

MINUTES OF THE PUBLIC SESSION OF THE NUHEALTH BOARD OF DIRECTORS' MEETING  
HELD ON MAY 2, 2011

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Directors Present

\* Craig Vincent Rizzo, Esq., Chair  
Stephen A. Antaki, CPA  
Stephen H. Ashinoff, OD  
\*Richard A. Bianculli  
\*Steven Cohn, Esq.  
\*Neal S. Kaplan, Esq.  
\*John T. McCann, PhD  
\*George W. Miner, MD, MBA  
Asif M. Rehman, MD  
\*Frank J. Saracino, EdD  
\*David J. Sussman, MD

Non-Voting Directors Present

Arthur A. Gianelli, President/CEO  
Louisa Mae Fennell  
Tierre Jeanne-Porter, Esq.

Hospital Administration

Richard Perrotti, Acting EVP/CFO  
Reginald Bullock, Esq., General Counsel  
Robert S. Heatley, EVP for Business Development and  
Ambulatory Services  
Kathy Skarka, EVP for Patient Care Services  
Steven J. Walerstein, MD, FACP, SVP Medical Affairs  
Joan A. Soffel, Assistant to the Board/CEO

Not Present

Joseph Capobianco, Esq.  
\*Lawrence E. Elovich, Esq.  
Jemma Marie-Hanson, RN  
\*Greg-Patric Martello, Esq.

\*Executive Committee Members

1. Craig Vincent Rizzo, Chair, Board of Directors of the Nassau Health Care Corporation, noted the presence of a quorum. The meeting was opened at 9:10 a.m.
2. **Adoption of Minutes.** Upon a motion made and duly seconded, the November 22, 2010 minutes of the Board of Directors, Executive Committees of December 15, 2010, February 16, 2011 and March 30, 2011 meetings were unanimously approved.
3. **Report of the Chairman.** Mr. Rizzo, Chair of the Board of Directors, noted that there have been numerous Executive Committee meetings and subcommittees of the Board over the past six months. Mr. Rizzo thanked the board members for the time they spent reading memos and documents and time allotted for meetings. Mr. Rizzo welcomed Jerry Laricchiuta, CSEA and Alan Zuckerman, Health Strategies Solutions. Mr. Rizzo introduced new members of the Board: Dr. John McCann, clinical forensic psychologist who has a practice in Valley Stream and has been appointed to various committees of the Board including the Executive Committee; Dr. David Sussman, an Urologist in the Five Towns area, who sits on the Board of Education in Lawrence for sixteen years, a former president of the medical staff at Brooklyn Hospital and has been appointed to the Ambulatory Care Committee and Executive Committee; and Richard Bianculli, a vice president for OTB, member of the Nassau County Board of Assessors, Executive Commissioner of the Dept. of Real Estate and has been appointed to various committees of the Board including the Executive Committee.

Mr. Rizzo said there are a lot of issues and a lot of great things happening in the hospital such as the ribbon cutting opening of the Veterans' clinics attended by members of the Nassau County Legislature, County Executive and Board members. It was a wonderful day, and our Veterans have Mr. Gianelli and the hospital to thank. We are in the process of opening up our ER, a \$35 million project; it is scheduled to open at the end of May. Recently the DOH approved the ER project and we are going forward thanks to Michael Ade, Arthur Gianelli and others. There are great things going on and there are some issues with respect to finances.

4. **Report of the President/CEO.** Mr. Gianelli welcomed the new Board members. As an American, he felt that it was a pretty good day yesterday and congratulated the Navy Seals for doing what we tried to do for a long time in capturing and killing Osama Bin Laden.

NUMC has been providing jail services for 60 years. Historically in the relationship between NuHealth and the County, NuHealth would be paid for the cost of providing care. Historically, the County provided administrative fees and a little additional money to make the business line profitable. That changed with the Successor Agreement in 2007; in 2010 the profit margin essentially was eliminated, doing the service at cost with a vulnerable malpractice liability. The County was undergoing financial challenges and several years ago spoke with an outside vendor, Armor, who indicated that it can provide prison health at \$4.5-6 million less than NuHealth. Notwithstanding the fact that NuHealth does not make money on it, administration tried to do whatever it could to reduce our costs consistent with providing quality care. We felt we could eliminate \$1.5 million in cost; beyond that Mr. Gianelli was extremely concerned with additional costs for staffing at the jail that could result in potentially unsafe conditions. The County appears to be on trajectory to outsource prison health. Armor needs more time to do this. They were originally looking at May and are now looking at June. To the extent that we will have to let go individuals who work at the jail, some we will look to replace in the organization and then undertake a layoff. Termination of positions will result in bumping and retrieving by seniority. NuHealth has presented the layoff list to Civil Service, and has not received it back. NuHealth will work with the County for a smooth transition.

Mr. Gianelli discussed the potential cuts to Medicaid. A team working the Governor came up with a strategy to eliminate trend factors and implement a 2% cut and create a global cap for Medicaid of an increase of 4%. To the extent costs exceed that cap, the State is empowered to reduce reimbursement for providers across the board. It is a significant risk for NuHealth as well as every other hospital. The budget cut at NUMC is \$3 million that is offset with DSH payments increased to \$1.6 million. We were able to secure that through Ropes and Gray to get language inserted in the post supplemental Medicaid provider payments from Medicaid to either Medicare or commercial rates which ever is greater. If costs of the entire Medicaid payments go up we run a risk. The AHP budget cuts are approximately \$1.8 million and we are not quite in the position to talk about them. Rebasings for the initial base year was significant for the Corporation—\$11 million on an annual basis. That was mitigated in the budget process. Regional pricing would have been a hit of \$8-9 million. The shift from regional pricing to state wide pricing appears to be materially better for us. We do not know what the sizing of upper limit payments to public nursing homes will be. Upper limit payments limits federal supplement payments that are sized according to your cost reports and the losses that would be incurred. Bottom line preliminary 2010 budget showed a \$10 million loss on an operations budget of \$550 million. We think those changes at the nursing home are material and the effect could be favorable, possibly significant. NuHealth is focusing on managed care. NuHealth is part owner of HealthFirst. On every line of business HealthFirst enrollment through NuHealth went up significantly. For 2011 we are trending \$8-10 million loss. Expenses are a bit off with the FTE count. The budget does not include benefit from the ER or assume any additional benefit from the increase in rate at the FQHCs (\$600 thousand to the bottom line). The first quarter 2011 compared to 2010 over all discharges, for the first time since Mr. Gianelli has been here, we are leading the pack. You get paid on your discharges and they are up 7.1% (396 discharges). The bottom line is that we are driving the admissions and discharges through the hospital without the opening of the ER. Psychiatry, PM&R, OB and Pediatrics are flat. We are looking at a 12.96% increase in medical surgery over the first quarter and again leading the pack in Nassau County. What's driving this, Mr. Gianelli believes the hospice program is driving the increase with 24/7 attending coverage on the medical surgical floors

and increasing billing opportunity, dramatically dropping length of stay, with an increase in RVU and payment collections.

Quality at the hospital has improved with a significant decline in mortality, AMI, CHF, pneumonia. Central line associated blood stream infections were dramatically reduced which is very important for centers of excellence: bariatrics, burn center and hyperbarics.

The modernization plan has progressed over the last several years thanks to funds from NYS, the County and non-profit funding. Ongoing projects include PM&R, signage, ICU's, eye center, psychiatry and cath labs.

The costs of Medicare/Medicaid are reimbursed less than commercial. Most commercial plans are going to be 120% of Medicare that is significant under payment by each of those payers. NuHealth will inventory every contract with every plan we have, update the charge master, send letters to payers stating that we want to negotiate and send notice of termination, and model the ideal contract. NuHealth will commence negotiations with small payers as a take it or leave it. Even if every payer reimbursed at the Medicare rate, this would result in an additional \$14 million to the bottom line.

On May 23, 2011 NuHealth will have a grand opening of the ER (around 6:00 p.m.). Invitations will be sent out, attendance is by invitation only. Board members will be receiving invitations soon. NuHealth is also running strategic conversation series on various topics and will try to make them convenient for Board members so that Board representation will be present at those meetings. It is impossible to cover everything at Board meetings and this will assist in keeping the members in the know.

Mr. Gianelli congratulated Ronald Tomo on receiving a national HAM operator award. He was instrumental in saving lives on Haiti and is a very special person and represents the institution well.

Mr. Rizzo, Chair of the Executive Committee reported that the committee met on December 15, 2010, February 16, 2011 and March 30, 2011. The following resolutions were approved:

**Revenue Anticipation Note. Upon a motion made, seconded and unanimously approved, the Executive Committee of the Board of Directors adopted the Resolution Authorizing the Issuance of Revenue Anticipation Notes in an Amount not to Exceed \$65,000,000.00. Resolution No. 031-2011. (Approved on February 16, 2011).**

**Medical and Professional Affairs Committee. Upon a motion made, duly seconded and unanimously approved, the Board of Directors approved the attached recommendations made by the Credentials Committee for appointments to the Medical and Dental Staff to the Executive Committee of the Medical Staff at their meeting held on March 1, 2011. Resolution No. 045-2011. (Approved on March 30, 2011).**

- Report of the Medical Professional Affairs Committee and Medical Director. Dr. Miner reported that the Medical and Professional Affairs Committee has not met since January due to major holidays. The next meeting is scheduled for May 16, 2011 at 5:00 p.m. in the Board Room. There are new enhanced report requirements regarding patient safety, quality and care issues that are mandated by a number of parties. Dr. Miner will be bringing more information to the Board starting with the next Board meeting in order to educate the Board with an overview of what Board members are accountable for and to whom they are accountable. There are a number of other important issues such as core data, key stats, doing our mission better, AMI, stroke and pneumonia outcomes.**

Included in the Board packets was a list of candidates for credentialing. All of these people have been vetted by the medical staff, credentials checked, interviewed and approved by the Medical Board and brought to the Board for final approval. **Upon a motion made, duly seconded and unanimously approved, the Board of Directors approved the attached recommendations made by the Credentials Committee for appointments to the Medical and Dental Staff to the Executive Committee of the Medical Staff at their meeting held on May 2, 2011. Resolution No. 046-2011.**

There are also three sets of medical board minutes included in the packet. If there are any questions, they will be discussed in Executive Session since they are privileged. Dr. Miner noted that the Board hears much about financials and should also hear about the quality good or bad.

Dr. Walerstein said that if any members of the Board have questions regarding the minutes included in the Board packet to give him a call. There are some new policies regarding patient safety, blood stream infections, etc. Also NuHealth will be phasing out two residency programs—Anesthesiology, Pathology and Family Practice. The new Amphitheatre is open and now they will begin working on the new library.

6. **Report of the Finance Committee.** Mr. Rizzo noted that Mr. Elovich was not feeling well. The committee met on December 9, 2010, February 16 and March 30, 2011. **Upon a motion made, duly seconded and unanimously approved, the Board of Directors unanimously adopted the Resolution Approving Finance Committee Recommendations, dated December 9, 2010, February 16 and March 30, 2011, as set forth in the attached. Master Resolutions M-285- 2010, M-030-2011 and M-44-2011.**

Mr. Perrotti, acting CFO, reported that the first quarter figures are subject to change for the better as finance impacts the results from the recently enacted NYS Budget. Specifically, as related to AHP, the enacted budget adjusted the impact of the rebasing rates which gave some relief to the public nursing homes. We are in the process of finalizing the impacts on our estimates as related to 2010 and will flush through the impact on 2011 for the April Statements. For the quarter ended March 31, 2011, the Corporation, on \$135.2 million of revenue is unfavorable to budget by \$638,000. Through the first quarter, The Family Health Centers are unfavorable to budget by \$206,000. Expenses are unfavorable to budget while volumes are running favorable to budget. A Holly Patterson is essentially right on Budget and NUMC is running unfavorable to budget by approximately \$437,000 with the main issue being an unfavorable salary variance. Overtime initiatives effective May 1, 2011 have been put in effect to bring the salary expense back in line with budget. Other issues: The delayed 2009 and 2010 Nursing Home IGT payment currently estimated to be approximately \$15.2 – 16.9 million (Federal Share) are currently being finalized by NYS and are expected on or before June 30<sup>th</sup> 2011.

Dr. Sussman noted that Family Health Centers are unfavorable to budget. Are we going to be able to back bill with the new rate those visits and turn that into favorable. Mr. Perrotti said that the rate enhancement was included in the budget.

Mr. Rizzo noted that the Procurement Policy would be discussed in Executive Session.

7. **Report of the Ambulatory Care, Managed Care and Community Physician Committee.** Dr. Sussman, Chair of the committee, reported that a meeting of the committee will be scheduled within the next week or two.
8. **Report of the Extended Care and Assisted Living Facility Committee.** Mr. Saracino, Chair of the committee, reported that he had attempted to schedule a meeting about ten

days ago; there was some difficulty in setting that up. He will schedule a meeting as soon as finance receives information from the State and knows what course should be followed regarding rebasing. It was previously mentioned that the figures have gone from unfavorable to a favorable posture and he is cautiously optimistic.

Mr. Gianelli noted that the nursing home has been very favorable to the bottom line for the last several years making a dramatic turnaround in quality and financials. The two big things moving are rebasing and regional pricing. The aggregate effect changes would have been impossible to stay in the nursing home business. It looks like in both instances, changes are materially better since the regional pricing was replaced by state-wide pricing. It is no where near the effect that regional pricing would have had. We are at the mercy of the State. The other piece is the upper payment limit payment. We are owed from 2009 and 2011 millions of dollars and because the sizing of the upper payment is dependent upon a rebasing policy, the State is in the process working through financial calculations. It is vague; we don't have a lot of information from the State, but should know pretty soon. In order for them to get this payment made by June they need to put a series of processes in motion.

9. **Report of the Facilities and Real Estate Development Committee.** Mr. Bianculli, Chair of the committee, reported that the committee met on April 26, 2011. At that meeting Mr. Slatky made a presentation on stackers to resolve the situation with the parking garage which the Corporation will be unable to use on July 1, 2011. Mr. Slatky and Mr. Ade explained the use of stackers for parking and will try to move up delivery earlier than July 1, 2011 before the garage is closed. The price is \$855,500. They decided that the stackers would be located in the visitors' parking lot. Hopefully the demolition of the garage will begin within the next nine months.
10. **Report of the Legal, Audit and Governance Committee.** Stephen Antaki, CPA, Chair of the committee, reported that the committee met on April 28, 2011. There were a variety of topics; a follow up meeting will be scheduled to discuss the independent auditor's financial statements, the NuHealth Foundation and response to the County Comptroller's report.
11. **Other Business.**

Mr. Bullock reported that an extension of the existing affiliation with North Shore/LIJ is required. The affiliation agreement was signed in 2005 and expired last year, he is requesting an extension of one year pending internal determination regarding renewal, those deliberations have not been completed yet. Mr. Rizzo asked to include "under the same terms and conditions". **Upon a motion made, duly seconded and unanimously approved, the Board of Directors unanimously adopted the Resolution to approve an additional one-year extension of the existing Affiliation Agreement, so as to facilitate the completion of the due diligence process and a decision from the Board of Directors on whether to negotiate and complete the Master Affiliation Agreement with NSLIJ under the same terms and conditions. Resolution No. 047-2011.**

**Subcommittee on Clinical Integration.** Mr. Rizzo, chairman of the Committee, said that the Board undertook their due diligence and retained a consultant, Alan Zuckerman, Health Strategies and Solutions, who has been interviewing everyone and going through financials to ascertain what is the best thing for the hospital. Mr. Zuckerman was chosen by the Subcommittee on Clinical Integration through an RFP and has done an excellent job in getting information with support of management. Moving forward, a final draft report was circulated to members and the County, and getting back responses from the County. The Board will listen to his presentation and recommendations in Executive Session. After the presentation, the Board will make a decision on the next steps.

12. Public session. Mr. Rizzo opened the meeting for public comment. Jerry Laricchiuta said that the Corporation had a daunting task ahead of it. It is a difficult operation not only because it is a public entity, but because of what is going on in Albany. He noted that we all have our difficulties and need to talk about those difficulties with the Union. Not everything is on the Corporation side; equally important is what is going on within the walls of this institution. Most recently, Mr. Laricchiuta was very shocked regarding the jail. NuHealth has been servicing the jail, clinical, OR and ER over 65 years, servicing the inmates at the Nassau County Correctional Center. That is no longer happening, what is most disturbing is that we forget what our mission is, we are a public hospital with a public mission who have a history here with AHP, our public nursing home and the Nassau County Correctional Center. This hospital since inception was responsible to service both of those entities and it now sounds like will may lose them under your purview. Mr. Laricchiuta did not understand, the last public meeting was in October over six months, with all going around in Albany and Nassau County, the take over by NIFA, the new Governor Cuomo, the infliction of huge costs on all health care agencies. The Union has offered the CEO a deal to help this hospital in years to come. He was asking that administration and the Board help work with the Union for the future of this hospital that is in jeopardy. There is also a human side. The ER is the largest ER in the northeast and is extremely impressive and gorgeous, how are you going to staff that ER. If it opened today, do we have nursing staff? NUMC is the only hospital who does not have 12 hour tours. There are two ways get that done, one is working with the Union regarding proper tours, or the other is to deal with legal ramifications. It is a shame because this Board should be keeping administration in checks and balances. The Union meets with Maureen Roarty and Mr. Gianelli, people think we enjoy fighting; we are trying to help stabilize the hospital, work with Nassau County residents to build up census and discharges. There is no cafeteria to eat in for over two and a half years. We used to have a huge room where members employees, doctors, nurses would go to get away from the mission for a while, not just a place to eat, but a place to gather and trade thoughts. We need a collective bargaining agreement and we have offered a collective bargaining agreement that in the past would never have offered, that is extremely lean, with concessions and multiple zeros with no raises. We are also very concerned and need answers from the CEO and Board regarding the Nassau County Comptroller's report that came out with damning information, we have not heard back from anyone. There are millions of taxpayer's dollars being wasted and it falls right here. You are in charge of finding out why that happened and we are aware of it. I also remind you that the morale in this hospital is the lowest ever since I have been here, you must see the human side, you cannot build on a shaky foundation, and you must first get your house in order before you affiliate with anyone or expand.

Mr. Rizzo thanked Mr. Laricchiuta for his comments and noted that they are taken seriously. Mr. Gianelli said that he agrees with Mr. Laricchiuta and that they have had good fights and he respects Jerry and the great work his Union is trying to do. Mr. Gianelli said the Board should know that he and the Union met regarding the nursing stipulation and language of that agreement and by the end of the week that should be done. Regarding the bargaining agreement, Mr. Gianelli needs to balance that out to make sure the Corporation survives, it is not a tax entity. Regarding the Comptroller's report some of those figures are grossly inaccurate, the other findings we can deal with. Mr. Gianelli felt that the leadership and the Union have improved relationships over the last few months.

13. Adjournment

Upon a motion, duly made and unanimously approved, the meeting was adjourned at 10:05 a.m. to Executive Session to discuss governance, performance improvement, collective bargaining, personnel matters, contract negotiations and litigation.

14. Report from Executive Session. Upon return to Public Session, the Board reported that the following actions were taken:

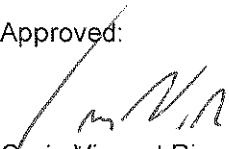
**A motion was made, duly seconded and unanimously adopted to implement the recommendations of the consultant, specifically with respect to retaining outside, independent counsel as lead negotiator with Reginald Bullock at the table and Arthur Gianelli having minimal input as needed on the outside and to further accept and follow the remainder of the recommendations provided in the consultants report. Resolution No. 048-2011.**

**A motion was made, duly seconded and unanimously adopted to accept and approve the revised Procurement Policy. Resolution No. 284-2010.**

**A motion was made, duly seconded and adopted to retain Ashley Fischer as lead negotiator for the NuHealth/North Shore/LIJ clinical affiliation negotiations with three opposed, preferring an RFP (Craig Vincent Rizzo, Richard Bianculli and David J. Sussman). Resolution No. 049-2011.**

15. Close of Regular Meeting. Craig Vincent Rizzo, Chair, closed the meeting at 12:15 p.m.
16. The next regularly scheduled meeting is in the Auditorium.

Approved:

  
Craig Vincent Rizzo, Chair  
Board of Directors  
NuHealth

NUHEALTH  
BOARD OF DIRECTORS

RESOLUTION APPROVING FINANCE COMMITTEE RECOMMENDATIONS

Resolution No. M-44-2011

March 30, 2011

WHEREAS, by Resolution (No. 023-2007) of the Board of Directors of the NuHealth System, 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 **March 30, 2011** (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 EXECUTIVE COMMITTEE OF THE Board of Directors of the NuHealth System hereby approves and adopts the resolutions recommended by its Finance Committee as set forth in the attached Schedule, **the exception of Loeb and Troper and Barnett Edelstein Gross Kass & Lieber, Mr. Rizzo abstained.**

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NUHEALTH  
FINANCE AND CONTRACT COMMITTEE  
March 30, 2011  
CONTRACTS EXHIBIT

Motions and Resolutions Requiring Action by the Board of Directors

\*RSM McGladrey. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with RSM McGladrey, regulatory consultants for the Community Health Centers-FQHC project for a total amount of \$219,605 (no additional monies needed. Current contract expired 12/31/10, to be extended to 12/31/11. Resolution No. 032-2011.

\*O'Connell and Aronowitz. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with O'Connell and Aronowitz to prepare response to draft audit report issued by Office of the Medical Inspector General in conjunction with on going litigation with respect to AHP's 2008 PRI submission. Current contract is \$10,000 (no additional monies required). Current contract expires 2/25/11, to be extended to 12/31/12. Resolution No. 033-2011.

\*Total Orthopedics & Sports Medicine LLP. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with Total Orthopedics & Sports Medicine LLP to provide orthopedic clinical services to NHCC patients. Provides on-site physician coverage for total of 105 hours per week (equivalent of 3 FTE) for 40 weeks and 70 hours per week (equivalent of 2 FTE) for the remaining 12 weeks to accommodate vacations. Also provides one on-call physician for 24 hour/365 days a year. Charles Ruotolo will continue to serve as department chair. Also will be responsible for overall administrative and supervisory functions of department in an amount not to exceed \$238,250 for a 90-day extension. The current contract expires 3/31/11, to be extended to 6/30/11. Resolution No. 034-2011.

\*Ropes & Gray. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with Ropes & Gray to provide legal services in connection with NHCC's inter-governmental transfer payment structure in an amount not to exceed \$470 to \$650 per hour for a total of \$50,000. Contract expires 12/31/10, renewal for the term 01/01/11-12/31/11. Resolution No. 035-2011.

\*Walgreen Co. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Walgreen Co. to provide comprehensive pharmacy services and dispensing of 340B drugs to eligible patients. Provide 340B management services to NHCC outpatient programs and FQHC Health Centers including ordering 340B drugs from suppliers on behalf of health centers, tracking 340B drugs and providing billing and collection services for 340B drugs in an amount not to

exceed \$12,000 per year, for a 2-year total of \$24,000. The anticipated start date is 04/01/11 and the length of the contract is 2 years. Resolution No. 036-2011.

\*Barnett Edelstein Gross Kass & Lieber. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and approved with one abstention (Craig Rizzo), the Finance Committee recommends Board approval of a contract with Barnett Edelstein Gross Kass & Lieber to provide medical malpractice and general liability claims management and consulting services (third party administrator for NHCC) includes two full time nurse investigators on site four days a week in an amount not to exceed \$2,373,274 for a five-year period for the term 01/01/11-12/31/15. Resolution No. 037-2011.

\*Honey Advertising. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with Honey Advertising to provide marketing and media advertising for Family Planning. Firm will assist in developing a marketing plan to promote emergency contraception as part of the special award recently received from NYSDOH in an amount not to exceed \$15,000 per year (Family Planning Grant). Contract expired 12/31/10. The renewal is for an additional year for a term of 01/01/11-12/31/11. Resolution No. 038-2011.

\*Kinloch Consulting. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with Kinloch Consulting the current broker of record for all health insurance plans and consulting group assisting with analysis and implementation of self-funded health insurance option. The current contract amount is \$100,000 of which \$58,823 has been spent; there is a budgeted additional cost of \$100,000 for the extension. Contract extended to expire 03/31/12. Resolution No. 039-2011.

\*Sanna Mattson McLeaod. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a current contract with Sanna Mattson McLeaod to provide layout and design structure for classified advertising in an amount not to exceed \$112,000 per year (20% reduction in budget) for a one year period for a total of \$112,000. Contract extended for an additional year to expire 03/14/12. Resolution No. 040-2011.

\*TeleHealth Services. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with TeleHealth Services to provide television and phone services to lobbies, waiting rooms and patient rooms throughout the DCB. Amendment to current contract to reduce the guaranteed amount, which reduces the exposure/risk to NHCC for monthly payments in an amount not to exceed \$28,800 per year for a six-year total of \$172,800 for the term of 07/01/10-06/30/16. Resolution No. 041-2011.

\*VHB Engineering (formerly Saccardi & Schiff). [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment and renewal of a current contract with VHB Engineering (formerly Saccardi & Schiff) to add services required under the Uniondale Land Use Planning contract

entailing the final EIS, Environmental findings, SEQR Notices, meetings, production and distribution, and miscellaneous services i.e. selection of developers, negotiations and subdivisions for an additional amount not to exceed \$80,000 to current contract (total contract maximum \$454,175 plus \$80,000 for \$534,175) the contract expired 12/31/10 and will be renewed for an additional one year for the term of 01/01/11-12/31/12. Resolution No. 042-2011.

\*Loeb & Troper. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and approved with one abstention (Craig Rizzo), the Finance Committee recommends Board approval of an amendment and extension of a current contract with Loeb & Troper to provide ongoing assistance with filing of an amended CON for A. Holly Patterson as well as consulting services to provide a feasibility study as part of the CON for an additional \$100,000 (total contract maximum is \$550,000). The contract expired on 12/31/10, extension is for one year for the term of 01/01/11-12/31/11. Resolution No. 043-2011.

\*CB Richard Ellis. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends tabling the CB Richard Ellis contract for 30 days. Tabled.

#### Informational.

Nassau County Dept. of Fire Commission. NHCC provides occupational health and OSHA mandated physicals for employees at Fire Commission. Amendment to add additional employees physical exams for an additional \$6,000. Original contract for \$56,000, revenue generating for the term 01/01/10-12/31/10.

Nassau County Dept. of Fire Commission. NHCC provides occupational health and OSHA mandated physicals for employees at Fire Commission. Renewal for 2011. In an amount of \$59,000 per year (revenue generating) for the term 01/01/11-12/31/11.

NY State Dept. of Health. This is the 4<sup>th</sup> year of a five-year contract for cancer screening grant from DOH. Provides screening and follow up to uninsured clients. Also provides data collection and input, case management, and outreach and recruitment, nursing follow up coordination in an amount not to exceed \$268,791.00 (grant funded) for the term 04/01/11-03/31/12.

Health Research Inc. (HRI). Amendment to NYS DOH subcontractor grant which provides cancer services program to screen woman for breast and cervical cancer. Current contract amount is \$252,166. Amendment to add monies which will bring the total amount to \$284,402 – grant funded for the term 06/30/10-06/29/11.

#### For approval by the CEO.

Proskauer Rose LLP. As legal counsel for NYS Medicaid Article 78 Appeal. Vendor selected in conjunction with Deloitte to pursue the appeal matter with NYS for NHCC for a retainer fee of \$5,000 with 20% contingency of recovered funds for the term 11/09/10 until open ended until litigation is completed.

Hispanic Foodways. Provides presentations for Minority Health Institute at NHCC as a certified diabetes educator registered dietician with knowledge and experience in

Latino culture and eating habits in an amount not to exceed \$400 per presentation, not to exceed \$3,000 for the term 02/16/11-07/15/11.

Jules M. Ranz, MD. Speaker at upcoming IHE Conference in April in an amount not to exceed \$1,000 for the date 04/20/11 (date of the conference).

**Extensions not Requiring Additional Funds**

None.

**Notice of Procurement Transactions Concluded Pursuant to Authority Delegated by Board of Directors to President (or Designee) and Required to be Reported.**

None.

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\*Requires approval of the Board of Directors

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

NUHEALTH  
BOARD OF DIRECTORS

RESOLUTION APPROVING FINANCE COMMITTEE RECOMMENDATIONS .

Resolution No. M-030-2011

February 16, 2011

WHEREAS, by Resolution (No. 023-2007) of the Board of Directors of the NuHealth System, 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 **February 16, 2011** (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 EXECUTIVE COMMITTEE OF THE Board of Directors of the NuHealth System hereby approves and adopts the resolutions recommended by its Finance Committee as set forth in the attached Schedule.

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NUHEALTH  
FINANCE AND CONTRACT COMMITTEE  
February 16, 2011  
CONTRACTS EXHIBIT

Motions and Resolutions Requiring Action by the Board of Directors

\*North Shore-LIJ Health System (Affiliation). [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with North Shore-LIJ Health System (Cardiology Rider) to provide cardiology services at NHCC. The amendment increases from 1 part-time to 1 full-time employee, staff EP physician. Dr. Alex Vidal will replace Dr. Bernstein. Also included is 1 full-time staff physician, Dr. S. Cavaleri (salary base plus benefits) in an amount not to exceed for each physician \$300,000 plus benefits for a total of \$1,550,891 for 2011 and salary for 2012 (6 months) for each physician \$320,000 plus benefits (annualized) for a total of \$801,909 (for six months in 2011) for the term of 18 months 01/01/11-06/30/12. Resolution No. 001-2011.

\*Press Ganey. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with Press Ganey to include patient satisfaction survey services and funds for the six-month term of 06/01/10-12/31/10, this is being done so that contract coincides with the actual expiration of 12/31/10, which was designated in amendment written to include employee satisfaction surveys in an amount not to exceed \$100,000 for the six-month period for the term 06/01/10-12/31/10. Resolution No. 002-2011.

\*Press Ganey. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal to a current contract with Press Ganey to provide survey satisfaction services, analyze data that is collected and provide reports with respect to patient satisfaction surveys. Provide consulting and analysis based on survey information that can improve clinical, operational, financial and experimental outcomes. Press Ganey also provides employee and physician surveys in an amount not to exceed \$200,000 for two years plus \$100,000 for six-month term for a total of \$500,000 for the term 01/01/11-05/31/13. Resolution No. 003-2011.

\*Advanced Health Management Services. [Multi-year contract, exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with Advanced Health Management Services to provide credentialing software, administrative and technical support for the medical staff office. Also provided are three full-time equivalents knowledgeable in operations of the medical staff office to complete all physician credentialing, managed care credentialing and maintain compliance within all aspects of medical staff office (staff will now increase to 4 FTEs) in an amount not to exceed \$11,200 plus pass through costs per month for a total of \$350,000 per year for the renewal term 01/01/11-12/31/11. Resolution No. 004-2011.

\*Exemplo Medical LLC. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Exemplo Medical LLC to provide eMD software program for Bariatrics. The browser based application is used by bariatric professionals to record and access information related to candidates, patients and procedures. The application also includes the ability to track all American Society for Metabolic and Bariatric Surgery (ASMBS) COE data elements. Exemplo is approved by ASMBS as an interface provider to transmit outcomes data in BOLD. eMD will allow clinicians the opportunity to collect standardized clinical and procedural data for bariatric patients in an amount not to exceed \$5,700 per year for a three-year total of \$26,100 for the term 02/01/11-01/31/14. Resolution No. 005-2011.

\*Orville McLenan, MD. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with Orville McLenan, MD to perform urological minimally invasive procedures (endourologic and laparoscopic) not performed by other urologists on staff. Also provides on-call coverage. Dr. McLenan will be replacing the services of Dr. Lefkowitz in an amount not to exceed \$8,333.33 per month, for a one-year total of \$100,000 for the term 03/28/11-03/27/12. Resolution No. 006-2011.

\*Ali Safavi, MD. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal to a current contract with Ali Safavi, MD, a cardio/thoracic surgeon who provides on-call coverage at NUMC. Dr. Safavi provides coverage for Dr. Barrett six days a month (every other month) and for Dr. Barrett's vacation and personal days (32 days) in an amount not to exceed \$1000 per day of on-call for a total of \$104,000 for the term 02/17/11-02/16/12. Resolution No. 007-2011.

\*Surgical Information System (SIS). [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with Surgical Information System (SIS) to provide current surgical information system, on site and remote consulting to augment staff shortage and complete SIS implementation; assist with inventory control module setup and prep of import file, provide import of the inventory control file; assist with completion of preference cards, assist with prep of CDM spreadsheet for import of billing codes; provide import of billing codes to materials billing tables in test and prod, review clinical training plan, assess completion of training and staff competency, on site and remote go-live support in an amount not to exceed \$75,000 for completion of installation, includes estimated travel related expenses (per hourly rate is \$200-275) for the term 02/01/11 to completion. Resolution No. 008-2011.

\*Ivans, Inc. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Ivans, Inc. The National Government Services (NGS), the Medicare contractor for NYS, has announced that it will begin reducing capacity for providers to access its EDI Gateway (the location where providers can check the status claims, correct claims, respond to requests for information and run reports on Medicare Activity). This vendor is an approved Network Services Vendor (NSV) that can provide NUMC with uninterrupted access to the NGS EDI Gateway. The vendor is also an approved NSV who can provide Section 1011

claims processing capability in an amount not to exceed \$24,500 per year for a three-year total of \$73,500 for the term 01/01/11-12/31/13. Resolution No. 009-2011.

\*Financial Medical Systems (FMS). [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension to a current contract with Financial Medical Systems (FMS) to provide billing services to NHCC Faculty Practice Plan in an amount not to exceed \$140,000 per month for a six-month total of \$840,000 for the term 02/01/11-07/31/11. Resolution No. 010-2011.

\*Apollo Health Street. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a current contract with Apollo Health Street to provide professional and technical coding services in accordance with our current vendor Allscripts ED Electronic Medical Record. Once NHCC is able to implement the Electronic Medical Record from Allscripts, physicians and other Emergency Department personnel will be documenting all patient care in this system. Apollo Health works with a number of Allscripts clients coordinating professional and technical coding via receipt of the patient's EMR, and coding all services documented in order for complete and compliant bills to be issued to the responsible payer. Vendor has HIPAA compliant methods to access electronic health records in order to obtain information and data needed to code medical and hospital claims. Apollo Health employs coders who are certified to perform the work in an amount not to exceed \$1.78 per claim or \$133,500 per year for a three-year total of \$400,500 for the term 03/01/11-02/28/14. Resolution No. 011-2011.

\*North Shore-LIJ Health Systems (Affiliation/Residency Rotation Agreement). Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with North Shore-LIJ Health systems to provide two urology residents for 12 months through a residency rotation agreement (PGY-3 and PGY-5) in an amount not to exceed PGY3 annual salary \$63,500 plus \$13,970 benefits for a total of \$77,470 per year; PGY5 annual salary \$66,500 plus \$14,630 benefits for a total of \$81,130 per year for the term 01/01/11-12/31/11. Resolution No. 012-2011.

\*Assert Inc. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with Assert Inc. for the continued consultancy of Kay Lane on GME, UME and CME, and the provision of faculty, resident and student development activities, strategic planning consultation, and professional and development programming; as well as AUC relationship oversight and related services to NHCC in an amount not to exceed \$457,000 per year (\$39,583 per month) for the term 01/01/11-12/31/11. Resolution No. 013-2011.

\*Germain & Co. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with Germain & Co. to provide consulting services with respect to implementation of the Hospitalist infrastructure and support structure/process, long range FQHC study and detailed financial planning, evaluation of impact of ACGME work rule changes, and the implementation of right sizing plans for clinical departments and clinic



space. Germain will also continue its ongoing collection of Part B billing data and validation, monthly review meeting and summary reports and conduct maintenance and updates to online dashboard reporting in an amount not to exceed \$532,355 for the term 01/01/11-06/30/11. Resolution No. 014-2011.

\*American Medical Alert Corp. [Multi-year contract, amount exceeds \$250,000].

Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with American Medical Alert Corp. to provide remote health monitoring devices and 24/7 communication services to facilitate stronger more positive relationships between patients, providers and payers. Services to include live-answer physician referral service, appointment scheduling/canceling, changing and reminders, patient registration, demographic information updates and insurance eligibility verification, post-discharge follow-up, traditional after hours on-call and overflow services in an amount not to exceed \$1,300,000 per year (5-year total \$6,500,000) for the term 02/01/11-01/31/15. Resolution No. 015-2011.

\*Hudson River Health Care, Inc. [Multi-year contract, may exceed \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Hudson River Health Care Inc. for a services agreement between HRH and NHCC to provide certain administrative services to the LIFQHC. These may include 1) selection and implementation of a practice management and clinical information systems; 2) revenue cycle management including billing, coding and collections; 3) grants development and management; 4) implementation of a corporate compliance program; 5) financial and regulatory reporting; 6) implementation of a continuous quality improvement program; 7) practice transformation to achieve level three NCQA certification; 8) clinical quality management and reporting on the NCQA and meaningful use (MU) measures in an amount not to exceed \$2.6 million for the term 02/01/11-01/31/10. Resolution No. 016-2011.

\*Foley Lardner, LLP. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Foley Lardner, LLP to provide legal services with respect to healthcare regulatory and corporate issues. Foley will also be NHCC's lobbying representative before the NYS Legislature, the Governor's Office and relevant state agencies with respect to laws governing public authorities and public benefit corporations, other healthcare-related statutes and other reimbursement and regulatory issues related to NHCC in an amount not to exceed \$500,000 for the term 01/01/11-12/31/11. Resolution No. 017-2011.

\*Eden Healthcare Services. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a contract with Eden Healthcare Services. Vendor is responsible for supervision of the social, economic and cultural needs of the Korean population at A. Holly Patterson. They are onsite Monday-Friday with administrative, social work, clergy and activity staff to maintain social, cultural, emotional and spiritual needs of Korean patient population in an amount not to exceed \$330,912 per year (five-year term total \$1,654,560) for the term 01/01/11-12/31/15. Resolution No. 018-2011.

\*Knockout Pest Control. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Knockout Pest Control to provide services for the control of insects and rodents at A. Holly Patterson. Areas covered are, but not limited to kitchens, basement, laundry, faculty rooms, common areas, resident rooms and monitoring of bait stations located on the outside perimeter of the facility in an amount not to exceed \$60,000 per year (three-year term total \$180,000) for the term 01/01/11-12/31/13. Resolution No. 019-2011.

\*Ehasz Giacalone Architects. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a contract with Ehasz Giacalone Architects. Original contract provided for architectural services for various capital projects, one of which was the design of Labor & Delivery. Need to now include design for Medical Library. Need additional monies as the funding in original contract not sufficient to complete the design of projects because scope of work changed on several other projects which increased the cost of architectural services. Also need to extend expiration date of contract as time is needed to complete projects in an additional amount of \$200,000 (original contract in the amount of \$700,000) for total with addition of \$900,000 for the extended term to expire 12/31/12 (original term was 09/01/08-12/31/12). Resolution No. 020-2011.

\*Community Science, Inc. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Community Science, Inc. Services include evaluation of a six-year grant to improve the delivery of mental health services to children, adolescents and their families in Nassau County. The will collect data that will identify best practices to be shared on a local and national level. Year three of the partnerships and grant between Nassau County Dept. of Mental Health and NHCC began 10/01/10 in an amount not to exceed \$275,000 funded by SAMHSA grant (NHCC partners with Nassau County Dept. of Mental Health Chemical Dependency & Developmental Disabilities Services) for the term 10/01/10-09/30/11. Resolution No. 021-2011.

\*TriRail Construction. [Contract exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with TriRail Construction to provide construction services with respect to the 14<sup>th</sup> Floor Plan of Correction project in an amount not to exceed \$967,370 for the term 12/1/10-11/30/11. Resolution No. 022-2011.

\*Newport Credentialing Solutions. [Multi-year, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Newport Credentialing Solutions to provide comprehensive physician and allied health provider enrollment, documentation maintenance and reenrollment services for academic medical centers, hospital employed physicians, large/small group practices and individual practitioners in an amount not to exceed \$355,540 for 1<sup>st</sup> year; \$272,540 for 2<sup>nd</sup> year; \$272,540 for 3<sup>rd</sup> year for a total of \$900,620 for the term 03/01/11-02/28/14. Resolution No. 023-2011.

Witt Keiffer. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Witt Keiffer

Executive search firm to recruit qualified candidates for the title of Executive Vice President/Chief Financial Officer in an amount not to exceed \$125,000 for the term 02/15/11-02/14/12. Resolution No. 024-2011.

\*R. Schwartz, MD. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a contract with R. Schwartz, MD to provide Gyn-Oncology services to the OBGYN clinic patients one day per week. Also provides resident teaching/education in an amount not to exceed \$86,000 per year for the term 09/01/10-08/31/11. Resolution No. 025-2011.

\*Davis Vision a/k/a Empire Vision Center. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an extension of a contract with Davis Vision a/k/a Empire Vision Center to provide eye examinations, equipment, personnel and fills prescriptions for Correctional facility inmates in an amount not to exceed \$66,000 per year (monies reimbursed by County to NHCC) for the term 01/01/11-12/31/11. Resolution No. 026-2011.

\*Planned Parenthood of Nassau County. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Planned Parenthood of Nassau County to provide women's services, access to medically, sound health care and education services. Dr. Scott Stanilowski, OBGYN, will be working at Planned Parenthood 16 hours per week. His responsibilities include QI/chart audit, oversee and train existing providers, perform procedures (coposcopies, sonograms, etc.) as needed, expand services and other related duties in an amount not to exceed \$104,147 per year, Planned Parenthood will be paying for services, revenue generating for the term 03/01/11-02/28/12. Resolution No. 027-2011.

\*Relay Health. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Relay Health, a subsidiary of McKesson, an international healthcare solutions company. Relay Health markets the E-Premis product which provides clearinghouse services for electronic healthcare claims. E-Premis will receive all electronic claims initiated by NuHealth on account of care rendered to patients who are covered by virtually all insurance carriers (E Premis currently provides claim correction/editing services for more than 1,800 insurance plans). E-Premis will review and correct claim errors and/or return to NuHealth any claims requiring correction before the responsible insurance carrier will process and pay the claims. E-Premis transmits compliant claims to the responsible payor and provides the hospital with proof of submission. The fee is fixed at \$7,520 per month regardless of the number of claims submitted through E-Premis. In the first year, NuHealth will be responsible for a one time training fee of \$4,800 and a one time implementation fee of \$5,000. Thus, the first year fee will be \$100,040. Thereafter, the fee will be \$90,240 per year for a three year cost of \$280,520. The term of the agreement is 04/01/11-03/31/14. Resolution No. 028-2011.

\*3M. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a contract with 3M for a renewal of a license for W-All Patient DRG grouper.

**This license is to be added to the 3M contract that covers all other groups in an amount not to exceed \$4009.45 per year for five years for a total of \$22,154.74 (including maximum COL elevator) for the term 03/16/11-03/15/16. Resolution No. 029-2011.**

**Informational.**

Health Research Inc. Awarded a grant from Dept. of Health to provide a hospital emergency preparedness program at NHCC in an amount not to exceed \$45,000 grant from DOH for the term 07/01/10-06/30/11.

Health Research Inc. NYS DOH grant to provide for breast, cervical and colorectal cancer screening to uninsured men and women in an amount not to exceed \$252,166 grant for the term 06/30/10-06/29/11.

Health Research Inc. Grant from Center Disease Control Prevent to provide funding for Community-based HIV primary care and prevention services at NHCC in an amount not to exceed \$41,667 grant for the term 06/01/10-03/31/11.

Health Research Inc. Grant awarded from Health Resources Services Administration for providing funding for community based HIV primary care and prevention services at NHCC in an amount not to exceed \$126,877 for the term 06/01/10-03/31/11.

Abrahms Fensterman. Provides legal representation with respect to medical malpractice matters in conjunction with our third party administrator at tier/panel rates for the term 01/01/11-12/31/11.

Abrahms Fensterman. Provides legal representation with respect to matters concerning guardianships, psychiatric hearings and medical treatment. Also aides in obtaining Medicaid eligibility for undocumented alien patients at NUMC and AHP at tier/panel rates (budget \$250,000) for the term 01/01/11-12/31/11.

Bartlett McDonough. Provides legal counsel with respect to medical malpractice matters in conjunction with third-party administrator at Tier/Panel Rates for the term 1/1/11-12/31/11.

Clifton Budd DeMaria. Provides legal counsel with respect to employment law matters, including day-to-day advice, immigration and pension/benefit matters, grievances, arbitrations, collective bargaining, litigation in state and federal courts at Tier/Panel Rates (Budget 250,000) for the term 1/1/11-12/31/11.

Geisler & Gabrielle. Provides legal services with respect to medical malpractice matters in conjunction with third-party administrator at Tier/Panel Rates for the term 1/1/11-12/31/11.

Garfunkel Wild Travis. Provides legal counsel with respect to general healthcare, litigation and real estate matters at Tier/Panel Rates (budget 120,000) for the term 12/1/10-11/30/11.

Farrell Fritz. Provides legal counsel with respect to managed care matters at Tier/Panel Rates (budget 25,000) for the term 3/1/11-2/28/12

Lamb & Barnosky. Provides legal counsel with respect to employment law matters at Tier/Panel Rates (budget 100,000) for the term 10/8/10-10/7/11.

Avon Foundation Gift /Long Island Medical Foundation. Grant agreement between LIMF and Avon to provide support for 2.5 culturally sensitive patient navigators and a part time registered nurse case manager with respect to the Women Breast cancer services in an amount not to exceed \$122,000, revenue generating for the term 1/1/11-12/31/11.

**For approval by the CEO.**

Kenneth Minkoff, MD. Key note speaker for the Third Annual Healthcare Equity Conference in April 2011 (speaking on mental health issues) in an amount not to exceed \$5,000 for the term April 20, 2011.

Ehasz Giacalone. Provide architectural services with respect to the cosmetic upgrades of the existing ICU Unit in an amount not to exceed \$33,250/month for the term 10/01/10-09/30/11.

**Extensions not Requiring Additional Funds**

None.

**Notice of Procurement Transactions Concluded Pursuant to Authority Delegated by Board of Directors to President (or Designee) and Required to be Reported.**

None.

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\*Requires approval of the Board of Directors

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

NUHEALTH  
BOARD OF DIRECTORS

RESOLUTION APPROVING FINANCE COMMITTEE RECOMMENDATIONS

Resolution No. M-285-2010

December 15, 2010

WHEREAS, by Resolution (No. 023-2007) of the Board of Directors of the NuHealth System, 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 December 9, 2010 (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 EXECUTIVE COMMITTEE OF THE Board of Directors of the NuHealth System hereby approves and adopts the resolutions recommended by its Finance Committee as set forth in the attached Schedule, with one exception (Resolution 284-2010 Procurement Policy for approval by the full Board of Directors).

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NUHEALTH  
FINANCE AND CONTRACT COMMITTEE  
December 9, 2010  
CONTRACTS EXHIBIT

Motions and Resolutions Requiring Action by the Board of Directors

\*New York College of Podiatric Medicine. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with New York College of Podiatric Medicine to provide licensed podiatrists for podiatric coverage for the NuHealth patient population. Services includes clinical coverage, consultations on OR cases, two FTE podiatrists assigned to outpatient podiatric patients visiting the hospital and the 4 family health centers, in-patient consultations as requested, and podiatric surgeries in an amount not to exceed \$20,000 per month or \$240,000 per year for the term 11/05/10-11/04/11. Resolution No. 250-2010.

\*Telarent Financing Services. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Telarent Financing Services to provide repair and maintenance services for televisions installed in the AHP Dialysis Unit in an amount not to exceed \$75.06 per month, \$900.72 per year, \$2,702.16 for three years for the term 10/01/10-09/30/13. Resolution No. 251-2010.

\*Allscripts. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Allscripts to provide AHP access to the on-line referral system offered by Allscripts. Majority of Long Island referring hospitals are in this network and utilize it for electronically referring patients to nursing facilities for admission. AHP currently gets referrals for admission via fax machine. AHP needs to be included in this network so that AHP will be able to view all referrals on-line and will then be able to provide an immediate response. The amendment is for an amount not to exceed \$750.00 for a one time activation fee plus a \$250.00 monthly maintenance/user fee, for a total in the first year of \$3,750, 2<sup>nd</sup> year \$3,000 and 3<sup>rd</sup> year \$3,000, and an aggregate total over three years of \$9,750.00 for the term 08/01/10-07/31/13. Resolution No. 252-2010.

\*Allscripts. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Allscripts for additional services providing coding, implementation and maintenance of various interfaces into and out of the Allscripts ED application for no additional monies, current contract expires 09/12. Resolution No. 253-2010.

\*Eclipsys Corporation. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with Eclipsys Corporation to upgrade Eclipsys Sunrise Clinical Manager to version 5.5. This version is required for attaining meaningful use under the American Recovery and Reinvestment Act. Also, this version is needed to implement the new ICD-10

requirements. NOTE: this contract has both capital and operational components. Additional \$4,040,000 over 7 years to current contract-see attached breakdown of fees and expenses. Term is upon signing of agreement-7 year term. Resolution No. 254-2010.

\*Eclipsys Corporation. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a current contract with Eclipsys Corporation to assist NHCC with design and creation of an interface between SCM and Allscripts. Vendor will also assist client with unit testing of interfaces between the two systems for an additional amount not to exceed \$22,500 for the term to be determined upon signing and will end when interface is completed. Resolution No. 255-2010.

\*Eclipsys Corporation. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Eclipsys Corporation to Eclipsys Sunrise Clinical Manager electronic flow sheets, and to include travel expenses for on-site professional services in an amount not to exceed \$386,000-\$262,000 for first year capital and remainder of monies for operation maintenance over the five-year term for the term 12/01/10-11/30/15. Resolution No. 256-2010.

\*Siemens Medical Solutions. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a contract with Siemens Medical Solutions to add an interface and the implementation of an HL7 billing interface between EAGLE and Allscripts Practice Management in an amount of \$185 per hour or \$74,000 total for the term upon signing, current Eaglevue amendment expires 09/30/11. Resolution No. 257-2010.

\*Survey Connect. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Survey Connect to provide its on-line testing application for NuHealth's annual education program, provides individual scoring of tests with JIT in-service feedback for incorrect responses, departmental scoring and reports showing aggregated data with % correct responses for each question. Service provides real time data and compliance tracking in an amount not to exceed \$6,000 per year with additional charge of \$1.25 for each of the first 2500 individual tests that are system entered by Survey Connect, thereafter charge will be \$1.00 per test entry. Estimate per year \$500, three year total \$18,000 plus \$1,500 for a total of \$19,500 for the term 11/14/10, renewal term 11/15/10-11/14/13. Resolution No. 258-2010.

\*Allied Speech-Language Therapy. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Allied Speech-Language Therapy to provide evaluations and treatment of NUMC patients who exhibit speech, language and swallowing problems. Applies to adults as well as pediatric patients, includes weekend coverage as well in an amount not to exceed \$50/60 per treatment, \$110,000 per year for a three-year total of \$330,000 for the term 01/01/11-12/31/13. Resolution No. 259-2010.



\*Healthcare Payment Specialists. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Healthcare Payment Specialists to review Medicare Indirect Medical Education and Graduate Medical Education applicable to services provided by client to Medicare Advantage beneficiaries for Year 2010-2012 dates of service for the purpose of determining if client was paid appropriately. Vendor will prepare all documentation necessary to correct payment amounts for client based on a 13% contingency fee after collections received from Medicare, estimated fee @ 13% is \$83,000 per year for three years or \$249,000 for the term 04/01/10-03/31/13. Resolution No. 260-2010.

\*Deloitte Consulting. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Deloitte Consulting to include services for clinical documentation assessment, evaluation of physician documentation to insure billings are correct as part of the Revenue Cycle initiative in an additional amount of \$70,000 for the term 11/01/10-02/28/11. Resolution No. 261-2010.

\*QA Systems, Inc. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with QA Systems Inc. to provide software to track progress of claims against corporation, to set and monitor reserves on each case, to monitor expenses, to report directly to the Cayman Island captive and to provide venue for trend analysis in an amount not to exceed \$27,000 per year for the term 02/04/10-02/03/12. Resolution No. 262-2010.

\*Outcome Sciences. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Outcome Sciences to provide Get with the Guidelines (GWTG) Stroke and Heart Failure modules for warehousing data to aid hospitals in their adherence to evidence based guidelines, consistency and ability to review data in real-time, also provides ability to follow-up patients and track all information in a centralized web-based tool and provide access to resources shared from hospitals from across the US. Each module is \$1,800 per year with a \$200 discount, total for both is \$3,400 for the term 01/01/11-12/31/11. Resolution No. 263-2010.

\*Outcome Sciences. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with Outcome Sciences to provide Get with the Guidelines (GWTG) module for warehousing in-hospital resuscitation data. Monitoring process of care variables. Identify opportunities to improve event documentation. Compare performance to similar hospitals. Reduce noncompliance and medical errors through data-driven peer review. Reduce liability related to documentation issues in an amount not to exceed \$1,800 per year for the term 01/01/11-12/31/11. Resolution No. 264-2010.

\*HANYS Solution. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with HANYS Solution to provide exclusive KeySTATS product which enables hospitals to run their own facility-specific patient data through the AHRQ

software. KeySTATS runs our SPARCS data through their programs so that the data can be loaded and is usable. AHRQ regularly updates and revises the algorithms used to compile their statistics in an amount not to exceed \$4,000 per year for the term 04/01/11-03/31/12. Resolution No. 265-2010.

\*William Sherman, MD. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with William Sherman, MD to provide clinical and academic services. Provides coverage for the pulmonary out-patient care clinic scheduled once a week. Also teaches residents through academic instruction in an amount not to exceed \$328.00 per session for a total of \$17,191/year for the term 09/01/10-08/31/11. Resolution No. 266-2010.

\*Vinod Gulati. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Vinod Gulati to provide academic services as the Director of Geriatric Education for the NHCC residency program in internal medicine in an amount not to exceed \$125.00 per hour, 8 hours per week for 48 weeks for a total maximum for year \$48,000 for the term 07/10/10-07/09/11. Resolution No. 267-2010.

\*Nassau Health Care Foundation. [Multi-year contract, amount could exceed \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Nassau Health Care Foundation. NHCF in its capacity as a professional employer organization (PEO) will co-employ designated employees to perform certain administrative and managerial functions/duties as required by NHCC. Amount to be determined. NHCC will reimburse NHCF the actual costs incurred in connection with all PEO expenses, including employees' compensation and benefits and an additional 5% of such amounts for administrative overhead for the period 12/01/10-11/30/15. Resolution No. 268-2010.

\*Robert Smith, Esq. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Robert Smith, Esq. to provide legal services on an as-needed basis to provide services on additional landlord and tenant matters in an amount not to exceed \$125.00 per hour, \$50,000 per year, total for two years \$100,000 for the term 11/01/10-10/31/12. Resolution No. 269-2010.

\*Health Strategies & Solutions. [Amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to the contract with Health Strategies & Solutions (vendor is hospital affiliation consultant) to include an additional \$50,000 in the event that additional monies are required to complete their review of proposed master affiliation agreement and management services agreement with NSLIJ and NuHealth and to advise with respect to a clinical integration with NSLIJ. Original contract was \$219,000 plus \$33,000 expenses per year for a total of \$252,000 with the additional \$50,000, the total would be \$302,000 for the term 10/04/10-10/03/11. Resolution No. 270-2010.

\*Kirby McInerney LLP. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a

contract with Kirby McNerney LLP to provide legal services in connection with antitrust class action matters. Vendor will provide monitoring evaluation services to NHCC and will advise NHCC regarding new antitrust and health care fraud investigations, litigations and settlements that could result in recoveries for NHCC. No fees for monitoring evaluation services, if NHCC desires to pursue litigation, vendor to be paid on contingency basis for the term 12/01/10-11/30/12. Resolution No. 271-2010.

\*Nassau Medical Associates (Affiliate company of NHCC known as NHCC Medical Faculty Practice Plan PC dba Nassau Medical Associates). [Multi-year contract].

Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Nassau Medical Associates to provide NHCC through its physicians, professional, teaching, supervisory and administrative services as requested by NHCC. Annual amount to be determined. NHCC will pay NMA a TBD annual amount which amount shall reflect fair market value of the teaching and administrative services provided to NHCC. NMA will bill and be reimbursed by third-party payors for professional services (Part B) in connection with patient care it delivers. Term 12/01/10-11/30/15. Resolution No. 272-2010.

\*Physiologic Assessment Services. [Multi-year contract, amount exceeds \$250,000].

Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a renewal of a current contract with Physiologic Assessment Services to provide on-call intra-operative neurophysiologic monitoring services to provide surgeons with info during surgery regarding the effect of the procedure upon the patient's central nervous system with a goal toward preservation and/or improvement of patient's pre-surgical neurological function. Only performed for certain spine cases in an amount not to exceed \$450 per hour, \$250,000 per year for the term 01/01/11-12/31/11. Resolution No. 273-2010.

\*Mark Goldberg Labs. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Mark Goldberg Labs to provide all needed prosthetic and othotic services required by NUMC and CHC's. Also used by departments of neurosurgery, surgery, medicine and correctional facility in an amount not to exceed \$50,000 per year for a three-year total of \$150,000 for the term 09/01/10-08/31/13. Resolution No 274-2010.

\*NSLIJ Pathology Blood Bank. [Multi-year contract, amount exceeds \$250,000].

Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment of a current contract with NSLIJ Pathology Blood Bank to provide professional leadership positions to support clinical integration of Dept. of Pathology and Laboratory Medicine. Will need to hire a Pathology Assistant through NSLIJ to perform specimen grossing, autopsies and morgue supervision for an additional amount of \$129,498 for yearly salary for pathology assistant for the term 10/12/10-10/11/11 term for hiring of pathology assistant. Original contract term is 07/01/10-06/30/13. Resolution No 275-2010.

\*Crown Advertising. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee

recommends Board approval of an amendment and renewal of a contract with Crown Advertising to provide marketing and advertising services. This extension will allow for a continuation of the campaign to maximize NuHealth rebranding with ads in Newsday, television, radio, web development that will include web interactive features, promotional brochures, in order to enhance image and promote strategic initiatives in an amount not to exceed \$145.00 per hour, \$300,000 per year additional to current contract. Current contract expires 12/31/10, renewal term is 01/01/11-12/31/11. Resolution No. 276-2010.

\*Paras and Associates. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Paras and Associates to provide interpreting services for foreign language speaking patients via a network of video monitors at remote hospitals. This service links interpreter staff of several hospitals into a single network, thereby sharing resources to improve efficiency. We have an equipment services contract with vendor, this will be for services of the equipment. A separate contract will be done. \$160,000 per year, three year total of \$480,000 for the term 10/01/10-09/30/13. Resolution No 277-2010.

\*Gilbane Building Company. [Multi-year contract, exceeds \$250,000, best interest]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a contract with Gilbane Building Company to allow for the continuation of construction management services for the VA space, 14<sup>th</sup> Floor renovation and Emergency Department for an additional amount of \$450,000 added to the current contract (see attached exhibit for breakdown of costs associated with each project). Current contract expires 11/30/10, renewal term effective 12/01/10-02/28/12. Resolution No 278-2010.

\*Lund International. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to a contract with Lund International subject to the corrections required. Vendor to provide following fully qualified experienced healthcare IT personnel, Senior interface specialist and intermediate interface specialists. These workers will be moved as soon as possible into new Civil Service titles currently being prepared for submission to Civil Service, currently these titles do not exist under Civil Service. Additional funding not to exceed \$1,680,000 (actual portion used will depend on time needed to gain approval of new titles), current contract amount is \$5,582,933 for a five-year term 06/01/09-05/31/14. Resolution No 279-2010

\*Horan Martello Marrone. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Horan Martello Marrone to provide preparation of annual Medicare cost report for AHPECF and consulting services as required in an amount not to exceed \$4,500 per year for a three-year total of \$13,500 for the term 01/01/11-12/31/13. Resolution No. 280-2010.

\*My Innerview. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with My Innerview as a replacement of current contract to provide updated and new modules which provides Resident/Family benchmarking

company measuring quality in long term care. Will administer satisfaction surveys for residents/families and staff and will provide reports based on results. Reports will provide peer benchmarking, access to website for survey reports, tools and online training materials. New modules will be added to current program in an amount not to exceed \$17,670 per year, total for four years \$70,680 (includes additional modules and services). Original contract amount without additional services was \$10,400 per year for a total of \$52,000. Replacement contract will be effective 10/10/10-09/30/14 (original contract term was 04/1/09-03/31/14). Resolution No 281-2010.

\*Compliance 360. [Multi-year contract]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of a contract with Compliance 360 to provide license for Compliance 360 Solutions, which includes policies and procedures software module, contracts module, incidents and survey implementation modules. Evaluation, training and implementation of certain modules will "Go Live" in an amount not to exceed \$50,873 per year for license, three year total \$152,619; "Go Live" costs is \$68,900, total of license fee for three years and training is \$221,519 for the term 01/01/11-12/31/13. Resolution No. 282-2010.

\*North Shore Cardiology Services Rider [amendment]. [Multi-year contract, amount exceeds \$250,000]. Upon a motion made, seconded and unanimously approved, the Finance Committee recommends Board approval of an amendment to the North Shore Cardiology Service Rider. Amendment to current agreement to: 1) Staff EP Physician will be increased from .2FTE to 1FTE, Dr. Alex Vidal will function as Staff EP Physician and will replace Dr. Bernstein; 2) Compensation for 1FTE Staff Physician will be increased for remainder of agreement, Dr. Sal Cavaleri will serve as Staff Physician; 3) Clinical director salary will be reduced from \$144,200 to \$127,000 in year three there will be a \$5,000 increase. 1) Annual salary will be \$300,000 base plus benefits for calendar year 2011 increasing to \$320,000 base plus benefits for 2012 (please note agreement expires 06/30/12 so total payment in 2012 will be \$160,000 unless agreement is renewed or extended); 2) Compensation for 1FTE Staff Physician increased to \$300,000 base plus benefits annually for remainder of agreement (current salary is \$250,000 base plus benefits); 3) See #3 under services for the term 07/01/09-06/30/12 current term of agreement. Resolution No 283-2010.

\*Procurement Policy (updated). [see attached]. Upon a motion made, seconded and unanimously approved the Finance Committee recommends Board approval of the revised Procurement Policy. Resolution No 284-2010. (For Approval by the Full Board).

#### Informational.

None.

#### For approval by the CEO.

None.

#### Extensions not Requiring Additional Funds

None.

**Notice of Procurement Transactions Concluded Pursuant to Authority Delegated  
by Board of Directors to President (or Designee) and Required to be Reported.**

None.

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\*Requires approval of the Board of Directors

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