

MINUTES OF THE PUBLIC SESSION OF THE NUHEALTH BOARD OF DIRECTORS' MEETING  
HELD ON SEPTEMBER 25, 2012

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Directors Present

\*Craig Vincent Rizzo, Esq., Chair  
Stephen H. Ashinoff, OD  
\*Richard A. Bianculli  
\*Paul J. Leventhal, CPA  
\*Greg-Patric Martello, Esq.  
\*John T. McCann, PhD  
George W. Miner, MD, MBA  
Asif M. Rehman, MD

Not Present

Joseph Capobianco, Esq.  
\*Steven Cohn, Esq.  
Vincent A. Gallo, MD  
Jemma Marie-Hanson, RN  
David J. Sussman, MD  
\*John A. Venditto, MD

Non-Voting Directors Present

Arthur A. Gianelli, President/CEO

Hospital Administration

John Ciotti, EVP General Counsel  
John Maher, EVP CFO  
Steven Walerstein, MD, EVP Medical Affairs  
Larry I. Slatky, EVP Operations  
Robert Heatley, EVP Ambulatory Care  
Kathy Skarka, RN, SVP Patient Care Services  
Maureen Roarty, SVP Human Resources  
Richard Perrotti, SVP Finance  
Joan A. Soffel, Assistant to the Board/CEO

\*Executive Committee Members

1. Craig Vincent Rizzo, Chair, Board of Directors of the Nassau Health Care Corporation, noted that a quorum was not present and therefore no voting could take place. The meeting was opened at 9:45 a.m.
2. **Adoption of Minutes.** The June 18, 2012 minutes of the Board of Directors meeting were tabled.
3. **Report of the Chairman.** Mr. Rizzo announced that the Board is deeply saddened by the loss of Lawrence Elovich a fellow Board member. Yesterday over 900 people from all walks of life attended a memorial service for Larry in Long Beach which was a testament to the human being that Larry was and for all he did for others and in particular what he did for Long Beach. Larry was one of the longest members of the Board at NHCC, Chair of the Finance Committee and member of many other committees during those years. He was a friend, a confidant and Mr. Rizzo will personally miss his wisdom. He will be sorely missed by all. Mr. Rizzo said he would be speaking with administration regarding dedicating a plaque (possibly displayed in the auditorium) for his years of dedication towards the betterment of this institution. Mr. Rizzo asked for a moment of silence in honor of Mr. Elovich.

Mr. Gianelli echoed the comments made by Mr. Rizzo. He noted that Mr. Elovich's contributions to the organization were many. He was a friend and a mentor. Mr. Gianelli said there was only one time he had seen Larry speechless. Sr. Maureen was presenting a contract for chaplaincy services. As everyone knows, Larry was a very unique individual, and if he didn't buy what you were telling him, he would ask questions. He said to Sr. Maureen, I have to ask this question, I don't understand why the contract amount for the Rabbi is less than for the other chaplains. Sr. Maureen, without missing a beat said, we don't have that many Jewish people here at Nassau University Medical Center and those that we do have are on the 14<sup>th</sup> Floor on our Psychiatry unit. Mr. Elovich replied, all in favor. God bless Larry.

4. **Report of the President/CEO.** Mr. Gianelli reported that administration has made significant changes and corrections relative to our expenses; we are down 400 FTEs from

last year and there have been significant reductions to contractual expenses as well. We have made improvements to managed care contracts (\$3 million on an annual basis). We are beginning to make improvements on the revenue cycle under the leadership of John Maher and are expediting those changes. The institution is struggling with volume, as are all other hospitals with the exception of Brookhaven. Mr. Gianelli's colleagues at the National Association of Public Hospitals (NAPH) have noted an increase in ER visits but lower admissions with more procedures done on an outpatient basis (Medicaid and Medicare managed care). Despite those challenges, additional DSH dollars were negotiated with the State and enhanced Medicaid bills for physician service. There were one time settlements with our insurance companies. Mr. Gianelli is of the view that the Corporation will be at or break even for the year, but it will be nothing like 2011. It does not mean we do not have significant challenges going forward and Mr. Gianelli has spoken to the Board about strategies.

The modernization program continues and Mr. Gianelli invited the Board to visit the third floor (maternity) that was recently renovated—it is absolutely spectacular. The project was funded through donations made by Amy Hagedorn. This is the first stage of renovating the labor and delivery units that are critically competitive for maternity patients.

NuHealth continues to be recognized for its quality of care and received a five diamond designation from IPRO for our dialysis program. In addition, we received five out five star designation from Healthgrades. Mr. Gianelli congratulated the clinical teams for continually improving quality of care.

NuHealth received word a few weeks ago that we received the 2<sup>nd</sup> phase of a Phase III HEAL NY 21 grant. We were successful in receiving \$17.5 million over the next three years for enhancing our operations. We will find out what that award will cover for investment in care management. This compliments the \$18 million NYS grant to convert the executive offices into primary care space for co-located core clinics. NYS has clearly recognized NUMC as an investment in the services we provide.

5. **Report of the Medical Professional Affairs Committee and Medical Director.** John McCann, PhD, Chair of the Committee reported that the Committee met several times since the last full Board meeting and credentialed numerous physicians in various disciplines. He has two items for discussion in Executive Session.
6. **Report of the Finance Committee.** Mr. Leventhal reported that a Finance Committee meeting was held on August 22, 2012. The June minutes were tabled for review. The committee reviewed financial statements and recommended approval of a 2013 RAN. Mr. Rizzo noted that no votes could be taken since we do not have a quorum.
7. **Other Business.** Mr. Rizzo noted that without a quorum, the Board would move to public comment.
8. **Public session.** Mr. Rizzo opened the meeting for public comment and reminded speakers that statements would be held to a three-minute limit.

Dr. Barrios advised the Board that he spoke at the last meeting regarding his wife Vivien who was laid off after 24 years of service. He noted that his wife was unfairly escorted out by security. He noted that he was told by some members of the physician staff that he embarrassed them at the last meeting, but he will continue to speak and attend these meetings in support of his wife and abandoned patients. It was noted by Mr. Rizzo that at the last meeting, the Board asked for but never received his written complaint and requested a copy once again. Mr. Barrios asked if his 88 year old mother could speak. Mrs. Barrios stated that her daughter-in-law was a very good person and took care of her patients and

what was done to her was very wrong. Mr. Barrios was asked to submit his statements in writing to the Assistant to the Board of Directors.

9. **Adjournment**

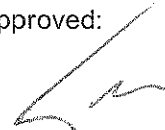
Upon a motion, duly made and unanimously approved, the meeting was adjourned at 10:00 a.m. to Executive Session to discuss governance, performance improvement, collective bargaining, personnel matters, contract negotiations or litigation.

10. **Report from Executive Session**. Upon return to Public Session, the Board reported that no actions were taken due to a lack of quorum.

11. **Close of Regular Meeting**. Craig Vincent Rizzo, Chair, closed the meeting at 11:50 a.m.

12. The next meeting will be announced.

Approved:



Craig Vincent Rizzo, Chair  
Board of Directors