

MINUTES OF THE PUBLIC SESSION OF THE NUHEALTH BOARD OF DIRECTORS' MEETING
HELD ON JANUARY 29, 2014

Directors Present

*Craig Vincent Rizzo, Esq., Chair
Vincent A. Gallo, MD
*Paul J. Leventhal, CPA
*Greg-Patric Martello, Esq.
*John T. McCann, PhD
*Linda Reed
Asif M. Rehman, MD
David J. Sussman, MD
*John A. Venditto, MD
Andrew Zucaro
Warren D. Zysman, LCSW

Non-Voting Directors Present

Krishan Kumar, MD

Hospital Administration

John Ciotti, EVP General Counsel
John Maher, EVP CFO
Larry I. Slatky, EVP, Operations
Robert S. Heatley, EVP, Business Development and
Ambulatory Services
Maureen Roarty, EVP, Human Resources
Kathy Skarka, RN, EVP, Patient Care Services
Joan A. Soffel, Assistant to the Board/CEO

Not Present

*Steven Cohn, Esq.
Jemma Marie-Hanson, RN
Frank J. Saracino, EdD
Arthur A. Gianelli, President/CEO

*Executive Committee Members

1. Craig Vincent Rizzo, Chair, Board of Directors of the Nassau Health Care Corporation, noted that a quorum was present. The meeting was opened at 8:10 a.m.
2. **Adoption of Minutes.** The minutes of January 13, 2014 were approved.
3. **Report of the Chairman.** Mr. Rizzo introduced a new Board member, Warren D. Zysman, who has a Masters of Social Work and is the Chief Program Officer at ACI Casriel Inc. Mr. Rizzo, on behalf of the Board, welcomed Mr. Zysman and looks forward to working with him.

Mr. Rizzo noted that Mr. Maher will speak about the RAN (Revenue Anticipation Note). Mr. Maher reported that the RAN was priced yesterday and will close tomorrow. NHCC will receive the \$40 million RAN tomorrow in order to pay the pension on January 31, 2014. The RAN was priced at 1.3 basis points, which is less than last year. Last year we had insurance costs on the RAN that drove it up to 1.4 points. This year without insurance, we did have issuance costs included in the 1.3 points. Mr. Leventhal said this was excellent work done by the Finance staff under difficult circumstances. Mr. Rizzo commended Mr. Maher for all the work involved in receiving this RAN and also thanked the Board members who attended the recent urgent Board meeting to approve the RAN.

Mr. Rizzo said everyone is aware that Arthur Gianelli will be leaving on February 7, 2014 and may be out during the last week or so before his last day. The Search Committee has been meeting since November and has had seven meetings. The Committee interviewed a variety of candidates. The Board will discuss those candidates in Executive Session.

Mr. Rizzo reported that Dr. Walerstein is doing much better. Mr. Rizzo will reach out to Dr. Walerstein today because he was asked to hold off a few days until Dr. Walerstein was feeling better. Mr. Rizzo informed the Board that Dr. Walerstein had emergency brain surgery and was recently admitted to North Shore/LIJ, he is now at home and starting to rehabilitate. On behalf of the Board, Mr. Rizzo wished him the best and a speedy recovery.

4. **Report of the President/CEO.** None
5. **Report of the Medical Professional Affairs Committee and Medical Director.** John McCann, PhD, Chair of the Committee, reported that the committee met on January 27, 2014 and credentialed a group of professionals. The next meeting is scheduled for February 24, 2014.
6. **Report of the Finance Committee.** Paul Leventhal, Chair of the Committee, reported that the committee did not meet in January. Mr. Rizzo asked Mr. Maher if anything changed in January. Mr. Maher said nothing had changed the deficit is approximately \$13 million.
7. **Report of the Contract Committee.** Mr. Rizzo reported that the committee did not meet since it had reviewed contracts at the last Board meeting.
8. **Report of the Ambulatory Care, Managed Care and Community Physician Committee.** Dr. Sussman, Chair of the Committee, reported that the committee did not meet.
9. **Report of the Extended Care and Assisted Living Facility Committee.** Dr. Venditto, Chair of the Committee, reported that the committee did not meet
10. **Report of the Legal, Audit and Governance Committee.** Mr. Leventhal, Chair of the Committee, reported that the committee did not meet.
11. **Report of the Facilities and Real Estate Development Committee.** Ms. Reed, Chair of the Committee, reported that the committee did not meet.
12. **Subsidiaries/Foundation Committee.** Ms. Reed, Chair of the Committee, reported that the committee did not meet.
13. **Search Committee.** Dr. McCann will report in Executive Session. Mr. Rizzo said the Board would adjourn to Executive Session to discuss the candidates for the new Chief Executive Officer and come back to the Public Session with the conclusion of that discussion.
14. **Other Business.** None.
15. **Public session.** Mr. Rizzo opened the meeting for public comment. There were no comments from the public.
16. **Adjournment.** Upon a motion, duly made and unanimously approved, the meeting was adjourned at 8:20 a.m. to Executive Session to discuss governance, performance improvement, collective bargaining, personnel matters, contract negotiations or litigation.
17. **Report from Executive Committee.** Upon return to Public Session, the Chairman reported the following.

Mr. Rizzo noted that Mr. Gianelli will be leaving on February 7, 2014. The Search Committee has been meeting since November, right after Thanksgiving. The Committee has found a new CEO and recommended that person to the Board of Directors. The members of that committee were John McCann, Chairman; Linda Reed and Paul Leventhal. The employment ads were posted in the New York Times, Washington Post, Wall Street Journal, American College of Healthcare Professionals, and a few nationwide internet carriers until the beginning of January. Numerous resumes were received and reviewed by the committee. The committee met seven times during that period and the committee called various candidates for interviews. Today in executive session, the Board heard the committee's evaluations and recommendation for a candidate. The committee's

recommendation was Dr. Victor F. Politi who has a background in government, finance, over twenty years of experience in health care, union relations, very strong community ties, very strong relation with this institution and county and can help this institution move forward. After due deliberation in executive session a motion to approve Dr. Victor F. Politi as Chief Executive Officer and President was made and approved. It is hoped that Dr. Politi can start immediately. Dr. Politi will be hired at the same salary and terms and conditions previously held by Mr. Gianelli. Mr. Rizzo would like Dr. Politi to start immediately because Mr. Gianelli is leaving as of February 7, 2014 and he would like Dr. Politi to work with Mr. Gianelli over the next week. Mr. Rizzo asked the Board to renew their vote in public session.

Upon a motion made by Mr. Martello, duly seconded by Mr. Leventhal, the Board of Directors unanimously approved the recommendation made by the Search Committee to appoint Dr. Victor F. Politi as Chief Executive Officer and President under the same terms and conditions and salary previously held by Mr. Arthur Gianelli. Resolution No. 010-2014.

Upon a motion made by Mr. Martello, duly seconded by Mr. Leventhal, the Board of Directors unanimously approved a motion to allow the Chairman of the Board to complete an employment agreement with Dr. Victor F. Politi at a commensurate salary, with the same terms and conditions as previously held by the current Chief Executive Officer and President and execute and sign any and all documents on behalf of the Board to undertake this agreement. Resolution No. 011-2014.

Mr. Rizzo said that Dr. Politi will start on Monday if that is possible. Mr. Rizzo will obtain approval from the County Executive via a letter that will be delivered to him today indicating that the appointment was unanimously approved by this Board. Mr. Gianelli is still the CEO until next week and hopefully Dr. Politi can start on Monday in order to transition with Mr. Gianelli.

18. **Close of Regular Meeting.** Craig Vincent Rizzo, Chair, closed the meeting at 9:00 a.m.
19. The next meeting will be announced.

Approved:



Craig Vincent Rizzo, Chair
Board of Directors