

The meeting was called to order at 6:52 pm.

Board Members in attendance:

George Tsunis, Esq. (Chair)
Linda Reed
Giuseppe Caruso, MC
Steve Cohn, Esq.
Michal M. DeLuca, MPA
Victor A. Gallo, MD
Krishan Kumar, MC
Charles Kilbride
Warren Zysman, LCSW
Victor F. Politi, MD

Executive Staff in attendance:

Paul Pipia, MD
Harold McDonald, Chief Administrative Officer
John Maher, Chief Financial Officer
Maureen Roarty, Human Resources Director
Megan Ryan, General Counsel
Robert S. Heatley, Business Development and Ambulatory Services
Farooq Ajmal, Chief Information Officer
Michael Ferrandino, Security and Investigative Services
Kevin Mannle, Facilities
Maureen Shannon, RN, Quality Management.

Mr. Tsunis opened the meeting and welcomed those in attendance. He thanked everyone for the warm welcome he has received since being appointed Chairman. He noted that this is an exciting time at NHCC and that the Board and employees at the highest levels are reinvigorated and ready to reform and improve and to act with clarity of purpose wherever we need to go. He stated that in the Legal Report, there will be five resolutions, each speaking to best practices, transparency, clarity and ethics. Everything is to be done right.

Dr. Politi stated that NUMC offers the best of care to the community, provided by the best employees. He noted that the new Chairman has brought a breath of fresh air, and that the credentials and experience will be a benefit to all, and that the staff will work with him to fulfill our goals.

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He welcomed Don Ashkenase, who has been nominated to join the Board but still must have paperwork completed before he can act as such. Mr. Ashkenase has years of experience as a financial officer, including work at Long Island Jewish [before it merged], as Chief Financial Officer of the Health and Hospital Corporation in the City of New York, as CFO of Montifiore Hospital. He is a professor at the Columbia University School of Public Health. He is now retired but will bring a wealth of experience to our Board.

Dr. Politi then informed the Board of “FYI” contracts, a copy of which is annexed hereto as Exhibit A.

Ms. Reed then moved for the approval of the minutes of the MPAC meeting of February 20, 2018, and of the Ambulatory Care Committee minutes also of February 20, 2018. That motion was seconded and approved unanimously.

Mr. Tsunis stated that the Finance report would be moved to the end of the Agenda, awaiting the preparation of the minutes. Mr. Tsunis noted that the minutes of the Finance Committee meeting, as well as the current meeting were being taken by staff members rather than by a court reporting service for a savings of approximately \$17,000 in costs.

Ms. Ryan then presented the Legal report. She summarized the work performed by the Legal Department in 2017. Ms. Ryan noted that the next Legal and Audit meeting, chaired by Board member Steve Cohn, Esq., will be held on Monday March 12.

Ms. Ryan stated that in order to bring legal costs down, more legal work will be performed in-house. She then proposed a resolution addressing prior approval of the General Counsel for assignment of any matter or issue to outside counsel, for the increased transparency, disclosure and to save money. The Resolution is annexed hereto as Exhibit B. Mr. Tsunis noted that lots of money was expended on outside counsel, but that there are also great attorneys here. He also noted that all retained attorneys will work at Tier rates, which are rates that are provided to public benefit corporations. Mr. Tsunis requested that prior to the next meeting Ms. Ryan prepare a budget for 2018 as an opportunity to save money, which can be put into use for the hospital. Mr. Tsunis move for the adoption of the Resolution in Exhibit B; the motion was passed unanimously.

Ms. Ryan introduced a resolution, annexed hereto as Exhibit C (“No Gifts/Conflict of Interest Disclosure”), which emphasizes the importance of and adds to NHCC policy LD 215, §534 (“Gifts and Entertainment”). She noted that this Resolution was created in consultation with Nassau County’s County Attorney and County Executive. The provisions of this Resolution will be included in all NHCC contracts. Mr. Tsunis noted that this Resolution is about disclosure, not prohibition. He stated that as with the captive insurance issued still to be discussed, this is about perceptions; he is not saying that there is any wrongdoing nor is he suggesting anyone here has

done anything wrong. The purpose of the Resolution is for oversight and to mitigate risk, and to stay ahead of the curve. Mr. Cohn noted that the violation of the “no gifts” provision results in termination, but that the nepotism policy [not yet discussed, appearing next in the documents] does not. Ms. Ryan noted that the contract termination penalty could be added to the nepotism policy. Tsunis and Cohn discussed the matter, noting that the failure of an employee to disclose conflicts, or the filing of a false instrument are terminable offenses. A motion was made for the approval of the Resolution, seconded, and approved unanimously.

Ms. Ryan introduced a resolution, annexed hereto as Exhibit D (“Nepotism RFP/Contract Clause”). The Resolution calls for the current NHCC RFP form to be amended require the disclosure of relatives working for NHCC (as described more specifically in the Resolution). The Resolution would become effective as of April 1, 2018. A motion was made to approve the resolution, seconded and approved unanimously.

Ms. Ryan introduced a resolution, annexed hereto as Exhibit E (“Anti-Solicitation Policy”). She noted that the provisions of this Resolution are already covered in all employee orientations, and will be included in all NHCC contracts. In addition, she noted that the provisions of this Resolution are reciprocal. Mr. Tsunis moved to approve the resolution, it was seconded and approved unanimously.

Ms. Ryan noted that there have been updates to NHCC policies LD-302 and LD-215, pursuant to both JCOPE and the New York State Public Officers Law, which include an updated Conflict of Interest form for Board members. Mr. Tsunis ordered all Board Members to fill out the form and return it to Ms. Ryan prior to leaving meeting.

Mr. Tsunis introduced a resolution for the adoption of a policy for the NHCC captive insurance company, which Resolution is annexed hereto as Exhibit F. Mr. Tsunis noted that this policy is proactive. The policy concerns travel in the normal course of operation of the captive and that there may be exceptions. Mr. Tsunis noted that he has spoken with other people who have experience with similar captives, and they simply travel to Canada to fulfill the legal requirements of a meeting ‘off-shore’ of the United States. He stated that although other institutions do travel further than the minimum, as NHCC is a public benefit corporation it has to play by different rules. **Mr. Tsunis then added a section to the proposed Resolution, stating that the Chair of the Board of Directors shall approve all expenditures in connection with travel pertaining to conducting business in connection with NHCC, Ltd.** A motion was made to adopt the Resolution, as amended, seconded and passed unanimously.

Mr. Tsunis then made a request for an audit of the NuHealth Foundation, the charitable arm, the proposed Resolution is annexed hereto as Exhibit G. He stated that the request for an audit was to be proactive and transparent; it is similar to actions taken by New York State. A motion to adopt the Resolution was made, seconded and passed unanimously.

Mr. Tsunis then asked Mr. McDonald to address the FQHC co-applicant agreement. Mr. McDonald stated that NHCC and the LIFQHC have been negotiating for two or three years; regulations require that this agreement needs to be in effect. The most important issue in this agreement is that in the event that the LIFQHC was to fold the assets of the LIFQHC would return to NHCC. The assets of the LIFQHC are public assets and therefore would have to return to NHCC. The LIFQHC is an important partner to NHCC, and there is a good working relationship between LIFQHC and NHCC. Mr. Tsunis thanked Mr. McDonald and noted that it is of strategic importance to the hospital to maintain the relationship with the LIFQHC because that is one way we grow managed care. Mr. Tsunis noted that the amount owed to NHCC by the LIFQHC in the agreement is to the penny, and he thought it would be appropriate to provide some “wobble room” on the number. Mr. Cohn questioned that amount the LIFQHC owed (approximately \$4.5 million) that would have to be paid prior to execution of the contract. Mr. Tsunis stated that the LIFQHC acknowledges most of the amount due in rent, but that the Board should give the President/CEO some discretion in the amount; he stated that he has been assured that we will be receiving payment but that minor items are at issue. Mr. Cohn questioned the amount and timing of the payment. Mr. Tsunis suggested that the contract be subject to a payment of 90% of the amount owed within 30 days; Mr. Cohn indicated that he would be satisfied with that. Motion made to approve execution of LIFQHC agreement and unanimously approved.

The minutes of the Finance Committee were received, including the recommendation of the adoption of the NHCC budget and LIFQHC application.

Mr. Maher addressed the draft of the NHCC Operating Budget for the fiscal year ending December 31, 2018, a copy of which was provided to the Board members and is annexed hereto as Exhibit H. Mr. Maher stated that the Budget is essentially ‘break even’. He noted that the 2017 budget projections were off by approximately \$18 million because New York State provided each of the NQP partners an additional \$18 million; it is unknown if this will happen again for 2018. He stated that there was some uncertainty with regard to the Budget in December due to a delay by the State with DSH payments; NYS has provided numbers for 2018 DSH payments. The Budget included revenue enhancements for A. Holly Patterson, as well as \$18 million in expenses in connection with the jail [Nassau County Correction Center]. Mr. Maher continued to state that the jail also provided an increase in income; he noted that the [jail] contract provides for a \$3million administrative fee which provides a fixed floor amount. He finally noted that the Budget includes a salary increase effective April 1, 2018 pursuant to the CSEA contract. Mr. Zysman asked about net patient service revenue increases; Mr. Maher advised that there was approximately \$10M between the hospital and AHP; it was a “tough year” for AHP, but they are continuing to work on it. Mr. Maher stated that the ‘revenue cycle’ people think that they will recoup an additional \$5M in new revenue for 2018 from 2017, in part from review of care denials. Mr. Zysman asked if the improved revenue is accrued to bad debt. Mr.

Maher advised that generally 75% is in the same year, 15% in the next month, and the rest is bad debt; however, bad debt is typically identified within 25-30 days of non-response. Mr. Zysman asked if all of the 2017 bad debt is included in the draft budget; Mr. Maher said that it is based on the actual bad debt. Mr. Zysman asked what was the 2017 actual debt and Mr. Maher advised that it was \$45M. Mr. Zysman asked if that 2017 figure was consistent with prior years and Mr. Maher said yes. A motion was made to approve the proposed 2018 NHCC budget, seconded, and approved unanimously.

The LIFQHC proposed budget for 2018 was brought before the Board. Mr. Cohn noted that the Budget indicates that the Budget indicates the loss of a residency program. Mr. McDonald advised that there was a question of whether funding would be available for an untraditional program. Dr. Caprioli asked what kind of practice was being brought in; Mr. McDonald advised a Family Practice. Mr. DeLuca asked if Dr. Politi agreed (concerning funding). Dr. Politi stated that that the HRSA grant does not count against the cap, and if not there should be consideration of not continuing. Mr. McDonald stated that the reimbursement through HRSA per resident is higher. Mr. Zysman indicated that a conservative estimate is best. Mr. McDonald stated that this will preserve the program and will be a 'pick up' for the LIFQHC and a benefit for NHCC as well. Dr. Politi advised that the CEO of the FQHC represented that 75% of the faculty salary will probably be reimbursed. Mr. DeLuca asked what HRSA is – it was determined that it stands for Health Resources Services Administration. Dr. Caprioli asked Mr. McDonald if the medical residents are on the NHCC payroll (including benefit), Mr. McDonald advised that the cost is \$100/resident, and the reimbursement is \$30/resident; the difference represents faculty salary. Mr. Maher moved to approve the budget under consideration; motion was seconded and passed unanimously.

Mr. Tsunis gave his compliments to the NHCC Legal Administration for the binders provided to the Board members and for the seamless operation of the meeting.

Mr. Tsunis asked if there was any public comment. Mr. DeLuca asked, in connection to patient safety and satisfaction survey, how many patient representatives are at NHCC and how many security officers in relation to the number of patients and staff. Dr. Politi advised that security is very much in the news – involving schools, shopping malls, and even hospitals (e.g., the incident at Bronx-Lebanon). He advised that we have a cutting edge security leader, who is working on scenarios, to harden and secure the building. He further noted that the facility has multiple entrances, and is open 24/7. The security department is looking into metal detectors, and other security measures, as well as possible hiring/increase in security officers. Mr. DeLuca noted that at Huntington Hospital visitors must produce picture ID. Dr. Politi advised that Mr. Ferrandino is in contact with Northwell, where the security officers are armed; they are looking at various scenarios. Ms. Reed asked about security cameras in the parking lots; Dr. Politi advised that contracts for the cameras have been approved. Mr. Ferrandino advised that they are received and

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ready to install. Mr. Amjal advised that the wireless component of the cameras is in process and should be ready shortly. Mr. Ferrandino advised that currently there are 235 surveillance cameras in use. Dr. Politi advised that recently there have been emergency phones installed around the NUMC campus. Mr. Tsunis asked about having an increased Nassau County Police Department presence at NUMC, especially on weekends. Mr. Tsunis asked that Dr. Politi gather a team to look at security issues and solutions; if it is determined that there is nothing more to be done that is fine. If it is determined that more can be done, the team should advise what it is. Mr. Tsunis said that it is Dr. Politi's job to find a plan and it is the Board's job to fund it. Mr. Kilbride asked that if the Board of Elections is prohibited from asking for identification, how can the hospital do so? Dr. Caprioli advised that at LIJ, if a visitor does not have identification, they are asked to provide their name and all visitors have their picture taken and placed on a temporary id badge. Dr. Caprioli asked if NUMC searches bags and Dr. Politi said that we do not. He also advised that there is a precinct post number and that Mr. Ferrandino is advised 2 or 3 times a day regarding the location of armed sheriffs in the facility, with inmates being treated here. The general census of prisoners is between 3 and 6. Mr. Tsunis advised that next month a discussion regarding security will be on the Board agenda; he asked that Dr. Caprioli interact with Mr. Ferrandino and Dr. Politi to for a discussion and plan to improve security. Dr. Politi advised that there are other issues, such as a safe room on each floor, and how to handle protocols.

Mr. Tsunis brought the Finance Committee minutes before the Board for approval. Mr. Cohn asked about the large paragraph on the second page of the minutes; Mr. Zysman advised that the information contained there was addressed in Exhibit B to the minutes. A motion to adopt the minutes was made, seconded and approved unanimously.

Mr. Tsunis asked if there was any further comment; there being none, he moved to go into Executive Session, the motion was seconded by Mr. Zysman and approved unanimously.

The open session of the meeting was concluded at 7:55 pm.

Motion made by Chairman to open Public Session. Pyxis Resolution passed unanimously as Dr. Politi stated it is integral the Joint Commission Survey. Second Resolution brought to vote for emergency provision permitting Dr. Politi to enter into contracts that would help improve our standing with Joint Commission. Motion approved unanimously.

Meeting adjourned at 8:55 p.m.



George J. Tsunis, Esq.
Chairman, Board of Directors