

NHCC BOARD OF DIRECTORS MEETING

September 10, 2020 at 6 p.m.

Via Zoom

MINUTES

Board Member in Attendance on Zoom

- Steve Cohn, Esq., Board Member
- Linda Reed, Board Member
- Dr. Bobby Kalotee, Board Member
- Warren Zysman, Board Member
- John Sardelis, Dr.PH, Board Member
- Jan Figueira, Board Member
- Martin Glennon, Esq., Board Member
- Eva Pearson, Board Member
- Giuseppe Caruso, Board Member

Board Members Absent

- Russell Caprioli, Board Member
- Frank J. Saracino, Board Member
- Ryan Cronin, Esq., Board Member
- Waylyn Hobbs, Jr., Board Member
- Victor Gallo, Board Member

Attendance In-Person

- Robert Detor, Chairman of the NHCC Board
- Megan Ryan, EVP/General Counsel
- Dr. Anthony Boutin, EVP/Interim CEO/CMO
- Richard Rank, Director of Finance
- Pat Degree, VP – Engineering/Support Services

Others in Attendance via Zoom

- Jerry Laricchiuta, CSEA
- Lynne Kramer, CSEA President, NUMC
- Maureen Shannon, Director of Quality Management, NUMC

I. Call to Order

Chairman Detor called the meeting to order at 6:06 p.m. after noting the presence of a quorum for the meeting to proceed.

II. Public Comment

Chairman Detor opened the meeting for public comment by the ten people who had registered for the three-minute slots.

The list of people who spoke were:

1. Jerry Laricchiuta
2. Ron Gurrieri
3. Lynne Kramer
4. Robert Harris
5. Antonia Gavan
6. Daniel Pena
7. Paul Ochogrosso
8. Shakira Settles
9. Gerard Granito
10. Yvette Fazio

Mr. Laricchiuta spoke about his concerns that the hospital and AHP would be closed. He also spoke about the process by which Alvarez and Marsal were contracted for their report on the finances and services of the hospital.

Mr. Gurrieri stated that CSEA had been meeting with congressional delegations and lobbying for more CARES Act money for the hospital and also trying to get the restrictions on using the money loosened.

Ms. Kramer asked about the recommendations that she, Mr. Laricchiuta and Mr. Gurrieri had made to Alvarez and Marsal to help the hospital, none of which had been incorporated into the report.

Mr. Harris wanted to find out why hazard pay had not been paid to employees as yet. Ms. Ryan commented that the stipulation was signed today.

Mr. Granito spoke in place of Ms. Gavan. He wanted to find out why NIFA was still overseeing the finances of the hospital. He also spoke about the Alvarez and Marshal statement about outpatient detox.

Mr. Pena asked questions regarding NIFA.

Mr. Ochogrosso asked about Park Strategies and how much they were being paid.

Ms. Settles wanted to find out if the Chairman had decided what he was going to do with the \$50 million received from DSRIP. She also asked how many of the Board members used NUMC's services.

Ms. Fazio stated that as taxpayers and employees were taking note of Board members actions to see which ones are supporting the hospital.

III. Chairman's Remarks

After public comment, Chairman Detor said he had a couple of comments. Chairman Detor mentioned the unexpected \$55 million award received by the hospital which he announced to the Board in an email previously. He noted that the money would be received before the end of the year and would go a long way toward helping the cash flow of the hospital. He announced that between the DSRIP dollars we were awarded and this award, both of which were put towards cash flow, it would fund the operations of the hospital to end of 2021. He stated that this would be an opportunity for the staff and the Board to work together to make changes and improvements to make the hospital financially viable.

Chairman Detor also noted that Alvarez & Marsal was going to issue their final report to NIFA within the next three to four weeks. He stated that the report will have some recommendations and some options and that his plan was to schedule an extended Board meeting once this report was issued to look to the report and discuss it with the Board. He said that he hoped to have a copy in advance so staff could look at it and give feedback for the Board discussion and that he hoped to respond to the report with the recommendations of the staff and audit committees of the Board. He noted that the Board in its leadership role must respond to the "Going Concern Opinion" issued by the auditors during the years of 2018 and 2019, which points to the fact that the Corporation is in jeopardy.

Chairman Detor will invite the NUMC Forward Committee which the County Executive put together so that we would have good representation and then look at the data and the statistics and discuss it in order to come up with a strategic response to the position we are in.

1. Approval of Minutes: Board Meeting 8.13.20 and Special Board Meeting 8.20.20

Chairman Detor asked for a motion to approve the Full Board Meeting Minutes of August 13, 2020 and the Special Board Meeting Minutes of August 20, 2020.

Action: Mr. Glennon made a motion to approve the minutes of the Full Board Meeting of August 13, 2020 and the Special Board Meeting of August 20, 2020. Ms. Reed seconded the motion. Mr. Zysman opposed, none abstained, the remainder of members voted in favor of the motion, and the motion passed and was approved.

IV. Report by Interim Chief Executive Officer

Dr. Boutin began by thanking the members of the Board, the Finance team, Ms. Pateres, the Union for their support, the medical leadership, and especially Ms. Ryan for the work she has been doing over the last several months.

Dr. Boutin noted that he had a four-part report. He said he was going to give a Covid update, go over the census, have a Quality report, talk about the budget kick-off and give an update on the Alvarez report that he went through with his team during the last week.

Dr. Boutin presented his report.

Mr. Zysman commended Dr. Boutin on the great job he was doing.

Dr. Kalotee also commended Dr. Boutin, as well as Ms. Ryan, all employees and Chairman Deter.

Chairman Deter noted that it was a very good report.

Mr. Zysman asked Chairman Deter if he could let the Board know what the financial position was in terms of losses prior to NIFA engaging Alvarez & Marsal and what it is today in order to see the contrast and see if the extent of the concern stated at that time still exists and what the projections are of some of the initiative that have been taken on already by leadership to address some of the Going Concern issues that have been raised.

Chairman Deter replied that the easy answer would be to look at the audits for 2018 and 2019 and look at the last financial statements to see where we are. He said that would tell us where we were before, during and after.

Dr. Kalotee questioned the hours spent on the Mitchell Titus report and the cost of it. Dr. Boutin was asked to report on this in October.

V. Report by Chief Legal Officer

Ms. Ryan reported that she negotiated the withdrawal of the CBA extraordinary circumstances grievance in conjunction with the execution of a stipulation for Hazard Pay. The approximate cost of Hazard Pay is \$2.8 million.

Ms. Ryan also reported that she attended the Uniondale Community Council meeting regarding an update on the AHP construction project. She also provided an update on the execution of contracts, revenue generating endeavors for the hospital, cost saving measures, and the latest no fault collections.

Ms. Ryan also stated that she was selected to participate in New York State's first ever Women's Corporate Board Leadership Academy, founded by Governor Cuomo.

Chairman Detor noted it was a good report.

Mr. Glennon congratulated Ms. Ryan on negotiating the forensic audit contract from \$200,000 to \$59,000 and said it was an excellent report.

VI. Committee Reports

1. Legal and Audit Report

i. Approval of Legal and Audit Minutes (August 13, 2020)

Chairman Detor asked for a motion to approve the Legal and Audit Committee meeting minutes of August 13, 2020.

Action: Mr. Glennon made a motion to approve the Legal and Audit Committee Meeting minutes of August 13, 2020. Ms. Reed seconded the motion. All were in favor, none opposed, Mr. Zysman abstained, and the motion carried.

ii. Approval of Contract Resolutions (September 10, 2020)

Ms. Pearson asked to be recused from voting on 144-20 for Farmingdale State University since it was her place of employment.

Ms. Reed said she was going to abstain from voting on the Medical Plant Lease with Nassau County.

Ms. Ryan asked for a motion to approve the September 10, 2020 resolutions noting that Ms. Pearson abstained from 144-20.

Action: Mr. Glennon made a motion to approve the resolutions of September 10, 2020 from 130-20 through 151-20 noting that Ms. Pearson abstained from voting on 144-20 and Ms. Reed abstained from voting on the Medical Plant Lease with Nassau County. Mr. Cronin seconded the motion. All were in favor, none opposed, and the motion carried.

VII. Report by Finance Director

Mr. Rank presented his report.

Mr. Glennon commended Mr. Rank on the good job he did of getting the expenses down. He asked what kind of marketing was being done to increase the population at the hospital. He wanted to know if there was a marketing firm that we were using.

Ms. Ryan explained that the RFP went out for the PR and Marketing Services and it was due to close the next day. She stated that she would have more information at the next Board meeting.

Chairman Deter asked for a motion to accept the Finance report.

Action: Mr. Glennon made a motion to accept the Finance Report of September 10, 2020. Ms. Pearson seconded the motion. All were in favor, none opposed, and the vote was unanimous.

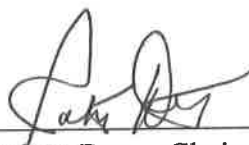
VIII. Motion to Adjourn

There being no further business to discuss, Chairman Deter asked for a motion to adjourn.

Action: Dr. Caprioli made a motion to adjourn the meeting, and Ms. Reed seconded the motion. All were in favor, none opposed and the vote was unanimous.

The meeting adjourned at 8:08 pm.

Dated: September 12, 2020



Robert Deter, Chairman
Board of Directors, NHCC