hip & Knee Replacements
- Broward Health Coral Springs and Broward Health Medical Center received an award for Wound Care and Hyperbaric Medicine
- The Pediatric Residency Program at Broward Health Medical Center was awarded accreditation from the GME

Ms. Capasso introduced the following new staff:

- **Netonua Reyes, RN** will serve a dual role as Chief Operating Officer and Chief Nursing Officer at Broward Health Imperial Point
- **Romaine Layne** comes from Tenet Healthcare and will serve as Associate CFO
- **Tiana Blount** has been named Associate Vice President of ambulatory operations

- **Dr. Aldo Calvo** has been named CHS Medical Director and will manage patient care and quality
- **Thomas Kester** was recently named Chief Nursing Officer of Broward Health Medical Center
- **Eileen O'Brien** joined the corporate team as Assistant Vice President for talent acquisition
- **Susan Newton** is joining the Broward Health North leadership team as Chief Operating officer
- **David Clark** will join Broward Health as Assistant Vice President for corporate services
- **Janene John** is the new Chief Human Resource officer at Broward Health Coral Springs

#### **COMMUNITY OUTREACH:**

- During the month of January, Broward Health held a total of 213 community events, touching 11,807 lives. In February, the system held a total of 491 events, touching 12,688 lives.
- On March 24, there were several successful events, such as, the 13th Annual Race for Women's Wellness, a half marathon/5K presented by the City of Coral Springs and Broward Health. Proceeds from the event benefit the Lisa Boccard Breast Cancer Fund, providing free mammograms to women in our community who financially can't afford them. Since inception, the fund has screened more than 2,000 women, of whom more than 100 tested positive for cancer.
- Broward Health also held the first annual Spin-A-Thon on February 3. Africk Family Foundation was the event sponsor.
- On February 11, Broward Health Imperial Point's Wellness Van joined tens of thousands on Fort Lauderdale Beach for "The Love Pride 2018" annual LGBTQ festival. Broward Health provided more than 50 HIV screenings and health-related resources to patrons.

#### **GROWTH:**

- Broward Health North recently hosted a ribbon cutting ceremony to celebrate the opening of the hospital's new outpatient lobby. Renovations to the lobby were made possible through Broward Health Foundation's fundraising efforts.
- Construction continues for the expansion tower at Broward Health Coral Springs, which will offer 56 private rooms and 10 private neonatal intensive care unit rooms. The first two floors are dedicated to women's services and the third floor will include 28 private rooms.

#### **GOVERNMENT AFFAIRS UPDATE:** – Diana Arteaga, VP Government Relations and Community Affairs

Ms. Arteaga introduced new member of her team, Katherine Salerno, Community Relations Coordinator.

Ms. Salerno thanked the Board for the opportunity and stated that she is humbled to represent Broward Health in the community on a day to day basis.

Ms. Arteaga thanked those who participated in Broward Hospital Days in Tallahassee this year. In addition she thanked the CFO, COO and CMO for traveling to Tallahassee as a resource and in support

to Ms. Arteaga towards decreasing most of the negative Bills this year. Ms. Arteaga continued to list several stats and highlights from the votes in Tallahassee.

### **CONSENT AGENDA:**

5. Commissioner Gregoire made a motion to approve the recommended Registered Nurse Salary Adjustments.

#### **Motion carried unanimously.**

Commissioner Klein reported that he was able to spend some time interacting with the nurses at Coral Springs and that many of them were new to the Broward Health system and seemed happy to be a part of the organization.

Commissioner Wellins reported that 950 nurse salaries were targeted from the 1740 employed at Broward Health.

Commissioner Ure wanted to be clear that these are salary adjustments and not bonuses. They adjustments will come into effect on the next pay period.

### **DISCUSSION AGENDA:**

6. a. President/CEO Contract Approval (walk-on)

Mr. Santorio reminded Commissioner Ure that the Board agreed to walk on the item titled, *President/CEO Contract Approval* back on the Discussion Agenda.

Commissioner Klein motioned to add the issue of the CEO Contract Approval onto the Discussion Agenda as item number 18. He amended to move it to item 6a on the Discussion Agenda, seconded by Commissioner Gregoire.

Commissioner Ure asked Ms. Capasso to please step out while the first item was discussed. He reported that during the earlier Human Resource Meeting, the Committee addressed Ms. Capasso's contract in addition to elements within her compensation beyond salary, which is part of the Incentive Pay Plan.

Mr. Nyamora reported that at the January Board Meeting, Ms. Capasso was selected as President/CEO for Broward Health. Chair assigned the contract responsibility to Commissioner Klein due to his role as Secretary/Treasurer. Market survey data was obtained in addition to a review of salaries of similarly situated local public healthcare systems, such as Jackson Health system and Memorial Health as well. Market base salary recommendation for President/CEO for Broward Health is \$852,813.00. A draft contract was prepared based on the District's Form Agreement not alike those used for previous CEOs. At the request of Commissioner Klein outside counsel reviewed the draft contract. Ms. Capasso agreed to take more than a hundred thousand dollars less than the recommended Fair Market Value salary. Ms. Capasso's proposed salary will be \$750k effective retroactive to January 31<sup>st</sup>, 2018. Her Board review will be conducted by the Board annually and she will be eligible for the Management Incentive Plan. In addition, Ms. Capasso has the potential to earn an additional 20% annual incentive bonus for the effective

improvement of Broward Health's Compliance Program in compliance with the CIA for each reporting period as defined in the District's Corporate Integrity Agreement (CIA). The term of the contract is three years or upon the final release of the CIA agreement with the office of Inspector General, whichever is later.

**MOTION:**

Commissioner Gregoire motioned to approve the President/CEO Contract, seconded by Commissioner Wellins.

**Motion carried unanimously.**

6. b. Performance Incentive Pay Plans

Commissioner Ure stated that the Incentive Performance Plan is not about awarding a bonus, it is about adopting a plan on a prospective basis to incentivize staff to leading the organization.

Mr. Nyamora stated that without the Incentive Payment Plan the organization is not paying the Full Market Value to Broward Health's Leaders for their roles to the District. Mr. Nyamora stated that he cannot stress enough that the Management Incentive Plan that is being proposed does not provide extra pay. The incentives are paid in lieu of guaranteed salaries. All bonuses paid out to the Leaders has to be earned in excess of budget. For Fiscal Year 2018 gain share payouts are based on operating budget achievements, which will include accrued incentive expense. What is being proposed for Fiscal Year 2018 is up to 17.5% and would be paid in two installments. First upon initial approval of financials and second upon completion of the financial audit at the end of the year.

Beginning Fiscal Year 2019, which begins on July 1<sup>st</sup> of this year, a balance score card will dictate payout amounts after the financial triggers are met. The balanced scorecard will include a primary objective of reducing tax payer assistance to Broward Health.

The maximum payout for Tier-One Leaders will be 20% with 10% deferred into the second year. Vice Presidents and Chiefs fall into Tier-One category.

Mr. Nyamora further explained that the maximum payout for Tier-Two Leaders will be 15%. Directors and Managers fall into Tier-Two category. To be eligible, employees should be employed at time of payout and must have worked at least 1040 hours, which equals to approximately six months of employment. Payouts will be prorated for anyone who is eligible within the 1040 hours and who have worked less than a year. If the employee has worked more than a year they would receive the full payout. This plan is very similar to the original bonus plan that was no longer being funded. The difference and current objective is to come up with a balanced scorecard that will drive performance.

Commissioner Wellins wanted to clarify that this bonus is not about giving the Executives that sit at the Board table a bonus. This is affects 300 individuals in the organization, including nursing leaders, staff leaders and management in clinics and hospitals. When Broward Health tries to find and hire these individuals from the competition the organization is required to offer the candidates a higher competitive



salary. Commissioner Wellins stated that he believes when you tie performance of an individual in a system to receive payment, you get a better result. If costs are cut just to meet financial goals, the other three goals, such as quality, service and people skills, are not going to be met. If the goals are reached, the result would be less dependence on tax payers, better operations, more efficiency and more resources. With more resources better people could be hired and scholarship opportunities could be offered to the community. Commissioner Wellins stated that in order to be able to offer these opportunities, first the Leadership Team has to be challenged to perform by giving them an incentive. Commissioner Wellins stated that these Leaders are being paid less than they should earn and the organization is afraid of losing them. To drive this organization out of the CIA, Broward Health needs an effective Leadership Team and that starts with the CEO all the way down to the lowest level Manager at the facilities. Commissioner Wellins stated that he has the upmost confidence that Mr. Nyamora and his team are going to come back in July with the balanced scorecard and it will have a challenging set of goals that when hit, everybody wins. Commissioner Wellins believes this is a fair and good program and that a lot of time has been spent putting the plan together. He also stated that he hopes his fellow Commissioners agree this is something that they should move forward on.

Commissioner Ure stated that high performing organizations have high performing employees and that Broward Health wants to retain and attract high performing employees. This is the way to become the organization that everyone believes it can become.

Commissioner Klein inquired if what Mr. Nyamora would be proposing to adopt at this particular meeting would be the overall structure of the plan subject to further review at a future meeting. Mr. Nyamora confirmed what would be adopted at this current meeting would be approving the plan for the transition year 2017-2018 for payout up to a maximum of 17.5% paid in two installments, which is meant to bridge the gap for the time the incentives were not funded. Commissioner Wellins further explained that the organization would have to achieve a 7.2 million positive surplus to budget the transitional year payout across the board equally. Starting July 1<sup>st</sup> of this year, the balanced scorecard would come into place in which the incentive compensation would be paid out, but only if the system achieve the balance scorecard metrics.

**MOTION:**

Commissioner Wellins made a motion to adopt the Incentive Compensation Plan as presented by Mr. Nyamora, subject to the Board approving the actual metrics for the Balanced Scorecard prior to the start of Year 2, beginning July 1<sup>st</sup>, seconded by Commissioner Gregoire.

**Motion carried unanimously.**

7. Commissioners' discussion and/or recommendation of volunteer members of the Audit Committee.

Commissioner Ure stated that the item regarding Independent Audit Committee Member(s) would be scratched off the Agenda. When he reviewed the Agenda, he did not catch the fact that what should have been listed is Application Process versus Discussion of Actual Members.

**MOTION:**

Commissioner Wellins motioned to walk on a discussion of ending the search process for the independent auditors, giving the Compliance Department an opportunity to evaluate the remaining candidates that have recently come forward in addition to considering the prior candidates that meet the criteria at a very soon to be rescheduled Special Board Meeting. Motion seconded by Commissioner Klein.

**Motion carried unanimously.**

**MOTION:**

Commissioner Wellins made a motion to close the search process for Independent Audit Committee Members at the end of the following business day, March 29, 2018 and move forward with vetting the remaining candidates and evaluate them as potential independent members of the Audit Committee. Motion was seconded by Commissioner Klein.

**Motion carried unanimously.**

8. Motion was made by Commissioner Klein to approve additional funding for the renovation of a vacant MRI Suite for the installation of a new 3T MRI unit and award the construction contract to LEGO Construction Company, the lowest responsive and responsible bidder in the amount of \$726,783. Motion seconded by Commissioner Gregoire.

**Motion carried unanimously.**

9. Motion was made by Commissioner Wellins to authorize Broward Health's President and CEO to approve and increase the Broward Health North capital signature project funds in the amount of \$3,465,144 to complete and close out the project. Motion seconded by Commissioner Klein.

**Motion carried unanimously.**

10. Motion was made by Commissioner Klein to authorize Broward Health's President and CEO to approve funding of the upgrade of aging electrical infrastructure servicing 800,000 ft<sup>2</sup> and to contract with Thornton, Inc., the lowest qualified bidder on this project. Motion was seconded by Commissioner Wellins.

**Motion carried unanimously.**

11. Motion was made by Commissioner Gregoire to discuss further the approval for Broward Health (BH) to competitively respond to landowner's RFP for the acquisition of the "Wachovia Bank NA % Thomson Reuters" site located adjacent to BHMC. Site consists of 2.56 acres which includes a 17,936 S.F. two story office building. All RFP offers are due by 4/15/18. Motion was seconded by Commissioner Klein.

**Motion carried unanimously.**

\* Commissioner Wellins formally recused himself from any discussion or voting on item number 11 as he may or may not have a conflict and prefers to step out of the conversation completely.

12. Motion was made by Commissioner Klein to authorize Broward Health's President and CEO to approve funding and award the build out of the 'clean room' project to Gerrit's Construction Inc., the lowest qualified term contractor. Motion seconded by Commissioner Gregoire.

**Motion carried unanimously.**

13. Motion was made by Commissioner Klein to authorize Broward Health's President and CEO to approve contract with Broward House to provide 14 respite beds for our homeless patients who need medical assistance after discharge. Motion was seconded by Commissioner Wellins.

**Motion carried unanimously.**

14. Motion was made by Commissioner Klein to authorize the President/CEO to enter a contractual agreement with Trinity Air Ambulance International, LLC., the vendor selected per the formal RFP process. Commissioner Wellins motioned an amendment to also authorize payment of up to \$500,000 for services rendered January 2017 through March 31, 2018. Amendment was accepted by Commissioner Klein. Motion was seconded by Commissioner Wellins.

**Motion carried unanimously.**

15. Motion was made by Commissioner Wellins to authorize the President/CEO to amend the existing agreement with the vendor, Carefusion in order to decrease the cost of the arrangement by 1,028,100 for the five year term. Motion was seconded by Commissioner Klein.

**Motion carried unanimously.**

16. Motion was made by Commissioner Klein for Acceptance of the Interim Financial Statement for the month of January 2018. Motion seconded by Commissioner Wellins.

**Motion carried unanimously.**

17. Motion was made by Commissioner Klein for Acceptance of the Interim Financial Statement for the month of February 2018. Motion seconded by Commissioner Wellins.

**Motion carried unanimously.**

Mr. Goldsmith reported that both January and February of 2018 were great months for Broward Health.

- There was an operating loss of 10 million versus a budget loss of 10.2 million, favorable by \$221k and \$3.2 million dollars better than the prior year.
- Gain and Loss from operations on a year-to-date basis is 94.3 versus a budget of 94.9, favorable by \$627k and \$9.3 million dollars favorable than the prior year.
- In the month of February 2018, with regards to Agency and over-time as a percent of productive hours, this year's figures show a result of 3.67 in comparison to February 2017 at 5.67.

Mr. Goldsmith is very happy with the financial situation and how improvements continue to show.

**COMMENTS BY COMMISSIONERS:**

Commissioner Gregoire thanked Ms. Capasso for staying on with Broward Health and believes it's going to be a positive time for the organization. She also thanked the hospitals and the Foundation for doing an amazing job in supporting the victims and families of the Marjory Stoneman Douglas tragedy.

Commissioner Wellins wished everyone a happy Easter and Passover.

Commissioner Klein stated that as a Board Commissioner, he feels extremely proud of the job that Broward Health did in treating all the Marjorie Stoneman Douglas victims and saving lives. He is also proud of seeing great progress within the Broward Health system. Commissioner Klein joined Commissioner Wellins in wishing everyone a happy Passover and Easter.

Commissioner Ure stated that the unfortunate event is in our rear view mirror but the impact is still very much in front of us and will be for some time. He would like it if the Board would open future Board meetings with some sort of invocation from the Pastoral community as it was done in the past.

**MEETING ADJOURNMENT:** 6:52 pm

**MOTION:**

Commissioner Klein motioned to adjourn the meeting, seconded by Commissioner Wellins.

**Motion carried unanimously.**

**AUTHENTICATION OF MINUTES:** Patricia Alfaro, Special Assistant to the Executive Office.

\*Audiotape available upon request.