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NASSAU HEALTH CARE CORPORATION

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MEETING OF THE EXECUTIVE COMMITTEE OF THE  
BOARD OF DIRECTORS

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Nassau University Medical center  
2201 Hempstead Turnpike  
East Meadow, New York

November 5, 2015  
3:41 P.M.

Reported by  
Frank Gray

1 11-05-2015

2 MR. MIROTZNIK: Good afternoon  
3 everybody. Thank you showing up. We  
4 are going to open up the meeting of the  
5 Nassau Health Care Corporation  
6 Executive Committee and I thank you all  
7 for being here. We are running a  
8 little late. I did call for a three  
9 o'clock executive meeting. So, at this  
10 time I'm going to ask to adjourn into  
11 executive session and those who are not  
12 members of the board, including counsel  
13 and employees of the Health Care  
14 Corporation, I ask that you come back  
15 in about 15 or 20 minutes. Thank you.

16 Hand vote. All in favor?

17 Unanimous.

18 (Committee recessed to executive  
19 session.)

20 MR. MIROTZNIK: Make a motion  
21 to come out of executive session and  
22 back to an open session. All in favor?

23 Unanimous.

24 We opened up the committee of the  
25 board meeting. I call for the approval

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2 of the minutes of October 20, 2015  
3 board of directors meeting. Do I have  
4 a motion to approve the minutes? All  
5 in favor.

6 Unanimous. Thank you.

7 I have no report of the chair at  
8 this point. As soon as Dr. Politi  
9 comes in. Skip over that.

10 Let me go back to the reporting  
11 of the Chair. I would like to make a  
12 motion all those in favor of the  
13 process in which all our board meetings  
14 will be done with an official court  
15 stenographer I would like a show of  
16 hands. All in favor?

17 Unanimous.

18 Any time we use the stenographer,  
19 which is from hereon in, identify your  
20 name and try not to speak over one  
21 another and be very orderly so we can  
22 have everyone's name and what they say  
23 and responses so that the minutes are  
24 clear and articulate. Thank you.

25 With regard to the next board

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2 meeting it will be at four o'clock on  
3 November 23rd. If you could Craig send  
4 out a blast we have confirmed that  
5 date.

6 Dr. Politi, any report?

7 DR. POLITI: Yes, I do. We  
8 just received an award yesterday from  
9 the Joint Commission. First time this  
10 hospital ever received the Top Quality  
11 Indicator Award and it's a very  
12 prestigious award from the Joint  
13 Commission. It consists of ventilator  
14 assisted pneumonia, reastrombal  
15 embolism, surgical site infections,  
16 heart attacks.

17 MR. DELUCA: What about CDIFF?

18 DR. POLITI: It doesn't  
19 specifically talk about CDIFF.

20 MR. DELUCA: I heard we do well  
21 in CDIFF.

22 DR. POLITI: The second award  
23 we received, and I sent out to you  
24 guys, was from the Leap Frog Group in  
25 patient safety. When we talk about

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2 patient safety we're talking about skin  
3 and tissue infections as well. So two  
4 really prestigious awards that we  
5 received just recently, Leap Frog A and  
6 the Joint Commission on Quality. Those  
7 are the two.

8 Other than that, I would like say  
9 DSRIP is still moving forward. A lot  
10 of issues going on over there as far as  
11 working with the projects. The  
12 executive committee meets and basically  
13 goes over what's happening with the  
14 project management office and our  
15 consultant, Premier. Premier seems to  
16 be doing a good job of staying on top  
17 of the projects and moving us forward.  
18 We expect to receive quite a bit of  
19 money from DSRIP as we move forward.  
20 Sounds like a good deal. That's about  
21 my report.

22 MR. MIROTZNIK: Turn to Ms.  
23 Reed. Compensation Committee, approval  
24 of your minutes.

25 MS. REED: I need approval of

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2 the minutes for the meeting that was  
3 held on October 30, 2015. All in  
4 favor?

5 Unanimous.

6 MR. MIROTZNIK: Just like you  
7 to inform everybody that we had very  
8 tough shoes to replace.

9 MS. REED: It was very tough  
10 shoes to replace Joan and after quite a  
11 number of months we have found someone  
12 to replace her. We have hired Beatrice  
13 Fischetto as a community service  
14 representative, and after her approval  
15 this evening she has already passed the  
16 civil service. So, she'll be starting  
17 with us shortly and we are very happy  
18 to have her on board.

19 MR. MIROTZNIK: I'm sure Andrea  
20 Rivera is happy as well.

21 DR. POLITI: And looking  
22 forward breaking her in and getting her  
23 up to speed.

24 MR. MIROTZNIK: Everybody in  
25 administration, I know it was hard to

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2 let Joan go, we had no choice in the  
3 matter, but please, open arms. And  
4 Shelly is shaking her head. Shelly,  
5 you will show her the ropes around here  
6 we hope. Thank you everybody.

7 Dr. Scarmato you will be happy to  
8 know NMA has been adjourned. Hold on.

9 I just want to go back to clarify  
10 the record. This is something new, so  
11 we are going to be very clear. With  
12 regard to the board of directors  
13 minutes of October 20, 2015 that has  
14 been ratified by the entire board, we  
15 are going to vote to pass the  
16 resolution to take the action  
17 recommended by the committees in those  
18 minutes and that's the board of  
19 directors minutes. All in favor again?  
20 Unanimous.

21 And with regard to the  
22 Compensation Committee, we vote to pass  
23 the resolution to take the action  
24 recommended by the committee in the  
25 minutes of October 30, 2015. All in

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2 favor? Unanimous as well.

3 Thank you Mr. Tepper.

4 With regard to NMA, we are going  
5 to have NMA on November 23rd at four  
6 o'clock and with God's help we will get  
7 it done.

8 Any public comments?

9 Dr. Venditto.

10 DR. VENDITTO: The NMA pamphlet  
11 that we were given, the financial  
12 statements, we really need full  
13 financial statements. If we are going  
14 to have a P and L I need to see an  
15 itemized P and L and the cash flow  
16 statements.

17 DR. SCARMATO: I can get you  
18 those. I will email them separately to  
19 you at the end of the meeting.

20 DR. VENDITTO: They should  
21 really be part of the pamphlet that we  
22 all see.

23 MR. REED: We're having a  
24 problem opening your emails. We  
25 couldn't open any of them. None of us



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2 could.

3 MR. ZYSMAN: Doc, we just need  
4 you to mailed it to us. You said you  
5 were going to email and mail it to us.  
6 We just got an email. None of us got  
7 anything in the mail.

8 DR. SCARMATO: I thought Andrea  
9 had sent out the board packet.

10 MR. ZYSMAN: It's not in there.

11 MR. MIROTZNIK: Can we get it  
12 done Doc?

13 DR. SCARMATO: Not a problem.

14 MS. REED: And then if you  
15 could add what doctor just asked you  
16 for.

17 DR. SCARMATO: Isn't it the same  
18 thing?

19 MS. REED: But we didn't get  
20 it.

21 DR. SCARMATO: It wasn't in the  
22 board packet?

23 DR. VENDITTO: It was in the  
24 board packet.

25 MS. REED: It wasn't in the

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2 board packet. I didn't get it in mine.

3 DR. VENDITTO: It was attached  
4 to the back of mine. We just need more  
5 details.

6 DR. SCARMATO: I gave you what  
7 I was told to give you.

8 MR. MIROTZNIK: Thank you Dr.  
9 Scarmato.

10 Any public comments? Mr. Galfano  
11 any public comments?

12 MR. GALFANO: Not at this time.

13 MR. MIROTZNIK: Mr. Zysman,  
14 something to add?

15 MR. ZYSMAN: Yes, I do.

16 MR. MIROTZNIK: Do you want us  
17 to come back to you?

18 MR. ZYSMAN: John Maher, can we  
19 get a current snapshot as of today of  
20 accounts receivable?

21 MR. MAHER: Sure.

22 MR. ZYSMAN: Also the swaps on  
23 your financials that you e-mailed to us  
24 or Andrea e-mailed to us on behalf of  
25 Dr. Politi, there's an issue of swaps

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2 being deferred. Can you explain that  
3 to us?

4 MR. MAHER: The swaps will be  
5 taken out of the P and L and considered  
6 a balance sheet item. For all intents  
7 and purposes they are to be ignored.  
8 There's no more deferral on the swaps.

9 MR. ZYSMAN: Explain that.  
10 It's \$33.9 million is what your  
11 statement you sent -- that Dr. Politi  
12 sent to us.

13 MR. MAHER: That's correct.

14 MR. ZYSMAN: Please explain  
15 what you mean by that. \$33.9 million  
16 you want to ignore?

17 MR. MAHER: No, we are not  
18 ignoring it. We are reclassifying it  
19 from a revenue item to a balance sheet  
20 item.

21 MR. ZYSMAN: Explain the  
22 rational behind it.

23 MR. MAHER: The rational was  
24 that there is a test that was done or  
25 should have been done on the financial

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2 statements back in 2011 when the swaps  
3 were brought in and this was part of  
4 the restatement in the financial  
5 statements. From about 2011 forward the  
6 swaps were incorrectly carried as a  
7 nonrevenue item below the line if you  
8 will and we're reclassifying them to  
9 the balance sheet.

10 MR. ZYSMAN: Were they a  
11 nonrevenue item?

12 MR. MAHER: They are going to  
13 be not a revenue item anymore. They  
14 will come off there and be up on the  
15 balance sheet.

16 DR. VENDITTO: This is not new.  
17 This is something we discussed earlier  
18 in the year?

19 MR. MAHER: Correct. They will  
20 be taken out. We just haven't gotten  
21 around to changing them on the  
22 financial statements. Probably before  
23 the year is over.

24 MR. ZYSMAN: The AR, when will  
25 you have that to us by? Can you give

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2 it to us tonight?

3 MR. MAHER: I can send you the  
4 AR trials tonight, sure.

5 MR. ZYSMAN: The last thing is  
6 on the noncurrent liabilities can you  
7 give me a schedule for noncurrent  
8 liabilities?

9 MR. MAHER: Sure.

10 MR. ZYSMAN: As of September  
11 30, 2015. Make the AR as of September  
12 30 too.

13 MR. MAHER: We will make  
14 everything as of 9-30.

15 MR. ZYSMAN: In the future,  
16 when you have things that you are  
17 submitting,

18 financials like this, and these  
19 kinds of items are coming up, if you  
20 could give us schedules and snapshots  
21 of AR. I think it's what we requested.  
22 It seems like Dr. Politi used to  
23 provide these to us.

24 It seems like Dr. Politi is now  
25 providing it. So I will ask it also of

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2 Dr. Politi, can you make sure that we  
3 get this information of both the  
4 schedules and the AR, the AR tonight,  
5 the schedules before the end of  
6 business tomorrow.

7 DR. POLITI: What was Dr.  
8 Politi not providing? What am I  
9 providing now?

10 MR. ZYSMAN: It came from  
11 Andrea, the financials. Usually we  
12 would get them from John.

13 DR. POLITI: Would you like  
14 John's secretary to start mailing them  
15 back to you or can Andrea continue to  
16 mail them?

17 MR. ZYSMAN: I'm just asking  
18 that they be provided the information  
19 we need.

20 DR. POLITI: John, do me a  
21 favor.

22 MR. MAHER: Absolutely.

23 DR. POLITI: Let the record show  
24 that the chief financial officer will  
25 take care of it.

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2 MR. MIROTZNIK: He shook his  
3 head yes.

4 DR. VENDITTO: The next finance  
5 meeting is the 24th.

6 MR. MAHER: The last Tuesday in  
7 November.

8 DR. VENDITTO: We need the  
9 October financials at the November 24th  
10 meeting.

11 MR. MAHER: That's correct.

12 DR. VENDITTO: They will be  
13 available?

14 MR. MAHER: Yes.

15 DR. VENDITTO: We just got  
16 September.

17 MR. MAHER: They were ready.  
18 We didn't send them out. They will be  
19 available. Not a problem.

20 MR. MIROTZNIK: Dr. Venditto, I  
21 would like you to take the liberty  
22 before you leave this evening to get  
23 your committee in order for Holly  
24 Patterson.

25 I know you've had a very

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2 difficult time getting to call them. I  
3 want administration to know whenever  
4 you set it up that they be there bright  
5 and early and you have your meetings.  
6 I know Mr. Zysman has agreed to be part  
7 of the committee and whomever else on  
8 the board would like to assist and have  
9 your meeting, if you can, before the  
10 end of November.

11 Mr. Ciotti you'll change the  
12 committee assignment. Dr. Venditto,  
13 Ms. Reed and Mr. Zysman.

14 MR. CIOTTI: That's for the  
15 three?

16 MR. ZYSMAN: For extended care.

17 MR. MIROTZNIK: Thank you.

18 Mr. Deluca.

19 MR. DELUCA: John, with regard  
20 to coding, I remember at past meetings,  
21 can you give us assurance at this point  
22 we have the maximum number of coders  
23 that we require and that our bills are  
24 going out in a timely basis and being  
25 coded properly?



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2 MR. MIROTZNIK: Are you on this  
3 or is it Harold?

4 MR. MAHER: Outpatient it's --  
5 actually it's both of us. We share it  
6 but I have the lion's share of it on  
7 the inpatient side. So, what I would  
8 tell is that since ICB-10 came along  
9 we're having trouble getting more  
10 coders. But we are constantly going  
11 out with a rotating or revolving RFP to  
12 get more coders in here and we are  
13 looking for more coders now.

14 I would say we are probably short  
15 two or three because of the length of  
16 time it takes to code a chart in ten,  
17 which is the current system, versus  
18 nine. We would be needing one or two  
19 more coders.

20 MR. DELUCA: The quality of the  
21 coders -- correct me if I'm wrong.  
22 John -- are very important because if  
23 they're very experienced coders they  
24 obviously pick up more receipts for us.

25 MR. MAHER: Absolutely.

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2 MR. DELUCA: You say we need  
3 three more?

4 MR. MAHER: Probably two to  
5 three more. We have to outsource it  
6 because we don't have the experienced  
7 coders available to us through the  
8 normal hiring processes.

9 MR. DELUCA: Correct me again  
10 if I'm wrong. Is there a way for us to  
11 get those almost immediately? Because  
12 that's money.

13 MR. MAHER: Yes, it is. So, we  
14 are getting the coders in here through  
15 the various companies that we have  
16 retained. They are becoming scarce  
17 again because of the ICB-10 issue. We  
18 are trying to get them in here as  
19 quickly as possible.

20 MR. DELUCA: I know but is  
21 there another way?

22 MR. MAHER: Not without  
23 bypassing a procurement process. We  
24 have to go through a process to get the  
25 coders in here. We're trying to do

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2 that as quickly as possible.

3 MR. CIOTTI: Why did you lose  
4 the other coders? Is it about salary?

5 MR. MAHER: It was salaries and  
6 opportunities.

7 MR. CIOTTI: The biggest  
8 problem to my limited understanding is  
9 you're losing them because of the  
10 salaries. They're too low. What's  
11 happening is even with the salaries you  
12 are going to offer them you're not  
13 going to get the cream. You're going  
14 to get average people. And your point  
15 Mr. Deluca was 100 percent.

16 MR. ZYSMAN: We spoke about  
17 this recently. You and Dr. Politi  
18 agreed that you would come up with a  
19 resolution. Is the resolution in  
20 place?

21 MR. MAHER: The resolution is  
22 in place.

23 MR. ZYSMAN: How many people  
24 have you and Dr. Politi hired since you  
25 took the responsibility of taking care

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2 of this?

3 MR. MAHER: On the inpatient  
4 side I don't think that many. I'm not  
5 sure on the outpatient side.

6 MR. ZYSMAN: How many new  
7 coders since the meeting we had about a  
8 month ago have we hired?

9 Harold, do you know the answer?

10 MR. MCDONALD: I don't know on  
11 the inpatient side but I know we have  
12 been working with HR on the outpatient  
13 side.

14 MR. MIROTZNIK: Hold on. I  
15 think Warren asked a very simple  
16 question. How many?

17 DR. POLITI: I have the answer.  
18 Five on the outpatient side. We are  
19 constantly recruiting. If anyone knows  
20 anyone we welcome them to send their  
21 resumes. We have open slots to hire  
22 coders. If anyone has coders available  
23 we would love to see them and bring  
24 them on board. We have continuous  
25 recruiting for coders.

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2 MR. COHN: I have two  
3 questions. If we recognize the fact  
4 that more quality coders bring in  
5 substantially more money, has there  
6 been any thought to raising what we pay  
7 our coders?

8 MR. DELUCA: John just said.

9 MR. COHN: He said that's the  
10 issue. Has anybody addressed answering  
11 that issue?

12 MR. ZYSMAN: Can we pay people  
13 more money?

14 DR. POLITI: I'm going to  
15 presume that we can.

16 DR. SCARMATO: That would be a  
17 civil service question.

18 MR. COHN: It's a civil service  
19 job?

20 DR. SCARMATO: Yes. So, if you  
21 hired somebody above the level of  
22 anyone else that's already here you  
23 have to raise them all up to that  
24 level.

25 Number two, there's a limit in

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2 the job title to the --

3 MR. ZYSMAN: Are you speaking  
4 as civil service expert right now?

5 DR. SCARMATO: I would not  
6 qualify myself as an expert.

7 MR. ZYSMAN: We have legal  
8 here. We have administration.

9 MR. DELUCA: Is Maureen here?

10 MR. COHN: Excuse me. It's my  
11 question. Doctor, are you --

12 DR. SCARMATO: I'm not going to  
13 say any other words about it.

14 MR. COHN: Are you sure of your  
15 answer?

16 DR. SCARMATO: It doesn't  
17 matter.

18 MR. COHN: It does to me. Are  
19 you sure of your answer?

20 DR. SCARMATO: I am sure of my  
21 answer.

22 MR. COHN: So please tell me.

23 DR. SCARMATO: But I'm not an  
24 expert, so I'm not going to tell you  
25 because Mr. Zysman --

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2 MR. MIROTZNIK: Alright.

3 Listen. Let's just get it done.

4 Everyone wants to go home.

5 MR. COHN: And I'm going to  
6 take my ball and go home if you're not  
7 going to let me play.

8 My question is simple. If you're  
9 sure of the answer just tell me. We  
10 make more money if we pay the coders  
11 more. We are recognizing the fact that  
12 we are getting at best not the best  
13 coders. I don't know how much more  
14 money we are making, but if we make  
15 substantially more money than it costs  
16 us then wouldn't it make sense to pay  
17 coders more?

18 DR. SCARMATO: Correct. But  
19 there's limits within civil service to  
20 the pay level that you can pay a coder.  
21 Civil service sets those levels,  
22 unfortunately.

23 MR. COHN: Do we have room to  
24 increase?

25 DR. SCARMATO: That I'm not

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2 sure about.

3 MR. COHN: I have another  
4 question. One other question. That's  
5 something that I suggest you look into  
6 with regard to coders.

7 My other question is, last  
8 meeting I heard that because of  
9 the lack of a grant that \$1.2 million  
10 was spent. When I asked the gentleman  
11 who was here he said it didn't cost the  
12 hospital a penny because that was  
13 excess grant money. When I spoke to you  
14 you said that is not correct. I ask  
15 that on this meeting I'd be told  
16 whether he was correct or you were  
17 correct. So, did we spend \$1.2 million  
18 of grant money that was left over from  
19 February of 2015 or did it cost this  
20 hospital additional money above and  
21 beyond that grant money?

22 MR. MAHER: It cost us  
23 additional money above and beyond the  
24 grant money. The grant expired.

25 MR. COHN: But there was no



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2 excess money.

3 MR. MAHER: No excess money.

4 MR. COHN: Who was the

5 gentleman that told me that

6 information?

7 DR. POLITI: Mr. Cohn, we

8 talked about that at length and did an

9 investigation to figure out what

10 happened there and if you would like we

11 can talk about it on record.

12 MR. COHN: I want to talk about

13 it on the record because I don't like

14 being misled.

15 MR. MIROTZNIK: Please. Only

16 for the stenographer's benefit just do

17 it slowly.

18 MR. COHN: Please. Why did

19 that man tell me something that was not

20 true?

21 DR. POLITI: He was under the

22 impression that that money was still

23 available.

24 MR. COHN: He represented to

25 me, to this board, that -- how can you

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2 make a mistake of \$1.2 million?

3 DR. POLITI: He was under the  
4 impression from someone else that that  
5 amount of money was available and  
6 unfortunately he was wrong.

7 MR. COHN: Very unfortunate that  
8 he was wrong.

9 MR. ZYSMAN: Mr. Gatto what's  
10 your title here.

11 MR. MIROTZNIK: He's here.

12 MR. COHN: I don't care.

13 MR. MIROTZNIK: He's here  
14 sitting in the room.

15 Hold on. Too many people talking  
16 Mr. Gatto, please approach. Michael  
17 Gatto is his name.

18 MR. ZYSMAN: Mr. Gatto what's  
19 your title here.

20 MR. GATTO: Vice-president care  
21 transitions.

22 MR. ZYSMAN: You're a vice  
23 president of the hospital.

24 MR. GATTO: Vice-president of  
25 care transitions.

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2 DR. POLITI: He is a PEO  
3 employee.

4 MR. ZYSMAN: What does it says  
5 on the website? What is your title on  
6 the website at NuHealth?

7 MR. GATTO: Vice president.

8 MR. COHN: I asked you clearly  
9 a couple of weeks ago whether that  
10 money was spent by the hospital, and I  
11 was assured -- we have minutes now --  
12 that that was excess grant money taken  
13 from the grant, put into the hospital  
14 and then had a zero impact on the  
15 hospital was turned back over to keep  
16 those 24 employees on payroll.

17 MR. GATTO: Correct.

18 MR. COHN: Now I'm being told  
19 that's not correct. Do you understand  
20 that the information that you gave this  
21 board was not correct? Yes or no?  
22 Very simple. Do you now understand  
23 that the information was not correct?

24 MR. GATTO: I discussed this  
25 information with finance department.

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2 MR. COHN: We will get to why  
3 in a moment. Do you understand now  
4 that that information was not correct?

5 MR. GATTO: The direction of  
6 where the dollars went to is not  
7 correct.

8 MR. COHN: Was it grant money  
9 dollars or hospital money dollars? I'm  
10 not concerned about the direction. I'm  
11 concerned about the dollars. Were the  
12 dollars that were spent at \$1.2 million  
13 dollars that came out of the hospital's  
14 revenue cycle, money that the hospital  
15 earned or money that came out of the  
16 grant? I'm really good at this. We  
17 can play at this all night long. The  
18 answer is very simple. Yes or no?

19 MR. GATTO: The monies that  
20 come out of the grant dollars to  
21 support these programs are part of the  
22 hospital's operating budget. As a  
23 result, the monies that may have been  
24 left over or what I anticipated to be  
25 based on discussions with the finance

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2 department were utilized to pay down  
3 that debt to the extent that the  
4 transitions of care and others within  
5 the VAP grant accrued.

6 MR. COHN: Might have been,  
7 could have been, perhaps and maybe.  
8 Were they, the dollars -- Mr. Maher is  
9 sitting there, right here and Mr. Maher  
10 says they were not grant dollars. You  
11 are saying they might have been, could  
12 be and maybe. Are we on the same page?  
13 If we're off the same page then I will  
14 turn to Mr. Maher and say are you sure?  
15 And he's going to say he's sure they  
16 were not grant dollars. I want to know  
17 are we on the same page?

18 MR. GATTO: We are on the same  
19 page.

20 MR. COHN: They were not grant  
21 dollars?

22 MR. GATTO: And at this point --

23 MR. COHN: Why did you tell me  
24 they were?

25 MR. GATTO: Based on the

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2 reconciliation if you will with the  
3 budget director, the finance  
4 department, it appeared at that time  
5 with the ramp up of the transitions of  
6 care and the entire VAP grant that  
7 those dollars were excess to the grant.  
8 But through whatever deficit spending  
9 that was accrued through transitions of  
10 care or through hospital expenses those  
11 dollars actually were committed and the  
12 misinterpretation of the fact that  
13 those dollars were available at that  
14 time when we did the reconciliation --

15 MR. MIROTZNIK: Who's "we" did  
16 the reconciliation? Who's we?

17 MR. GATTO: I did it with the  
18 budget director.

19 MR. MIROTZNIK: Who?

20 MR. GATTO: Rory.

21 MR. COHN: When?

22 MR. GATTO: Many months ago.

23 MR. MIROTZNIK: This is not  
24 going to end. We're going to get to  
25 the bottom of it.

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2 MR. COHN: You're telling me  
3 several months ago you knew they  
4 weren't grant dollars?

5 MR. GATTO: No.

6 MR. COHN: You told me the  
7 reconciliation is when you came to the  
8 realization that they weren't grant  
9 dollars. You told Mr. Mirotznik that  
10 that reconciliation was done several  
11 months ago. If you did the  
12 reconciliation several months ago --

13 MR. GATTO: You have to  
14 understanding something.

15 MR. COHN: I'm trying to  
16 understand.

17 MR. GATTO: I have the  
18 Transitions of Care Program. That  
19 grant supported more than just TOC.

20 MR. COHN: I'm not talking  
21 about --

22 MR. GATTO: But you have to  
23 because at the end of the day --

24 MR. COHN: I want to know the  
25 money.

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2 MR. GATTO: But you have to  
3 understand something.

4 MR. MIROTZNIK: Hold on. He  
5 asked a question. If you can answer it  
6 say Mr. Cohn I can answer it.

7 You don't understand?

8 MR. GATTO: I apologize if I  
9 misdirected that statement. What I'm  
10 trying to say to you is that I'm  
11 responsible for Transitions of Care.  
12 The VAP grant, which supported  
13 Transitions of Care and many other  
14 programs within the VAP grant -- I'm  
15 sorry, the dollars supported. Okay.  
16 So, when we did the review, I don't  
17 want to call it reconciliation  
18 because --

19 MR. COHN: You did.

20 MR. GATTO: When I did the  
21 review it appeared at that particular  
22 time when we did the review that there  
23 was a certain amount of dollars left to  
24 what was believed to be for Transitions  
25 of Care.



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2 MR. COHN: Stop there. Let's  
3 call a certain amount of dollars \$1.2  
4 million. What you're telling me is  
5 back when you did your review that \$1.2  
6 million was kind of like lost?

7 MR. GATTO: It's not lost.  
8 Because you have clinical integration  
9 and many other --

10 MR. COHN: We know it's not  
11 lost because you funded it.

12 MR. GATTO: What I'm trying to  
13 explain is that there are many  
14 components --

15 MR. ZYSMAN: Let me help. John  
16 Maher, how much money was left over in  
17 the grant?

18 MR. COHN: In February of 2015.

19 MR. MAHER: The grant expired  
20 on March 31, 2015 and there was nothing  
21 left on the grant in terms of dollars  
22 to be expended.

23 MR. ZYSMAN: Did it hit into  
24 negative numbers?

25 MR. MAHER: No. What I think

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2 may have happened --

3 DR. VENDITTO: Do we have the  
4 theatrical budget for the grant so I  
5 can see salaries and benefits that were  
6 allocated in the budget?

7 MR. MAHER: Yes.

8 DR. VENDITTO: If there's a  
9 budget for salaries and benefits  
10 allocated in this budget how could we  
11 not account for the \$1.6 million in  
12 this budget for salaries and benefits?  
13 That's not a small budget item.

14 MR. GATTO: Again, my part is  
15 TOC but --

16 MR. MIROTZNIK: You now  
17 qualified your part. You said "my part  
18 is TOC." Does that mean there's another  
19 part that somebody else has to address?

20 MR. COHN: The money part?

21 MR. MIROTZNIK: We're going to  
22 get to the bottom of it. Figure this  
23 out. Who else is your partner? You  
24 just said your part is TOC. That kind  
25 of indicated --

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2 MR. GATTO: The grant supported  
3 Transitions of Care.

4 MR. MIROTZNIK: Who oversaw the  
5 Transitions of Care?

6 MR. GATTO: I oversaw.

7 MR. MIROTZNIK: Just yourself.  
8 It's not a Harold McDonald issue? It's  
9 not John Maher issue?

10 MR. GATTO: No. It's my  
11 responsibility. I took over  
12 Transitions of Care. I didn't hire.

13 MR. MIROTZNIK: Who hired the  
14 17 employees?

15 MR. GATTO: It predated my  
16 tenure.

17 MR. MIROTZNIK: When you came  
18 to the institution.

19 MR. GATTO: I took over from  
20 David Nemiroff.

21 MR. MIROTZNIK: You inherited  
22 17 employees that --

23 MR. GATTO: 21 employees.

24 MR. MIROTZNIK: It's like \$1.2  
25 million or \$1.6 million. You inherited

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2 David Nemiroff's team, correct?  
3 Those 17 people were being paid, as far  
4 as you know when you inherited the  
5 team, from the grant, correct?

6 MR. GATTO: Yes.

7 MR. MIROTZNIK: When you came  
8 on board and inherited the team did you  
9 know when the grant had expired, yes or  
10 no? Was to expire?

11 MR. GATTO: Yes.

12 MR. MIROTZNIK: Did you follow  
13 that time period, yes or no?

14 MR. GATTO: When you say  
15 followed what do you mean?

16 MR. MIROTZNIK: Whenever you  
17 came on board you knew there was an end  
18 date of the grant and the money was  
19 going to evaporate. It would be gone.  
20 Is that incorrect?

21 MR. GATTO: This is where you  
22 have to understand.

23 MR. MIROTZNIK: I'm going to  
24 try to understand.

25 MR. GATTO: The whole idea of

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2 the VAP was to begin our process  
3 towards this new DSRIP reform. I  
4 understand but you're asking me to try  
5 to make you understand. The end date I  
6 knew. The end date was 3-31. I knew  
7 that.

8 MR. MIROTZNIK: What did you do  
9 on April 1st, following 3-31, what did  
10 you do with that information?

11 MR. COHN: We're talking about  
12 the financial. Wonderful program.  
13 We're talking dollars. You knew it  
14 ended on 3-31. April 1st you realized  
15 you were still incurring costs. Did  
16 you look to see where the money was  
17 coming from to pay those costs?

18 MR. GATTO: Yes.

19 MR. COHN: Where?

20 MR. GATTO: DSRIP dollars.

21 MR. COHN: So it wasn't coming  
22 from the grant anymore?

23 MR. GATTO: No.

24 MR. COHN: You knew that? That  
25 it wasn't coming from the grant

1 11-05-2015

2 anymore?

3 Did you know that it was coming  
4 from the hospital's revenue?

5 MR. GATTO: Whatever funds flow  
6 into the hospital from DSRIP to support  
7 Transitions of Care I did know that.

8 MR. COHN: When I asked you  
9 two, three weeks ago where the money  
10 came from you said from the grant. Mr.  
11 Maher said no, it came from the  
12 hospital. Why did you tell us it came  
13 from the grant?

14 MR. GATTO: Because based.  
15 Upon -- at the time the ramp up and  
16 what was discussed, the ramp up of the  
17 VAP grant and in particular Transitions  
18 of Care.

19 So there was a ramp up.

20 MR. MIROTZNIK: I have no idea  
21 what you just said. You're not going  
22 to win this.

23 MR. GATTO: I'm going to try to  
24 explain.

25 MR. MIROTZNIK: We don't need

1 11-05-2015

2 an explanation just an answer to the  
3 question. On 3-31, under your  
4 tutelage, you knew that 17 people were  
5 ceased being paid on payroll A,  
6 correct?

7 MR. GATTO: Yes.

8 MR. MIROTZNIK: Did you call  
9 John? Did you call Vic? Did you call  
10 Harold? What did you do?

11 MR. GATTO: We had these  
12 discussions.

13 MR. MIROTZNIK: Who's "we"?

14 MR. COHN: Who knew about the  
15 fact that now it wasn't coming from the  
16 grant money?

17 MR. GATTO: Finance department.

18 MR. MIROTZNIK: Who? We need  
19 names. Let me just say that everyone  
20 should know there is a resolution here.  
21 There's only one group of people that  
22 hire or fire people who are employed in  
23 this company for \$50,000 or more. Does  
24 everyone know this or is this a secret?

25 Okay. So, we can fire and we can

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2 hire.

3 With that being said, when we ask  
4 who we want a name. We don't want a  
5 finance department.

6 John, who's finance department?  
7 How many people?

8 MR. MAHER: Pretty close to 60.

9 MR. MIROTZNIK: You didn't  
10 speak to all 60 people, did you?

11 MR. GATTO: No.

12 MR. MIROTZNIK: Tell us who you  
13 spoke to.

14 MR. GATTO: At the time the VAP  
15 grant was ending --

16 MR. MIROTZNIK: Steve, we just  
17 want a name, right?

18 MR. COHN: I want to know who  
19 you told that the grant was over and  
20 we're keeping these people and they  
21 said fine, great idea, let's keep  
22 paying these people out of the  
23 hospital. Who did you speak to?

24 MR. GATTO: John Maher.

25 MR. COHN: He told you that



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2 that's okay, you can continue paying  
3 the money out of the hospital funds  
4 because both of you realized the grant  
5 money was gone?

6 MR. MIROTZNIK: Is that  
7 correct? Anyone have a pin in the room?  
8 Silence.

9 MR. GATTO: I will say yes.

10 MR. COHN: Tell us what  
11 happened. Don't say I'll say yes. Did  
12 you or did you not do it? Did you have  
13 that conversation?

14 MR. GATTO: We had the  
15 conversation with the expectation.  
16 that --

17 MR. MIROTZNIK: Wait. You're  
18 looking for them to tell you what to  
19 say?

20 MR. GATTO: No. I don't need  
21 anyone to tell me what to say. But I  
22 think it's important to understand --

23 MR. MIROTZNIK: Listen again.  
24 I can speak for myself. I don't need  
25 to understand anything. If I don't

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2 understand --

3 MR. GATTO: I had this  
4 discussion --

5 MR. MIROTZNIK: Hold on. You  
6 go. Let's switch seats. You can sit  
7 up here.

8 MR. GATTO: You don't need to  
9 be doing this. I'm trying to be  
10 respectful. This is not fair.

11 MR. COHN: We are trying to do  
12 the best job we can and we count on you  
13 and the other people in this room to  
14 give us this information. We just  
15 found out that the information we got a  
16 couple of weeks ago was false, and we  
17 found out that this hospital was paying  
18 out \$1.6 million that we had no idea  
19 was being paid by this hospital. So  
20 you have to understand that by not  
21 doing your job you're preventing us  
22 from doing our job. And if you knew  
23 that what you told me when I asked you  
24 was false that's even worse.

25 Now you're telling us that you

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2 talked to our finance department, one  
3 Mr. Maher in particular, and he  
4 understood that. That's what you're  
5 telling us. How do you think it makes  
6 us feel that the people that we rely on  
7 are not giving us accurate information?  
8 You don't have to answer that.

9 MR. ZYSMAN: Did you ever speak  
10 to Harold McDonald about this?

11 MR. MCDONALD: You want me to  
12 tell you --

13 MR. ZYSMAN: Did you ever speak  
14 to Harold McDonald about this?

15 MR. GATTO: We have discussed  
16 how DSRIP money was going to support --

17 MR. ZYSMAN: That's not what I  
18 asked you.

19 MR. GATTO: -- Transitions of  
20 Care.

21 MR. ZYSMAN: The conversation  
22 you had with Mr. Maher did you have the  
23 same conversation with Harold McDonald?  
24 Did Harold McDonald know you had that  
25 conversation with John Maher?

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2 MR. GATTO: I don't recollect.  
3 I really don't.

4 MR. ZYSMAN: Did you ever speak  
5 to our CEO, Dr. Politi, about it.

6 MR. GATTO: We had these  
7 conversations.

8 MR. ZYSMAN: Was he in  
9 agreement with your decision?

10 MR. GATTO: With the fact that  
11 it was going to be supported by DSRIP  
12 funds.

13 MR. ZYSMAN: Was he in  
14 agreement to continue with these people  
15 to be on the hospital -- the question  
16 that Mr. Cohn asked you before?

17 MR. GATTO: The answer is yes  
18 but there's a caveat here.

19 MR. ZYSMAN: When Mr. Cohn  
20 asked you the question, why did you say  
21 that John Maher was the person you  
22 spoke to. You had spoken Harold  
23 McDonald and Dr. Politi as well.

24 MR. GATTO: Whenever there is a  
25 finance issue we first start with John

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2 Maher.

3 MR. ZYSMAN: John Maher decides  
4 whether to -- John, do you decide if  
5 the grant worker continues to be  
6 working here?

7 MR. MAHER: Generally not.

8 MR. COHN: Thank you very much.

9 MR. MIROTZNIK: Mr. Deluca.

10 MR. DELUCA: There's a lot of  
11 talent in this room. There's a lot of  
12 people that know more than I know. I  
13 know enough to know if you don't have  
14 the coders here you can't bill  
15 properly. What Mr. Ciotti said is  
16 absolutely right. If you don't pay the  
17 right amount you don't get them. Is  
18 there anybody else in this building  
19 that we can use that's trained to do  
20 coders in the interim until we get  
21 them? I'm directing this to you Mr.  
22 Maher.

23 MR. MAHER: Not to my  
24 knowledge.

25 MR. DELUCA: I would make a

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2 suggestion and it's only a suggestion  
3 because I sit on this board, I'm not in  
4 operations and I only make a suggestion  
5 with the full respect to Dr. Politi  
6 because he's our CEO. I would make a  
7 suggestion that tomorrow, and Dr.  
8 Politi should make the decision,  
9 somebody, or more than one person,  
10 leaves this building and goes over to  
11 Mineola and they go see Carl Kamp and  
12 sit outside Carl Kamp, the Commissioner  
13 of Civil Service, until they get an  
14 appointment, with a letter from Dr.  
15 Politi saying this is an emergency and  
16 let Mr. Kamp figure out how we get  
17 appropriate coders. And if we have to  
18 raise the salary we raise the salary.  
19 You can't bill, and as you all know, I  
20 don't know this nearly as well as you  
21 do, if you don't bill in an appropriate  
22 time period you don't get the money.  
23 That would only be my suggestion and I  
24 think that's what you should look  
25 into.

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2 MR. MIROTZNIK: Mr. Ciotti, any  
3 comment?

4 MR. CIOTTI: I agree with Mr.  
5 Deluca. The only thing I will say is  
6 this. If in fact they have to all be  
7 same level of salary, to my knowledge,  
8 there's five plus three, there's eight  
9 people. The question becomes what are  
10 the salaries now and how much would  
11 their salaries go up if you hired  
12 people at the higher salary?

13 MR. COHN: I think you put that  
14 against how much more money you will be  
15 getting.

16 MR. DELUCA: I think you will  
17 find it will be worth raising their  
18 salary to keep and retain. Not only do  
19 you keep and retain them but you do a  
20 certain case mix here. Let me tell  
21 you, these people become accustomed to  
22 doing the coding. You don't want  
23 people circulating through. You want  
24 to have them. So, I don't know who is  
25 going to decide. If Maureen Roarty is

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2 the person.

3 MR. CIOTTI: The only other  
4 question I have is, with all the DC  
5 this and DC-10 and 11, do we have  
6 people being trained now for the  
7 coding?

8 MR. COHN: There are people not  
9 specific.

10 MR. CIOTTI: With the new  
11 programs?

12 MR. MAHER: No.

13 MR. CIOTTI: Are there new  
14 programs that we are going to need new  
15 training for?

16 MR. MAHER: What we are trying  
17 to do is with coders is training  
18 ICD-10.

19 MR. CIOTTI: This becomes  
20 important because timing becomes  
21 important. ICD-10 are they being  
22 trained now?

23 MR. MAHER: Yes.

24 MR. CIOTTI: How long have they  
25 been training?



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2 MR. MAHER: They started  
3 training on ICD-10 last January. It's  
4 ongoing.

5 MR. CIOTTI: It's ongoing.  
6 Because the new people coming in are  
7 also going to have to be trained  
8 unless they have been trained already  
9 somewhere else.

10 MR. MAHER: That's correct.

11 MR. CIOTTI: That's what you  
12 are going to be looking for.

13 MR. DELUCA: Great point.

14 MR. MIROTZNIK: Who is going to  
15 report back to us on November 23rd with  
16 regard to that issue?

17 MR. MAHER: I will.

18 MR. MIROTZNIK: Mr. Maher will  
19 report back with regard to the coding  
20 issues.

21 MR. ZYSMAN: I just want the  
22 record to reflect that I just looked up  
23 on the NUMC website Mr. Gatto is listed  
24 as a vice-president on the website of  
25 this corporation.

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2 MR. MIROTZNIK: Mr. Gatto you  
3 are employed by NUMC? NuHealth?

4 MR. GATTO: Employed by PEO.

5 MR. MIROTZNIK: Your paychecks  
6 come from who?

7 MR. GATTO: Foundation.

8 MR. ZYSMAN: Is the website  
9 inaccurate?

10 MR. MAHER: The foundation is  
11 funded by the hospital.

12 MR. ZYSMAN: Is the website  
13 inaccurate?

14 MR. GATTO: I can't tell you.  
15 As far as I'm concerned I'm a vice  
16 president and it reflects that.

17 MR. ZYSMAN: I said is the  
18 website inaccurate?

19 MR. CIOTTI: What does the  
20 website say?

21 MR. ZYSMAN: It lists you as  
22 the following vice presidents. Farooq  
23 Ajmal, Michael Ferrandino, Michael  
24 Gatto, Kevin Mannie, Maureen Shannon,  
25 Timothy Sullivan, Laurie Ward.

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2 MR. CIOTTI: Under what  
3 category?

4 MR. ZYSMAN: Vice presidents  
5 under executive staff of this hospital.  
6 Is there anybody on that list other  
7 than Mr. Gatto that would fit into the  
8 foundation as he says? Dr. Politi?

9 DR. POLITI: I think Mr. Gatto  
10 is the only one on the foundation.

11 MR. ZYSMAN: Why isn't he on  
12 the foundation website? Why is he on  
13 the NuHealth website as a  
14 vice-president if he's not a  
15 vice-president?

16 DR. POLITI: I don't know.

17 MR. ZYSMAN: He should be  
18 removed?

19 DR. POLITI: I will look into  
20 that.

21 MR. MIROTZNIK: Report back to  
22 us on the 23rd.

23 Mr. Cohn.

24 MR. COHN: Let me say I been on  
25 the board for a number of years and if

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2 you haven't gathered by now I think I  
3 and the rest of the board is really  
4 tired of people coming in here ill  
5 prepared, not knowing what information  
6 they should know to come before this  
7 board. Coming to this board at the  
8 last minute or past the last minute.  
9 Doing or not bringing to our attention  
10 matters that should be brought to our  
11 attention. I think I speak for the  
12 rest of the board, but irrelevant to  
13 that, irrespective to that, I speak for  
14 myself, I'm not tolerating it anymore.  
15 I will put everybody on notice. If you  
16 appear before this board at any time  
17 and you are not 100 percent sure of  
18 what you are telling us it's really not  
19 going to go very well. It's not going  
20 to be tolerated. It's not going to be  
21 accepted.

22 And as Mr. Mirotznik said, we  
23 really are -- Dr. Politi is in charge  
24 of this hospital, he runs the hospital,  
25 we absolutely acquiesce to his

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2 authority, but at the end of the day  
3 it's this board that you answer to. We  
4 have a fiduciary obligation to this  
5 hospital and we are going to  
6 dedicatedly adhere to that fiduciary  
7 obligation.

8 So, don't think anymore that the  
9 way this board's relationship with this  
10 hospital was yesterday is going to  
11 continue tomorrow. It's not. I  
12 promise you. If I do it  
13 single-handedly it's not going to do  
14 it. I have a feeling my other board  
15 members after this day I'm not going to  
16 do it single-handedly. Everybody I  
17 think is on board with it. If you come  
18 here, if you are not prepared, I would  
19 strongly urge you not to enter that  
20 door because it's not going to happen  
21 anymore. This hospital is going to be  
22 treated like a business that it is. If  
23 you have any objections to that please  
24 let us know. Thank you.

25 MR. MIROTZNIK: On that note I

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2 would like to thank the members of my  
3 board that came here at 2:30 already.  
4 You've given half a day of free time.  
5 Those who showed up at the institution  
6 at 2:30 thank you. Those that showed  
7 up a little after three thank you very  
8 much.

9 Ms. Reed, did you want the last  
10 word?

11 MS. REED: No.

12 MR. MIROTZNIK: Those of you  
13 that will not be here November 23rd for  
14 the four o'clock board meeting and  
15 celebrating the holidays enjoy the  
16 turkey and be safe. I look to see  
17 everybody.

18 MR. DELUCA: Can I make a  
19 request if it's already all right with  
20 Dr. Politi? At the next board meeting  
21 can Maureen Roarty, who is the vice  
22 president of Human Resources, can she  
23 be here for these board meetings? Are  
24 you okay with that?

25 DR. POLITI: Absolutely. She

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2 was here. She just left. She's  
3 actually on the way up.

4 MS. REED: Reiterating what  
5 Steve said, any person that is normally  
6 at these meetings who is not here  
7 tonight, I think Dr. Politi needs to  
8 speak with them either personally or  
9 sending them a memo so that they  
10 understand the same applies for them  
11 whether they were here tonight or not  
12 to hear it. Because you have other  
13 departments that come here every  
14 month for these meetings and for  
15 contracts who are not here tonight for  
16 some reason and they need to be made  
17 aware of it. Going forward for the  
18 next meeting they are very well aware  
19 of it.

20 Dr. Politi if you could get the  
21 message to them.

22 MR. MIROTZNIK: Any other  
23 comments or concerns?

24 MR. DELUCA: One last.

25 Mr. Rizzo, I was fortunate to sit

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2 in on his quality management, risk  
3 management meeting and it's really run  
4 very, very well. And we've made some  
5 changes with his agreement and  
6 Dr. Scarmato's agreement. We are going  
7 to include all the chairpersons of each  
8 clinical department in the Risk  
9 Management Committee so maybe we can  
10 brainstorm and get more solutions and  
11 there's a better communication.

12 Is there anything you wanted to  
13 say about that?

14 MR. RIZZO: It was your  
15 suggestion. I want to thank you.

16 MR. CIOTTI: You're not  
17 involved in operations?

18 MR. DELUCA: Not at all.

19 MR. CIOTTI: You just sat in as  
20 an observer of that meeting, correct?

21 MR. DELUCA: Yes.

22 MR. RIZZO: I want to thank you  
23 for your suggestions.

24 MR. COHN: I make a motion to  
25 close the session.



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2 MR. MIROTZNIK: All in favor?

3 Unanimous. Thank you.

4 (TIME NOTED: 6:30 P.M.)

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CERTIFICATION

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8

I, FRANK GRAY, a Notary

9

Public in and for the State of New

10

York, do hereby certify:

11

THAT the foregoing is a true and

12

accurate transcript of my stenographic

13

notes.

14

IN WITNESS WHEREOF, I have

15

hereunto set my hand this 16th day of

16

November 2015.

17

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21

FRANK GRAY

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