

MINUTES OF THE PUBLIC SESSION OF THE NASSAU HEALTH CARE CORPORATION BOARD OF DIRECTORS' MEETING HELD ON MAY 19, 2008

---

Directors Present

Martin D. Payson, Chair  
Lawrence E. Elovich, Esq.  
Joseph Capobianco, Esq.  
Bradley L. Gerstman, Esq.  
Rosemarie Guercia, MD  
Jemma Marie-Hanson, RN  
Greg-Patric Martello, Esq.  
George W. Miner, MD, MBA  
John F. Ragano, Esq.  
Frank J. Saracino, EdD

Not Present

Leonard A. Benedict, MD, MPH  
John M. Brickman, Esq.  
Barbara Ross-Lee, DO

Non-Voting Directors Present

Arthur A. Gianelli, President/CEO  
Asif M. Rehman, MD

Hospital Administration

Gary E. Bie, SVP/CFO  
Sharon Popper, Esq., SVP for Legal Affairs  
Paul J. Rowland, SVP/COO  
Larry Slatky, SVP Extended Care  
Joan A. Soffel, Assistant to the Board/CEO

Guests

Robert Benrubi, Esq., Counsel to the CEO/Real Estate and Intergovernmental Relations

1. Martin D. Payson, Chair, Board of Directors of the Nassau Health Care Corporation, noted the presence of a quorum and opened the meeting at 8:40 a.m.
2. **Adoption of Minutes**. Upon a motion made and duly seconded, the minutes of the April 28, 2008 Board of Directors meeting were approved, all in favor.
3. **Report of the Chairman**. None.
4. **Report of the Finance Committee**. Mr. Elovich reported that the Committee met on May 23, 2008. He asked Mr. Bie to report on Finances and then discuss contracts that were reviewed (with discussion in Executive Session, if needed).

Mr. Bie reported that on \$43 million in revenue, the Corporation lost \$723 thousand, after investment income. The A. Holly Patterson Extended Care Facility had a strong census this month and had a surplus of \$200 thousand for the month of April. The Community Health Centers continue to lose \$120 thousand a month. At the medical center, discharges were favorable, but expenses continue to creep above the budget. The medical center, on \$35 million in revenue, lost \$959 thousand. Revenues were favorable by \$80 thousand, discharges were favorable by 15, there was a good case mix, but expenses continue to rise. Salaries and fringe benefits were unfavorable to budget by \$550 thousand for the month. The failure of the Auction Rate Securities auction has resulted in a negative interest expense of \$200 thousand. Utility expenses were \$807 thousand unfavorable to budget. Mr. Bie is looking at staffing costs for one-to-ones on psychiatry and nursing costs.

A. Holly Patterson on \$5 million in revenue reported a surplus of \$266 thousand for the month. There has been a tremendous turn-around at A. Holly. The census is strong, staying above 95% occupancy. Ventilator beds are 100% full and the case mix index is 1.12.

The Community Health Centers had a better month than the first quarter and lost \$200 thousand. There was a strong visit volume with 7,036 visits vs. a budgeted volume of 5,900 and the centers were \$93 thousand favorable to revenue.

The Corporation had a stable month, but the hospital continues to struggle.

Mr. Payson asked for an update on group pricing. Mr. Bie explained that group price is an appeal that was filed several years ago. NHCC Medicaid rates were put into a group with Health and Hospital Corporation based on 1981 averages of group costs. However, NHCC did not have costs for certain things back in 1981 that reflect how it operates today. NHCC did not have costs for human resources, information technology and back office functions because they were supplied by Nassau County. The appeal was filed over one and one half years ago with the Department of Health and administration is presently looking also to get legislative approval. Mr. Gianelli reported that he is working aggressively to seek both administrative and legislative assembly approval. Mr. Gianelli is meeting with Assemblyman Gottfried this week because the bill has not yet reached the Assembly floor (it has made it to the Senate through Senator Hannon). Hopefully, the bill will be passed by end of May and if not Mr. Gianelli may have to put some public pressure on to let everyone know how important this bill is for the Corporation's survival. Mr. Bie has budgeted \$5 million in the budget, but it could be as high as \$6 million annually. If NHCC is successful on this appeal and the Medicare DSH appeal, and the A. Holly Patterson facility continues to do well, NHCC may have a good year. Part of Mr. Gianelli's strategy is to make the argument to representatives in Albany that what NHCC does is essential, unique and critical to maintain public health in Nassau County. Mr. Payson reminded the members that the Board approved the budget last year after a lengthy discussion on whether or not it should leave a group price adjustment in the budget. The Finance Committee, the Board and management decided there was sufficient merit in NHCC's appeal to include the estimated amounts in the 2008 budget.

Mr. Bie reported that the cash position is strong with approximately \$35 million in unrestricted cash on April 30, 2008 which is directly related to an IGT payment on March 31, 2008 in addition to the \$12 million in IGT payments on February 28, 2008. During the year, the burn rate of cash is \$4 million a month. The IGT payment comes in the first quarter of the year with roughly \$52 million in 2008 (\$47 million received, with the other \$5 million coming on August 31, 2008). Mr. Gianelli added that they are working on the State and Federal levels as well. The Center for Medicare and Medicaid Services proposed a series of rules which, if implemented would adversely affect all public hospitals in New York. The proposed rules involved DSH payments for graduate medical education. A moratorium was passed by Congress that holds off rules until May 25 of this year. Congress is working to put a package together to extend that moratorium. There is a possibility that on May 25<sup>th</sup>, nothing happens. It will have a disastrous effect for hospitals in New York.

Mr. Elovich noted that because Mr. Brickman recused himself regarding a vote last month regarding Resolution 064-2008, the Resolution is being repropose for ratification this month and is included in the Master Resolution. Mr. Payson asked for approval of the Master Resolution. **Upon a motion made, duly seconded and unanimously approved, the Board of Directors adopted the Resolution Approving Finance Committee Recommendations, without exception, approving Resolution Nos. 083-2008 through 094-2008 (083-2008 Gilbane Building Company; 084-2008 Perkins Eastman Architects; 085-2008 Hyperbaric Medical Technologies; 086-2008 Crown Marketing Group, Inc.; 087-2008 Triad; 088-2008 Ernst & Young; 089-2008 Saccardi & Schiff; 090-2008 Jzanus Consulting; 091-2008 Complete Management Services; 092-2008 Management Training & Development, Inc.; 093-2008 Auction Rate Securities; 094-2008 Acquisition of South Ocean Care, LLC (SOC) and ratification of the adoption of Resolution No. 064-2008P AHP Financing/Underwriting: Amend and Restate Resolution No. 064-2008), all as set forth in the attached Master Resolution M-095-2008.**

5. Report of the President/CEO.

Finances. Mr. Gianelli reported that there was revenue improvement at the health centers, which had increased visits of 10% before major changes and physical improvements. Once they go into effect over the next few months, there will be more volume at the health centers.

Insulin Pens. There was a recent discussion in the newspapers regarding insulin pens, that these pens may have been used in a way which could have caused individuals to be infected with hepatitis or HIV. No known cases of improper use of insulin pens have been identified. However, proactive steps have been taken to notify the public of the possibility. NHCC is sending out letters advising patients of the potential problem and asking them to come in for a baseline test and follow-up testing going forward. Some people questioned our wisdom in proactively advising the regulatory agencies and patients, but Mr. Gianelli felt it was the right thing to do. NHCC was forthright with the Department of Health, which is being very supportive. Nine hundred eight potential individuals have or will be notified. Staff are taking calls and scheduling for the screening program. Mr. Gianelli is proud of the reaction of the staff who came together to get this work accomplished. There are still issues with policies and procedures, but Mr. Gianelli believes the immediate concerns are under control. NHCC is not isolated in this risk. James Capozziello, NHCC's VP for Prison Health Services, who was formerly employed in the New York City Health and Hospitals Corporation and involved in the public health field, will take over the management of the program.

Uniondale Property. Mr. Gianelli reported that he will meet with the Town of Hempstead regarding disposition of the 64 acres in Uniondale. At the last Board meeting, the Board declared itself lead agency for the purpose of SEQRA. The Town of Hempstead is very supportive of the nursing home project, but wants to be lead agency in the environmental impact and rezoning of property. There will be a longer process to conclude the GEIS rezoning which will take about a year and a half. Mr. Payson asked if this would affect the timetable for the disposition of A. Holly Patterson. Mr. Gianelli said that it would not. The Town did not contest the approach with A. Holly Patterson to rebuild. But for the entire property the Town needs to take administrative responsibility.

Voluntary Physicians. NHCC continues to attract voluntary physicians here at NUMC. If volumes do not grow and NHCC is not successful with the collective bargaining unit, there will be financial difficulties. Mr. Gianelli has spoken to several people who told him that over the past 35 years, the institution has been trying to attract voluntary physicians with limited success. It is important to understand that we are endeavoring to do so. In the next few months, there will be a Physician Navigator working with the ED to communicate with primary care physicians, with improvements to labs and ancillary services. Dr. Rehman is identifying physicians along with Drs. Rao and Walerstein. Mr. Gianelli will be meeting with another 20 physicians in the next few weeks. Mr. Gianelli shared an e-mail sent to Dr. Walerstein from a physician in Freeport who agreed with the appropriateness of reaching out to physicians and providing a private practice approach.

Health Care Initiatives. On May 29<sup>th</sup> there will be a public presentation which will include the announcement of NuCare. This initiative will affirmatively reach out to the uninsured and connect them to NHCC. It is not financially lucrative, but it is the right thing to do from a public health stance. NHCC will also increase the enrollment of children in Child Health Plus. The percentage of uninsured children is unsatisfactorily high, in excess of 10%. NHCC is partners with Health First and will improve efforts in getting those children enrolled. There is grant money from the Long Island Medical Foundation and a \$35 thousand earmark from Senator Hannon. The marketing firm, Crown, will be the first real effort to think about NHCC's current position in the market and where it wants to be and how an image can be crafted. There will be many things happening simultaneously.

Senior Staff. Before the next Board meeting, two new members of senior staff will be hired. Reginald Bullock as Senior Vice President for Legal Affairs and General Counsel and Tierre Porter as Vice President for Human Resources.

Fundraising. Mr. Gianelli reported that the Sock Hop last week was very successful. It was organized by the Emergency Department for the SAFE Program. A golf outing and casino night are planned for early June.

Mr. Payson asked for an update on Freeport and Hempstead. Mr. Gianelli said that Hempstead is making progress, but the timing is CON-driven. Mr. Gianelli will discuss Freeport in Executive Session.

Auction Rate Securities. Mr. Bie reported that on or about March 19, 2008, NHCC experienced a failed auction of what is called Auction Rate Securities. For a variety of reasons including the recent financial markets credit crunch and lack of liquidity, due in part to the "sub-prime" mortgage debacle, the NHCC Series 2004 A Taxable Auction Rate Securities ("ARS") - \$59,475,000 currently outstanding have lost their attractiveness to investors due to lack of liquidity and have been unable to trade. NHCC currently has \$296 million of bonds payable outstanding as a result of its initial offering in 1999 and subsequent refunding in 2004. At the time of the 2004 refunding there were three series issued: Series A Taxable Auction Rate Securities - \$65,415,000; Series B Tax Exempt Fixed Rate Bonds - \$18,270,000; and Series C Tax Exempt Variable Rate Demand Bonds - \$219,610,000. The inability to trade the Series A Bonds has forced NHCC to pay a default rate of interest of 250% of LIBOR, or currently 6-7% compared to the 4.35% it was paying as a tradeable security. The first failed auction occurred in March 2008, which has increased NHCC's interest expense on the bonds by more than \$200,000 per month. (This has affected municipalities and other issuers of ARS across the Country, including Nassau County, who are paying default rates of interest as high as 15-20%).

NHCC has been working diligently with its bond financial advisors (Public Financial Management – PFM), to execute an exit strategy from the ARS exposure. After much discussion with PFM, Bond Counsel and the Investment Bankers, NHCC was advised that the best course of action would be to convert the ARS to Variable Rate Demand Bonds ("VRDBs") and re-market them to investors. VRDB's are the bond vehicle currently in use for NHCC's Series C Bonds, which do not have the same liquidity concerns. In order to execute this conversion, a "standby bond purchase agreement" has been negotiated and received credit approval from Dexia Credit. With this agreement in place, NHCC will be prepared to execute this conversion on June 11, 2008, the next auction reset date.

The transaction is structured in three steps. On 4/29/08, NHCC acquired, in accordance with its current investment policy, \$40 million of the \$59 million ARS outstanding with cash it had set aside for future capital additions. This move reduced the default interest rate expense from approximately \$200,000 per month to approximately \$60,000 per month. Step Two – with the conversion to VRDB's on June 11, 2008, NHCC will sell (re-market) its ARS investment holdings as VRDB's, thereby converting that investment back to cash. Step Three – Finally, NHCC will redeem (retire) approximately \$34 million (NHCC was fortunate to be awarded \$34 million from the NYS HEAL IV grant to retire debt and is expected to have those funds available on or about June 1, 2008) of the \$59 million (converted) VRDB's reducing the Series A VRDB's outstanding to approximately \$25 million. NHCC believes the three-step plan described is the best financial strategy for exiting the ARS market.

Mr. Payson noted that administration handled this very well.

6. **Report of the Medical Professional Affairs Committee and Medical Director.** Dr. Miner reported that the Committee met on May 15, 2008. There were no special issues with credentialing or recredentialing.
7. **Report of the Community Health Committee.** Dr. Guercia, chair, reported that the committee met on May 14, 2008 and apologized to the community health centers members who were not invited to the meeting due to a mailing list mix up. The Freeport project seems to be languishing, but there will be a presentation by the architects at the next meeting. Hempstead should be operating in the near future, utilizing an area for physical therapy, general medicine, pediatrics and ob/gyn. The dental services will continue at the present site until construction is completed at the new site. Elmont has not had an Advisory Committee meeting in three or four years. Sr. LaMareaux is trying to put a group together and finally has about six people who are willing to serve. She is also seeking consumers to serve on the committee. All of the centers seem to have the same problem finding consumers who will serve. The physicians in charge at the CHCs have been asked to encourage staff to recruit people from the centers. Signs will be posted in the centers getting that message out to the public. The community health centers will expand to include a representative from ambulatory care here at the hospital.
8. **Report of the Extended Care Committee.** Mr. Saracino, chair, reported that he is very pleased with the increase of quality of care at A. Holly Patterson and the services being provided there.
9. **Report of the Facilities Committee.** Mr. Gertsman, chair, reported that the Committee met on May 9, 2008. The committee will review new areas while continually reviewing the capital projects. Some of the items reviewed may seem minor compared to the master projects, but they play a role in the well-being of the entire facility. Due to construction, there was some penetration in ceilings on some of the floors and those are being repaired as they occur to stay compliant with JCAHO. Perkins Eastman has been retained to review some issues with the psychiatric units based on discussions with the NYS Office of Mental Health. Change orders will be inevitable because there are so many projects occurring. A process for changes orders will assure a check and balance with approvals from the highest levels.
10. **Report of the Legal and Audit Committee.** No report.
11. **Other.** None
12. **Close of Regular Meeting.** Mr. Payson, Chair, closed the meeting and opened the floor for public comment.

Mr. Alan Thompson, Roosevelt Chamber of Commerce, wanted to take the opportunity to commend the hospital on all of the right things that are happening. He said that it was a pleasure working with Arthur Gianelli in the Roosevelt community and that Mr. Gianelli is very progressive in his thinking. He thanked Mr. Gianelli for meeting with members of the Chamber of Commerce and community and involving them in the capital projects.

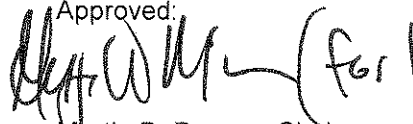
13. **Adjournment**

Upon a motion, duly made and unanimously approved, the meeting was adjourned at 9:30 a.m. to Executive Session to discuss governance, performance improvement, collective bargaining, personnel matters, contract negotiations and litigation.

**Report from Executive Session.** Upon return to Public Session, the Board reported that no actions had been taken during Executive Session involving the expenditure of funds.

14. The next regularly scheduled meeting is June 23, 2008 in the Auditorium.

Approved:

A handwritten signature in black ink, appearing to read "M. Payson", followed by a large, stylized flourish that resembles a large "1" or "l" enclosed in a partial circle.

Martin D. Payson, Chair  
Board of Directors  
Nassau Health Care Corporation

NASSAU HEALTH CARE CORPORATION  
BOARD OF DIRECTORS

RESOLUTION APPROVING FINANCE COMMITTEE RECOMMENDATIONS

**Resolution No. M-095-2008**

May 19, 2008

WHEREAS, by Resolution (No. 023-2007) of the Board of Directors of the Nassau Health Care Corporation, the Board of Directors delegated to its Finance Committee the responsibility for, among other things, overseeing and making recommendations to the Board regarding the Corporation's procurement and contracting policies; and

WHEREAS, there is attached to this Resolution a schedule dated, **May 13, 2008** (the "Schedule") of resolutions regarding transactions and/or procurement and contracting policies, which require action by the Board and which the Committee has reviewed, discussed and recommends be adopted;

NOW THEREFORE,

BE IT RESOLVED, that the Board of Directors of the Nassau Health Care Corporation hereby approves and adopts the resolutions recommended by its Finance Committee as set forth in the attached Schedule and ratifies the adoption of Resolution No. 064-2008P, with the following exceptions:

Without Exception<sup>1</sup>.

\*\*\*\*\*

---

<sup>1</sup> During executive session Mr. Martello advised that upon reviewing [Resolution No. 087-2008] proposing to renew a contract with Triad he noted that Triad is a client of Mr. Martello's law firm, and so as to avoid any appearance of a conflict of interest, Mr. Martello asked to recuse himself from the vote. (Resolution No. 087-2008 will nevertheless be designated as adopted because it was approved by the favorable vote of eight members of the Board of Directors without counting the [recused] vote of Mr. Martello.

RESOLUTION DATED MAY 19, 2008. 093-2008

A RESOLUTION AUTHORIZING THE REFUNDING OF THE CORPORATION'S SERIES 2004A TAXABLE AUCTION RATE BONDS.

WHEREAS, on October 14, 2004 the Nassau Health Care Corporation issued its \$65,475,000 Revenue Bonds, Series 2004A (Nassau County Guaranteed) (Taxable Auction Rate) (the "2004A Bonds") pursuant to a General Resolution dated September 1, 2004, supplemented by a Supplemental Resolution dated as of October 1, 2004; and

WHEREAS, in light of recent difficulties affecting auction rate bonds, the Corporation has decided it is in its best interests to refund the Series 2004A Bonds and convert such bonds to a variable rate additionally secured by a standby bond purchase agreement with Dexia; NOW, THEREFORE, BE IT

RESOLVED, by the Board of Directors of the Corporation as follows:

Section 1. The Chairman of the Corporation, or his designee, is hereby authorized to execute a standby bond purchase agreement (in substantially the form presented at this meeting) with Dexia in connection with the refunding and conversion of the Series 2004A Bonds to a variable rate of interest.

Section 2. The chief financial officer is hereby authorized to execute the reoffering circular prepared in connection with the refunding and conversion of the 2004A Bonds and any other closing documents related thereto.

Section 3. This resolution shall take effect immediately.



The adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as

follows:

AYES: Martin D. Payson, Chair; Lawrence E. Elovich, Joseph Capobianco, Bradley L. Gerstman, Rosemarie Guercia, Jemma Marie-Hanson, Greg-Patric Martello, George D. Miner, John F. Ragano and Frank J. Saracino

NAYS: None

ABSENT: Leonard A. Benedict, John M. Brickman, Barbara Ross-Lee

EXCUSED: N/A

This resolution was thereupon declared duly adopted.

\* \* \* \* \*

**STANDBY BOND PURCHASE AGREEMENT**

among

**NASSAU HEALTH CARE CORPORATION,**  
as Issuer

**U.S. BANK NATIONAL ASSOCIATION,**  
as Trustee and Tender Agent

and

**DEXIA CRÉDIT LOCAL,**  
acting through its New York Branch

in connection with

\$ \_\_\_\_\_  
Nassau Health Care Corporation Bonds, Series 2004A  
(Nassau County Guaranteed)

Dated June \_\_, 2008

---

\* AHP Financing/Underwriting: Amend and Restate Resolution No. 064-2008. [Price exceeds Finance Committee authority.] **Upon a motion made, seconded and unanimously approved, the Finance Committee recommends that the Board approve, effective as of March 24, 2008, the following amendment and restatement of Resolution No. 064-2008:**

**RESOLVED** that the Nassau Health Care Corporation enter into contracts with Sims Mortgage Funding, Inc., Citicorp, Herbert J. Sims & Co., Inc., Goldman Sachs, and Merrill Lynch for mortgage banking, investment banking and underwriting services, and such additional firms, including but not limited to surveyors, architects, engineers, attorneys, title examiners and/or other retained professionals and advisors, as necessary and appropriate, in the best interests of the Corporation, to effectuate the plan of finance for the A. Holly Patterson replacement facility as set forth in the Memorandum (attached hereto and incorporated herein by reference) dated February 29, 2008 from The PFM Group to the Finance Committee of the Board of Directors<sup>2</sup>;

**RESOLVED FURTHER**, that the President and Chief Executive Officer of the Corporation or his designee is authorized to make such modifications or changes in any of the foregoing arrangements which he may deem necessary and appropriate to implement the intent of said plans of finance and underwriting. Resolution No. 064-2008P.

---

<sup>2</sup> Note, although not set forth on the referenced Memorandum, there is an additional fee attributable to an Unrated Transaction of approximately \$200,000.00 for a certified feasibility study to be performed by the firm Loeb & Troper

NASSAU HEALTH CARE CORPORATION  
FINANCE COMMITTEE  
May 13, 2008  
**CONTRACTS EXHIBIT**

Motions and Resolutions Requiring Action by the Board of Directors

**\*Gilbane Building Company.** [Amendment of an existing multi-year contract; best interests] **Upon a motion made, seconded and unanimously approved, the Finance Committee recommends a finding by the Board as being in NHCC's best interests to amend the contract with Gilbane to provide services to create model mock-up rooms for the Emergency Room construction project to facilitate decisions concerning finishes and room functionality in an amount not to exceed \$100,000. Resolution No. 083-2008.**

**\*Perkins Eastman Architects.** [amend multi-year contract] **Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval to amend the contract originally let by RFP with Perkins Eastman Architects for additional services in connection with projects such as the HEAL IV Grant CPEP program within the new Emergency Program, Psychiatric inpatient remediation work in an amount not to exceed \$130,000, subject to confirmation of project expenditures. Resolution No. 084-2008.**

**\*Hyperbaric Medical Technologies.** [renewal of an existing multi-year contract, the price of which exceeds Finance Committee authority] **Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval to renew the contract with Hyperbaric Medical Technologies to provide hyperbaric oxygen service including the operation, maintenance and provision of qualified technical staffing of the NUMC hyperbaric chamber, to remain in compliance with NFPA, CMS, UHMS, JCAHO and NUMC requirements in an amount not to exceed \$509,000 for the period 07/01/08-06/30/09. Resolution No. 085-2008.**

**Crown Marketing Group, Inc.** **Upon a motion made, seconded and unanimously approved, the Finance Committee approved of a contract with Crown Marketing Group, Inc. to provide the initial assessment for image and branding and creating a program for strategy and materials in an amount not to exceed \$150,000 through 12/31/08. Resolution No. 086-2008.**

**\*Triad.** [renewal of an existing multi-year contract]. **Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal contract with Triad to receive, examine and evaluate claims from NHCC employees of industrial injury, sickness, death and occupational disease, to investigate and manage claims, and determine compensability, if any, and to perform all required administrative and clerical functions in connection with all**

claims including OSHA logs in an amount not to exceed \$132,000 flat fee for the period 02/01/08-01/31/09. Resolution No. 087-2008.

\*Ernst & Young. [amend contract, the base amount which exceeds Finance Committee authority]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval to amend the contract with Ernst & Young to provide additional services regarding the filing of tax returns for NHCC, Ltd. (foreign subsidiary) and NHCC in an amount not to exceed \$40,000 for the period 01/01/08-12/31/08. Resolution No. 088-2008.

\*Saccardi & Schiff. [extension and amendment of an existing multi-year contract] Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of the contract with Saccardi & Schiff and to add to the scope of services for land use and zoning at the A. Holly Patterson property in an amount not to exceed \$174,800 for the period 01/01/08-12/31/09. Resolution No. 089-2008.

\*Jzanus Consulting. [renewal and extension of an existing multi-year contract, the price of which exceeds Finance Committee authority] Upon a motion made, seconded and unanimously approved, the Finance Committee recommends a finding by the Board as being in NHCC's best interests, and approval of a renewal and extension of a contract with Jzanus Consulting to provide medical records coding service in an amount not to exceed \$408,000 for the period 01/01/08-12/31/08. Resolution No. 090-2008.

\*Complete Management Services. [multi-year contract, the price of which exceeds Finance Committee authority] Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract, let by RFP, with Complete Management Services to provide a five-year program of training and educating all practitioners on current rules and regulations for accurately documenting and coding patient care in an amount not to exceed \$700,000 for the period 06/01/08-05/31/13. Resolution No. 091-2008.

\*Management Training & Development, Inc. [extension of an existing multi-year contract] Upon a motion made, seconded and unanimously approved, the Finance Committee recommends a finding by the Board as being in NHCC's best interests and to extend and renew the contract with Management Training & Development Inc. to provide medical record coding services on an as needed basis to ensure timely billing and cash flow in an amount not to exceed \$10/chart or \$30,000 for the period 01/01/08-12/31/08. Resolution No. 092-2008.

\*Auction Rate Securities. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a resolution entitled "A Resolution Authorizing the Refunding of the Corporation's Series 2004A Taxable Auction Rate Bonds" in form and content as attached to these minutes. Resolution No. 093-2008.

**\*Acquisition of South Ocean Care, LLC ("SOC"). Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a resolution authorizing the Corporation to acquire South Ocean Care, LLC, a for-profit LLC Diagnostic & Treatment Center, and enter into related agreements substantially in accordance with the terms and conditions set forth on the term sheet entitled "Acquisition by Nassau Health Care Corporation of an Interest in South Ocean Care, LLC and Execution of a Long Term Lease and Related Agreements", a copy of which is attached to these minutes and incorporated by reference into this resolution. Resolution No. 094-2008.**

---

\*Requires approval of the Board of Directors

\*\*Standardization requires 3/5 (9 votes in favor) approval of Board of Directors.