

**NORTH BROWARD HOSPITAL DISTRICT
BOARD OF COMMISSIONERS'
REGULAR MEETING
Wednesday, April 30, 2014
Broward Health Imperial Point
Auditoriums**

MINUTES

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held on Wednesday, April 30, 2014, at 4:00 p.m. in the auditoriums at Broward Health Imperial Point, 6401 North Federal Highway, Fort Lauderdale, Florida.

Notice of this meeting is attached to the official Minutes as EXHIBIT I. The official Agenda for this meeting, as presented for the consideration of the Board, is attached to the official Minutes as EXHIBIT II. Original registration sheets listing attendees, as well as those who wished to address the Board, are attached to the official Minutes which are on file in the Board of Commissioners' office.

Chair Di Pietro called the meeting to order at 4:10 p.m.

ROLL CALL

Commissioners:

Present: Commissioner David Di Pietro – Chair
Commissioner Joel Gustafson – Vice Chair
Commissioner Debbie Kohl- Treasurer/Secretary
Commissioner David Nieland- Board Member- arrived 4:28 p.m.
Commissioner Rocky Rodriguez - Board Member

Excused: Commissioner Darryl Wright – Board Member

The invocation was given by Rabbi David Spey from Temple Bat Yam, followed by the Pledge of Allegiance led by Alice Taylor, CEO, Broward Health Imperial Point.

GOLD PLUS AWARD TO BROWARD HEALTH CORAL SPRINGS:

On behalf of the American Heart Association (AHA) and the American Stroke Association (ASA), Mr. Daniel Thorpe, VP of American Heart//Stroke Association in Broward and Miami Dade Counties presented Broward Health Coral Springs (BHCS) with the Gold Plus Quality Achievement Award for Stroke Care. BHCS earned the award by meeting specific quality achievement measures for the rapid diagnosis and treatment of stroke patients at a set level for a designated period. These measures included aggressive use of medications and rich production therapies aimed at reducing deaths and disabilities and improving the lives of stroke patients. Mr. Thorpe stated that he was pleased to recognize BHCS for their commitment and dedication to stroke care. He complimented the entire stroke team and then presented the award to Dhantal Lampron, stroke coordinator.

PRESENTATION OF BROWARD HEALTH ‘GO GREEN, SAVE GREEN’

Mr. Brian Bravo, Director of Purchasing, presented a power point presentation on the District’s efforts on Environmental Stewardship. He commented on the awards that the District regarding its efforts in going “Green” i.e., Emerald and EA Crown Jewel awards; the development of an integrated reporting system-wide Emerald Team; Environmental Mission Statement & Stewardship Policy; discussed the system-wide green initiatives; Integrated Waste Stream Solution as well as the total savings for that initiative of \$311,938; Savings from the Reusable Sharps initiative; BHMC Food Digester; Leaner Energy and the Information Services green initiatives. A copy of his entire presentation is on file in the official board book.

RECOGNITION OF SHINING STARS: The following employees were recognized by the Board of Commissioners and each received a plaque: Sandy Wachsmann-Amir, Nuclear Medicine, BHIP; Laurence (Larry) Shanley-Interventional Radiology, BHMC; Jackie Schulman, Supervisor, Patient Access BHN; Jaramattie (Jara) Sanichar, PCA, Surgical 3 East, BHCS; Elizabeth Gunn-Crosby, RN Gold Coast Home Health, CHS; and Julie Aguilar, Risk Management Services Department, Corporate.

COMMENTS FROM AUDIENCE:

Mr. John de Groot stated that the level of care, treatment and compassion that his mother-in-law received while a patient at BHNorth and BHIP was exceptional.

Mr. de Groot then expressed his concern over two issues 1) the governance of this North Broward Hospital District. He feels that the Commissioners lack the qualifications and training to govern this organization. The other item is the use of his tax dollars to engage in unfair competition with the private sector. Mr. de Groot said that he repeatedly gives out handouts at meetings and wanted to know if those handouts become a matter of record. He feels that the information that he provides should be included in the minutes. He also provided Commissioners’ Di Pietro and Nieland with some additional information and videos. Mr. DeGroot stated that he does not work for anyone and provides all of this documentation at his own expense—he is not paid by anyone.

APPROVAL OF MINUTES

1. Request approval of the Minutes of the Regular Meeting of the Board of Commissioners held March 26, 2014.

It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl:

THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON MARCH 26, 2014 BE APPROVED AS PRESENTED.

Motion carried unanimously.

MEDICAL COUNCIL AGENDA

2. **BROWARD HEALTH IMPERIAL POINT**

Dr. Groene informed the Commissioners that business remains strong at BHIP and their surgical volumes are high, which are the financial drivers of the system. She also reported that at their last Medical Staff meeting they gave \$5000 in scholarship money to students at Blanche Ely High School that are going into the healthcare field.

Dr. Groene then informed the Commissioners that her tenure as Chief of Staff was now coming to a close. She introduced, Dr. Howard Lewkowitz who will be the next Chief of Staff for BHIP. Dr. Lewkowitz is a gastroenterologist.

Chair Di Pietro thanked Dr. Groene for her services over the past 4 years.

Dr. Linda Groene, Chief of Staff of Broward Health Imperial Point, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Medical Staff Reappointments; Allied Health Changes and Additions; and Allied Health Reappointments.

It was moved by Commissioner Gustafson, seconded by Commissioner Kohl:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT'S MEDICAL COUNCIL OF ITEMS 2 (A-D):

- A. Medical Staff Changes and Additions
- B. Medical Staff Reappointments
- C. Allied Health Changes and Additions
- D. Allied Health Reappointments

Motion carried unanimously.

3. **BROWARD HEALTH CORAL SPRINGS**

Dr. Sachedina informed the Commissioners that the Sound Hospitalists program received three awards from their corporate office:

- The first was a Customer Service award won by Carly Belasco, Hospitalist RN for her outstanding support of hospital operations; the second award was the Patient Experience award which was given to Dr. Helbert Ruiz-Gonzalez for his improvements with customer service scores; and thirdly, the Summit award which was won by Dr. Noah Prisca Hoskins, who is the Chief Hospitalist Medical Director for the Sound Hospital Group. She received this because of the improvements in quality core measures and outcomes.
- The run for women's wellness raised \$29,000.

Dr. Azeem Sachedina, Chief of Staff of Broward Health Coral Springs, reported that the Medical Council had reviewed and recommended for approval by the Board of

Commissioners all exhibited Medical Staff Appointments; Medical Staff Reappointments; and Allied Health Reappointments.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL'S MEDICAL COUNCIL OF ITEMS 3 (A-C):

- A. Medical Staff Appointments
- B. Medical Staff Reappointments
- C. Allied Health Reappointments

Motion carried unanimously.

4. **BROWARD HEALTH NORTH**

Dr. Hoffberger presented the following update:

- The Annual Medical Staff Meeting was held on Tuesday, April 22nd, where more than 140 of their medical staff attended. Besides brief discussions on departmental business, they recognized their Top Performers (physicians with high patient satisfaction scores), new department leaders, and honored physicians who have dedicated more than 40 years of service to Broward Health North – those physicians were: Dr. Gary Gieseke, Dr. Malcolm Ginny's, Dr. H. Murray Todd, Dr. Richard Schultz, and Dr. Donald Comiter.
- Broward Health North celebrated Doctors' Day with a great breakfast and an appearance by Ryan Tannehill. Everyone enjoyed meeting him, taking photos and getting autographs.
- BH North's Trauma Services and Deerfield BSO Fire Rescue joined forces to present "Prom Promise" to Zion Lutheran High School and Deerfield Beach High School by simulating a trauma alert to remind students the dangers of drinking & driving, and texting & driving, in preparation for prom season.
- Dr. Hoffberger informed the Commissioners that he was pleased to announce that the Groundbreaking Ceremony for the new construction projects will be on June 25th – he asked that everyone mark their calendars for that event.

Dr. Darren Hoffberger, Chief of Staff of Broward Health North, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Additions, Changes and Resignations; Medical Staff Reappointments; Allied Health Staff Changes; Allied Health Staff Reappointments; Community Health Services Resignations; and Community Health Services Reappointments.

It was moved by Commissioner Rodriguez, seconded by Commissioner Nieland:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH NORTH'S MEDICAL COUNCIL OF ITEMS 4 (A-F):

- A. Medical Staff Additions, Changes and Resignations
- B. Medical Staff Reappointments
- C. Allied Health Staff Changes
- D. Allied Health Staff Reappointments
- E. Community Health Services Resignations
- F. Community Health Services Reappointments.

Motion carried unanimously.

5. **BROWARD HEALTH MEDICAL CENTER**

Dr. Chokshi provided the following update:

- BHMC submitted their application to the Stroke Agency for HealthCare Administration as a comprehensive stroke center with the capability of doing complex neuro-interventional procedures. BHMC has a new neuro-interventional physician by the name of Dr. Celso Agner.
- BHMC's Cancer Center received a full accreditation survey and was fully accredited for three years with commendation findings in six in the seven categories.
- Held the annual Medical Staff Meeting on April 23.

At this time, Dr. Chokshi introduced BHMC's new Chief of Staff Dr. Louis Yogel.

Dr. Yogel said he was honored to be appointed Chief of Staff and given the privilege to work with the Board and Administration. Dr. Yogel thanked Dr. Chokshi for his four (4) years of service to BHMC.

Dr. Chokshi said that it has been an honor and privilege to serve as Chief of Staff for BHMC. He said he learned a lot from the Board. The most important thing was how to keep cool, calm and collected in the face of a sometime hostile environment. He also commented that he has had the experience of previous boards and he wanted this board to know that they were a breath of fresh air and have always engaged the physicians in decision making process. Dr. Chokshi said that it all started with Mr. Nask became CEO and began engaging the physicians in the decision-making process. Dr. Chokshi commented that being included in that process was greatly appreciated by the physicians.

Dr. Rajiv Chokshi, Chief of Staff of Broward Health Medical Center, reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Changes and Additions; Allied Health Changes and Additions; Community Health Services Changes and Additions; Medical Staff Reappointments; Allied Health Reappointments; and Community Health Services and Weston Urgent Care Center Reappointments

It was moved by Commissioner Rodriguez, seconded by Commissioner Kohl:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF THE BROWARD HEALTH MEDICAL CENTER'S MEDICAL COUNCIL OF ITEMS 5 (A – F):

- A. Medical Staff Changes and Additions
- B. Allied Health Changes and Additions
- C. Community Health Services Changes and Additions
- D. Medical Staff Reappointments
- E. Allied Health Reappointments
- F. Community Health Services and Weston Urgent Care Center Reappointments

Motion carried unanimously.

Chair Di Pietro thanked Dr. Chokshi for his years of service.

CEO REPORT:

Mr. Nask recapped three of the District’s reimbursement initiatives (ACO; Medicaid Managed Care Program and Health Exchange Group).

- Mr. Nask said that placed at their seats was a copy of the monthly update on the progress of the Aetna program who has been engaged to address the ACO and the Medicare Shared Savings Plan. The report included the 5 to 6 work streams that were put together to close the gap analysis dealing with IT, clinical integration and etc.
- Medicaid Managed Care Program goes live for Broward County in July (there are 4 Medicaid Managed Care Plans).
- Health Exchange Group—Mr. Nask reported that he received information from Coventry, who seems to be the leader in enrollment in this community that they have signed up 57,000 lives— most of them assigned to Broward Health. They reported that the premiums have been paid for those lives and they are officially enrolled in the plan. Mr. Nask commented that BH has seen a 60 to 70% reduction in charity applications which actually helps BH’s financial statement. In addition, BH is seeing an increase in some of the commercial payments but now some of the charity has shifted to bad debt because they come in as self-pay; however, so far the net-net has been more additional reimbursement. The other missing component is the disease state. If a patient has a pre-existing condition that person has to be seen and cared for making the severity of the patient population still an unknown. Mr. Nask also suggested asking Kaufman Hall to come back to BH and provide an evaluation of what actually has happened with health care reform compared to some of the scenarios and trend that they discussed at their last meeting with Broward Health.

Mr. Nask informed the Commissioners the legislative session comes to an end on Friday May 2nd. He then provided a brief overview of some of the issues that were included in BH’s legislative agenda:

- The LIP program was approved for another year only; so the tiering methodology that was discussed is basically off the table since it will be the same as before.
- Trauma issue is working itself out so BH will not be impacted and Broward County will still only have three Trauma centers.
- There is no additional reimbursement for indirect medical education and imbedded children’s hospital.
- CON requirement is currently not in play but being closely watched. However, it could be tacked onto a Bill which would be an exceptional elimination of the CON process.

Mr. Nask stated that on the Discussion agenda (Item 12) there is a request to open a special bank account to deal with the rentals of the new corporate office building. He informed the Commissioners that it had been decided that there was no need to open up a separate account since there are only a couple of rent checks a month and accounting will deal with that directly.

Mr. Nask also reported that this Friday (May 2) BH will be getting the final results on its rating report. The draft is due tomorrow and BH is required to turn it around in two hours. Mr. Nask said that they will have additional information on BH's rating in a couple of days.

CFO REPORT

Mr. Nask reported that for the first nine months, BH has seen decreases in volume-mostly in the uncompensated care area. BH is currently seeing the effect of people getting some form of health exchange insurance and it is now flowing through the statements as either an insured patient or bad debt as a result of them not paying the copay or deductible.

Overall year-to-date BH has had a net loss from operations of \$98 million--\$6 million ahead of budget and \$2 million behind last year with a bottom line surplus of \$41 million v. \$49 million from last year. Mr. Nask stated that BH recorded \$15 million of the non-cash swap novation which was initially set up as a liability and then will get written off over the next 15 years unless BH refinances the Bond. Mr. Nask said that this is a paper issue and has no cash associated with it at the moment.

Investment Income for the month was a positive \$3 million and part of the swap novation of \$10 million went through investment income. Balance Sheet: 238 days of cash, good debt to equity and capitalization, pick up in capital spending at 112% (these are the numbers that Moody's is looking at).

Mr. Nask reminded the Commissioners that they recently approved a resolution allowing BH to go back up to 18 months to finance any projects that have been approved. He said that over the next year as BH begins to launch the renovations for BH North and CECH there might be an opportunity to finance some of those dollars at low cost financing at 3%. BH might be able to use the county health facility authority which would save BH getting letters of credit. Mr. Nask stated that if this is an option that BH wants to consider, it would definitely come before the board for approval.

GENERAL COUNSEL REPORT

Mr. Goren reminded the Commissioners about the District's lawsuit with the City of Coral Springs for the Fire Recue Assessment. He commented that the case was taken before Judge Phillips and she ruled, several months ago, in favor of the District. Since then, BH has been arguing with the opponents in the case to enter into a final judgment which would in fact reflect several components: prejudgment interest and a refund for the past 4 years of payments made under protest. Mr. Goren stated that they do not have an answer on the issue, however, there is an hearing set before Judge Phillips on June 4th on the city's motion for clarification and the District's interest of having the court entering a final judgment which will confirm and reflect that the District is entitled to prejudgment interest and, more importantly, the issue of the refund. Mr. Goren referred to the Northport case which basically says that special districts such as Broward Health, and special taxing districts, in particular, have limited authority. They are limited by what is provided for in their

special acts. The District's Charter does not provide for the District to pay for special assessments for fire rescue. After reviewing the Northport case, Judge Phillips ruled that the District was correct.

Mr. Goren then commented on the City of Fort Lauderdale's WAVE Assessment. This is a situation where the City of Fort Lauderdale and the DDA have assessed certain properties including the District's properties on the basis that they have an overall need to provide for transportation to and from various locations to downtown Fort Lauderdale. The District's legal counsel has also opposed this as well because it is a special assessment not provided for in the District's Special Act. The cost for this year alone was \$155,000 and that payment was made under protest as well; however, in looking at the 20 year value it equates to \$1.7 million overall. Mr. Goren said that they hope to bring to the Building Committee in May a proposal and recommendation where there might be some opening door for allocating resources of the District to pay for some aspects of what is being assessed going forward. Hopefully, the judgment that will be entered by Judge Phillips will state that BH is correct and there is no legal ability or basis to be assessing Broward Health to this purpose.

Mr. Goren referred to Item 7, the Arent Fox invoices. He informed the Commissioners that at the request of the Legal Affairs Committee he had advised counsel for Arent Fox of the concern expressed by Commissioner Nieland and others regarding the 2.8 hour entry for February 3rd for one of their attorneys. Mr. Goren said that when the Board considers that item today, it should not include that statement of services rendered.

COMMITTEE REPORTS:

Audit Committee--April 16, 2014 – Commissioner Darryl Wright

In the absence of Commissioner Wright, Maria Panyi, Chief Internal Auditor reported to the board that Commissioner Wright had reviewed and approved the minutes.

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez, that the Board of Commissioners approve the Audit Committee minutes of April 16, 2014. Motion carried unanimously.

Building Committee April 23, 2014 - Commissioner Joel Gustafson

There being no additions or corrections to the minutes,

It was moved by Commissioner Nieland, seconded by Commissioner Rodriguez, that the Board of Commissioners approve the Building Committee minutes of April 23, 2014. Motion carried unanimously.

Finance Committee April 23, 2014 – Commissioner Debbie Kohl

There being no additions or corrections to the minutes,

It was moved by Commissioner Gustafson, seconded by Commissioner Rodriguez, that the Board of Commissioners approve the Finance Committee minutes of April 23, 2014. Motion carried unanimously.

Legal Affairs Committee April 23, 2014 – Commissioner Joel Gustafson

There being no additional or corrections to the minutes,

It was moved by Commissioner Kohl, seconded by Commissioner Rodriguez, that the Board of Commissioners approve the Legal Affairs Committee minutes of April 23, 2014. Motion carried unanimously.

AGENDA CHANGES There were none.

CONSENT AGENDA

Chair Di Pietro entertained a motion to approve Items 6 through and including 11 as listed on the Consent agenda;

6. Acceptance of the Interim Financial Statement for the month of March 2014
7. Approval for payment to Arent Fox for Invoices RE; OIG Matter for February 2014 subject to Mr. Goren's discussion with Arent Fox relating to a review status on "paused projects" either to adjust or delete from invoice. **Mr. Goren stated that payment would not include that statement of service rendered. There would be an adjustment for the 2.8 hours.**
8. Approval of Notice of Award to Turner Construction Company, the lowest responsible bidder, for Capital Project #14BG1604 and Capital Project #11BG1189.
9. Approval of Notice of Award to Associated Craftsmen of America, the lowest responsible bidder, for Capital Project # 12NB1464-B.
10. Approval for the sale of vacant land generally located at N.W. 90th Terrace, Sunrise, Florida 33315, more specifically identified as Broward County Property Appraisers Parcel ID No. 494120580010 in the amount of \$4,000,000; subject to a \$50,000 deposit in escrow and at the end of the 90 day inspection period \$25,000 from the deposit will become non-refundable; the buyers will have up to three (3) 30 calendar day extensions with each extension requiring a \$10,000 non-refundable deposit; those dollars will be credited toward to the sale once the sale is finalized.
11. Authorization for Mr. Frank Nask, CEO to negotiate and sign a lease with KIRLIN FLORIDA LLC for space in the Spectrum Office Park in collaboration with Commissioner Rocky Rodriguez; and to provide an update to the Board as to the terms of the lease.

With regard to Item 11, Mr. Goren asked that this item be approved with the caveat that there may be some minor tweaking to the document which would not be substantive or material. It was reported that negotiations are still ongoing regarding rent. Chair Di Pietro asked that the final document will be submitted to the Legal Affairs Committee for review. Mr. Nask said that they did some research on the company and found---it is a solid and fairly substantial construction company with \$.5 billion of revenue; solid bottom line and bank statement; offices around the state; and their home base was located in Jacksonville.

Chair Di Pietro asked if Broward Health would have to pay property tax since it is no longer being used for a special taxing district. Mr. Goren stated that portions of publicly

owned property if used for the public purpose are exempt from taxation. However, if the property is being used for proprietary or private use, portions of the property are taxed.

It was moved by Commissioner Kohl, seconded by Commissioner Rodriguez that the Board of Commissioners approve Items 6 through and including 11 as listed on the Consent agenda. Motion carried unanimously.

DISCUSSION AGENDA

12. Approve Resolution No. 14-04-30-1, namely: authorization for the President/CEO or his designee to open a separate bank account with Wells Fargo for the sole purpose of managing the daily operation of the Spectrum Office Park. (THIS ITEM WAS PULLED) Refer to CEO Report.

13. Request Conflict of Waiver for Arent Fox to represent Luitpold Pharmaceuticals Inc. Mr. Goren presented Item 13.

Mr. Goren stated that this is a Florida Bar Waiver from Arent Fox and as the District's attorney he is unable to waive the privilege. In the past the Board has taken a very specific position with regard to anything that is litigation based or which is conflict based in the context of litigation where in that instance the lawyers who have asked for the waiver have been given the choice of either retaining the relationship with the Broward Health or choosing otherwise. Mr. Goren stated that this particular request is a relationship of 10 plus years between the Arent Fox firm and the pharmaceutical company of Luitpold who is currently engaging in a relationship with Broward Health for some clinical trials. Mr. Goren stated that at the moment this is not a specific conflict of interest nor is there one anticipated but it is a waiver issue that only the board can approve.

Chair Di Pietro said he did not understand the conflict. Mr. Goren said that there is no conflict. He explained that the pharmaceutical company is going to be engaging in a contract with Broward Health for a clinical trial that is oncology based. Dr. Maini is the physician who will be assisting in that trial.

Commissioner Nieland asked that this request be forwarded to the Legal Affairs Committee for further research before the board votes on whether to approve or not.

Chair Di Pietro asked if Dr. Maini was listed on the subpoena of May 2011. Mr. Goren replied yes. Chair Di Pietro said that he would not approve the waiver.

Mr. Goren offered the option of Arent Fox withdrawing the request. Chair Di Pietro said that would be a good idea.

Commissioner Nieland asked that it be referred back to Legal Affairs Committee. Commissioner Nieland also commented that Arent Fox might want to withdraw this request.

It was moved by Commissioner Gustafson, seconded by Commissioner Nieland that this item be referred back to the Legal Affairs Committee. Motion carried unanimously.

COMMENTS BY COMMISSIONERS

Commissioner Rodriguez asked if Item 10 was approved. Mr. Goren stated that during the Legal Affairs Committee meeting, Commissioner Rodriguez offered some specific recommendations to the buyer as an option to revising the contract. Mr. Goren said that it was his understanding that his recommendations of non-refundable deposits and a more limited timeframe of which the buyer agreed to both of these options. Chair Di Pietro recommended that this item be placed on the Legal Affairs Committee agenda in 90 days for an update.

Commissioner Nieland thanked Ms. Jasmin Shirley and Scott DiMarzo for the tour of some of the CHS facilities. It was very enlightening.

NEXT REGULAR BOARD MEETING

The next regularly scheduled Board of Commissioners' meeting will be held Wednesday, May 28, 2014 at 4:00 p.m. in the Medical office Complex, Conference Center 1st Floor, Broward Health Coral Springs, 3100 Coral Hills Drive, Coral Springs, Florida.

Meeting adjourned at 5:28 p.m.

Respectfully submitted,
Debbie L. Kohl, Secretary/Treasurer

BY: Maryanne Wing

A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE