

**NORTH BROWARD HOSPITAL DISTRICT
BOARD OF COMMISSIONERS'
REGULAR MEETING
Wednesday, March 28, 2012
Broward Health North
Conference Center – 10:00 a.m.**

MINUTES

The Regular meeting of the Board of Commissioners of the North Broward Hospital District was held on Wednesday, March 28, 2012 at 10:00 a.m. in the Conference Center at Broward Health North Broward Medical Center, 201 East Sample Road, Deerfield Beach, 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 on file in the Board of Commissioners' office.

Chair Gustafson called the meeting to order at 10:05.

ROLL CALL

Commissioners:

Present: Commissioner Joel Gustafson, Chair
Commissioner Jennifer O'Flannery Anderson, Vice Chair
Commissioner Rhonda Calhoun, Board Member
Commissioner Miguel Fernandez- Board Member
Commissioner David Di Pietro- Board Member – arr: 10:10 .a.m.
Commissioner Clarence McKee- Board Member- arr: 10:11 a.m.
Commissioner Richard Paul-Hus- Secretary/Treasurer—arr: 10:35 a.m.

The invocation was given by Rabbi Yossi Goldblatt, Habad of Deerfield Beach, followed by Pledge of Allegiance led by Pauline Grant, CEO at Broward Health North Broward Medical Center.

RECOGNITION OF SHINING STARS: The following employees were recognized: Joanne Walker, Surgical Scheduler, Broward Health Weston; Salvatore Di Marco, Service Coordinator Early Steps Program Children Diagnostic and Treatment Center (CDTC); Michelle Diaz, Quality Risk Management, Broward Health Coral Springs Medical Center (BCSMC); Monique Dumas, Social Service Coordinator, Broward Health North Broward Medical Center (BHNBMCC); Christopher Och, Assistant Nurse Manger, Psych ED., Broward Health Imperial Point Medical Center (BHIPMC); and Merlande Etienne, Medical Assistant II, Comprehensive Care Center, Community Health Services.

COMMENTS FROM AUDIENCE:

Mr. John deGroot, taxpayer Broward County, made some comments with regard to St. Mary's Hospital and the responsibility of the Board of Directors as to what they knew about the finances

and contracts of that organization. He said that their Board claimed ignorance and the court found that ignorance was not acceptable for Board members.

He then addressed an item in recent Board Minutes which talked about admissions at Coral Springs Medical Center. He directed the Commissioners to ask the right questions with regard to the admissions problems at Coral Springs. For example, how many nurses are there; what is the use of the nursing pool; and what is the nurse to ratio patient at CSMC compared to the other District Hospitals.

Mr. deGroot asked Mr. Nask if he was going to discuss the sale of the District at the Strategic Planning meeting this Friday. Mr. Nask replied "NO."

Terry Scott and Mary Davis, from the City of Deerfield and Community Search for Youth presented Pauline Grant with the "Home Town Hero's" award for her outstanding service to the community. Ms. Grant said she was "surprised and honored to have been the recipient of this award." She said that it was "humbling to be honored by the community that you serve."

APPROVAL OF MINUTES

1. Request approval of the Minutes for the Regular Meeting of the Board of Commissioners held February 29, 2012.

It was moved by Commissioner O'Flannery Anderson, seconded by Commissioner Fernandez:

THAT THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD ON FEBRUARY 29, 2012 BE APPROVED AS PRESENTED.

Motion carried unanimously.

MEDICAL COUNCIL AGENDA

2. **BROWARD HEALTH NORTH (BHN)**

Dr. Ford, Chief of Staff of Broward Health North Broward Medical Center, provided the following update:

- On March 16, 2012, the Auxiliary was honored by the Board of Commissioners at its annual luncheon. Commissioners in attendance: Commissioners' Gustafson, Di Pietro and Calhoun. The auxiliary gives a lot of financial support to the medical centers and are greatly appreciated by the employees and the medical staff. They have worked over 50,000 hours this past year.
- Donna Small, Chief Nursing Officer (CNO) of BHN has resigned. Ms. Small worked for Broward Health for 8 years and they wished her well.
- March is Colon Cancer Awareness month. BHN has provided lectures to educate the public regarding the benefits of having early screening tests.

He thanked Sara Howley and the marketing department for the help they provided in getting the information out to the public.

Dr. Douglas Ford reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Additions, Changes and Resignations; Allied Health Additions, Changes and Resignations; Medical Staff Reappointments; Allied Health Reappointments and Community Health Reappointments.

It was moved by Commissioner Calhoun, seconded by Commissioner Fernandez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF NORTH BROWARD MEDICAL CENTER'S MEDICAL COUNCIL OF ITEMS 2 (A-E):

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

Motion carried unanimously.

3. **BROWARD HEALTH IMPERIAL POINT (BHIP)**

Dr. Groene, Chief of Staff of Broward Health Imperial Point, provided the following update:

- BHIP is still in the interview process for selection of a COO/CNO. They have interviewed two more candidates and they are returning for a second round interview.
- Employee Giving Campaign has been successful. So far BHIP has over 55% participation.
- Doctors' Day will be held on March 30, 2012. The medical staff has contributed \$11,575 contribution for Nurses' Week.
- Held mock survey with Joint Commission consultant.
- Dr. Groene thanked Sara Howley and Abby Fortey (Physician Services BHIP) for featuring her in the Broward Health Magazine.
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Dr. Linda Groene 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 O'Flannery Anderson, seconded by Commissioner Fernandez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH IMPERIAL POINT MEDICAL CENTER'S MEDICAL COUNCIL OF ITEMS 3 (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.

4. **BROWARD HEALTH MEDICAL CENTER (BHMC)**

Dr. Chokshi, Chief of Staff of Broward Health Medical Center, provided the following update:

- BHMC had a successful Strategic Planning meeting with Administration and the Medical Staff leaders to identify strategic direction and provide input on the capital planning. He complimented Mr. Glidewell and his team for engaging the medical staff leaders in this process.
- April 1, 2012, BHMC will be offering NeuroDynamics testing and consultation at the Lillian Wells Cancer Center.

Dr. Rajiv Chokshi 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 O’Flannery Anderson, seconded by Commissioner Fernandez:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF THE BROWARD HEALTH BROWARD GENERAL MEDICAL CENTER’S MEDICAL COUNCIL OF ITEMS 4 (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.

5. **BROWARD HEALTH CORAL SPRINGS (BHCS)**

Dr. Greenspan provided the following update:

- March 19, 2012, was National Board Certified Nurses Day and BHCS recognized 81 RNs who have board certification in a variety of specialties.
- Wound Care Center for the third year in a row received the Diversified Distinction Award and The Robert Warner Award for meeting key performance indicators for two years, including patient satisfaction of 92% or greater and healing rate of 91% or greater.

- March 28, 2012, BHCS held Colleague Connection function which was organized by Drew Gross. Its purpose is to bring physicians together to build relationships amongst themselves and the hospital administration.
- Doctor's Day will be held on March 30, 2012, at Broward Health Coral Springs.
- March 31st, the 5 K Race/Run for Women's Awareness will be held beginning at 8:00a.m. benefitting the Lisa Boccard Breast Cancer Fund.

Dr. Carrie Greenspan reported that the Medical Council had reviewed and recommended for approval by the Board of Commissioners all exhibited Medical Staff Appointments; Medical Staff Reappointments; Allied Health Appointments; and Allied Health Reappointments.

It was moved by Commissioner Fernandez, seconded by Commissioner O'Flannery Anderson:

THAT THE BOARD OF COMMISSIONERS APPROVE THE RECOMMENDATIONS OF BROWARD HEALTH CORAL SPRINGS MEDICAL COUNCIL OF ITEMS 5 (A-D):

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

Motion carried unanimously.

Commissioner McKee asked if she would speak to Mr. deGroot's earlier comments. Dr. Greenspan deferred to Drew Grossman, CEO of Broward Health Coral Springs, to respond to Mr. deGroot's comments.

Mr. Grossman stated during this time of the year, timely admissions at Broward Health Coral Springs are an issue. However, a bed discharge process has been put in place and the goal is to have patients discharged from the hospital by noon. BHCS has the staffing in place and they are in talks with corporate to see what needs to be done to get a doctor in the triage area.

Commissioner McKee asked how staffing compares to other Broward Health hospitals. Mr. Grossman said that he did not have the information. Mr. Martin, Broward Health's Senior Vice President and Chief Financial Officer, commented that the total FTEs per adjusted patient day, not necessarily in nursing, at BHCS ranks 3rd out of the 4 hospitals.

Commissioner Di Pietro asked what the average census was for March 2012. Mr. Grossman said according to the nurse supervisor it could be between 145 and 147 but there are days when it is 190 plus. He informed the Board that they do have satellites set up to accommodate the patients.

Commissioner McKee asked how the Commissioners could help.

Mr. Grossman said a possible expansion of the hospital sometime in the future may help. He said that there are reports that there could be another 16 to 18,000 people coming into the Parkland area in the next 3 to 5 years. Parkland is already planning to build more schools in order to accommodate the increase.

Mr. Nask asked Mr. Grossman if the hospital was expanded would they be able to recruit more nurses. Mr. Grossman asked Ms. Graham, CNO to address the question. Ms. Graham commented that recruiting nurses was not a problem, they are just very particular on who they recruit.

Mr. Nask asked what BHCS's vacancy and turnover rates are. Ms. Graham said that the vacancy rate average is about 2%; turnover is around 9 to 10%, which is very low.

Following further discussion with regard to moving beds and how many beds would be needed, it was suggested by Chair Gustafson that a presentation regarding this issue be given at a Committee of the Board of Commissioners where the Commissioners could look at some hard numbers.

Commissioner Calhoun commented that this should be done at a workshop type setting. She said that she had begun to do some outreach to some of her colleagues and local elected officials. She said that the Mayor from Parkland and Senator Ring both have told her that they are not hearing anything about any problems; however, there have been some elected officials who have made comments.

Commissioner Calhoun said that this is something that needs to be looked at globally before talking about adding beds and nurses. She suggested asking the City of Parkland for information. Commissioner Calhoun reported that last year the City of Parkland did a huge master plan and analysis that ran the gamete from solid waste to water supply, to public safety and what the impact of the wedge was going to be on all the surrounding areas. The one area that they did not look at was medical care.

Commissioner Calhoun suggested that Broward Health ask the City of Parkland, since they hired a consultant, to expand their master plan analysis and look at medical services. As a city, where do they think people moving into their community are going to be receiving their medical services?

Chair Gustafson said that administration has heard the concerns and asked Mr. Nask to put a program in motion so that there could be further discussion on this subject.

CEO REPORT:

Mr. Nask reported that the National Center for Urban School Transformation has named William Dandy Middle School, a Broward County Public School, as a recipient of the National Excellence in Urban Education award. William Dandy is one of the schools where Broward Health provides its school based health programs.

Broward Health Imperial Point won the Quality Expo local level award on their Showcase and will now be travelling to Orlando to participate in State Competition.

Mr. Nask reminded the Board that in October, 2011, the Board approved a proposed arrangement between Broward Health and Commerce Bank called Revenue Sharing Program where depending on Broward Health's timeliness in paying its bills, Broward Health will share in some of the prompt paid discounts to the vendors. In the first two months of participating in the program, Broward Health received its first check in the amount of \$112,000 that is roughly \$55,000 per month. Mr. Nask said that the program has just begun so it could add up to three quarter to a million dollars a year in additional cost savings.

In addition, Mr. Nask reported that on this past Sunday, Broward Health completed its 90 day Meaningful Use level 1 program. He said that there are three levels which will take place over the course of the next two to three years to achieve Electronic Medical Record (EMR) and Computerized Physician Order Entry (CPOE) participation. Broward Health is in the 10-15% of the nation's hospitals in terms of EMR adoption, technology complexity and user sophistication. He said that there will be approximately \$15 million of reimbursement back from the investment that Broward Health has made in its Information Technology system. Broward Health has already received \$6 million from the State for meeting the qualifications for Medicaid under the EMR incentive program. Broward Health is now working on meeting the qualifications for Medicare which will be another \$10 million which Broward Health will receive in Medicare rates. Broward Health is continuing on to the next level of Meaningful Use two and three and then Broward Health will be eligible for the additional \$15 million. Mr. Nask said that this was a quest that Doris Crain, Broward Health's Senior Vice President/ Chief Information Officer, began 5 years ago. Mr. Nask complimented Ms. Crain on a job well done.

GENERAL COUNSEL REPORT

Mr. Goren reported that the Gaetz Bill which is referred to as House Bill 711 was adopted by the legislature and signed into law this past week. Mr. Goren said that it is time for the Board to look at the Bill and begin the process for evaluating the system's assets and mandated by the Bill. The actual evaluation process must begin by December 31 of this year. Mr. Goren commented that Broward Health's Administration is working on the evaluation process. He said that during that process there are public hearing options, public hearing requirements and a number of facets to the Bill that will require close attention with regard to the potential future of Broward Health. He informed the Commissioners that there are some very significant requirements in the Bill that have been made into law. Mr. Goren said that this Bill is the guiding light that modified Chapter 155.40, Florida Statutes

Commissioner Calhoun asked for clarification the following: the law requires a mandatory evaluation of the assets of Broward Health but it does not require Broward Health to sell or lease the assets, it just means that the organization has been mandated to go through an evaluation process. Mr. Goren said that she was correct and the evaluation process is a one-time event.

Commissioner Calhoun asked what the cost of the evaluation could be. Mr. Nask commented that it would be in the low six figures--\$250,000 which is an early read that administration has received from a couple of vendors.

Commissioner Di Pietro said that the Board as a whole should be thoroughly involved in every aspect of the evaluation process (i.e. selection of the company and the consultants that are hired.) He explained that if a decision was going to be made then everyone needs to be comfortable with every individual involved in this process going forward.

Mr. Nask said that realistically there were only a hand full of companies that would have the level of expertise required in order to conduct the evaluation. This would include one of the big four accounting firms or evaluation companies i.e. Cushman Wakefield. Mr. Nask said that he would get proposals from them and share all of that information with the Board at a Finance Committee meeting.

Mr. Goren said that there are interesting internal inconsistencies in the Bill and that counsel is studying those inconsistencies. He explained that under State law there are certain issues that Broward Health confronts as a public hospital that are confidential under State law such as certain financial data and certain intricate financial mechanisms on how Broward Health does its public business. This particular Bill re-opens the door that certain valuated data which is derived from outside consultants which would not typically be available for private hospitals appears to be required to be made public. Mr. Goren said that there is a unique portion of the statute that will require some attention.

Mr. Goren advised the Board that some years ago (tab document was placed at their seats), Mr. Goren's firm engaged special counsel to assist Broward Health in addressing an issue regarding fire service special assessment fees imposed by local governments. . He explained that some cities in Broward County include fire service special assessment fees in the tax bill to cover the cost of providing fire rescue services to homes and businesses within their cities. There are two cities in Broward County —Coral Springs and Fort Lauderdale ---that began to impose the special fire service assessment fees on hospitals in 2009 even though previously there was an exemption over the years, Coral Springs Medical Center and Broward General Medical Center have been assessed for those services.

Mr. Goren stated that Broward Health's outside attorney, Mr. John Herin has been having conversations with the City of Coral Springs regarding this matter. He informed the Commissioners that Broward Health Coral Springs modified its assessment program back in 2009 and since then the City has imposed fees on Broward Health Coral Springs. In one year, Broward Health paid its fees with protest; however, the following year Broward Health refused to pay the special fire assessment fee and informed the City of Coral Springs that pursuant to Florida law, all property of the political subdivision of the State, such as Broward Health, were exempt from taxation. In response, the City through the county system, issued a tax certificate on Broward Health Coral Springs, which was a predicate to ultimate foreclosure. Mr. Goren said that there was correspondence in the backup regarding the canceling of the tax certificate as well as the issue of going forward under its recent Supreme Court case ruling. Mr. Goren informed the Commissioners that between now and the next meeting in April, in the event that General Counsel is unable to resolve the matter through counsel, Broward Health may have to engage in a Dispute Resolution Process under State law-Chapter 164, which is essentially before government can go after and sue other governments, there has to be a mediation process before you can sue. Mr. Goren also informed the Commissioners that all of the payments to the City of Fort Lauderdale have been made in protest and they have not issued tax certificates on

Broward Health Broward General Medical Center. Mr. Goren said that this information was being provided to them as a matter of information and for the Record.

Mr. Goren also addressed the memorandum provided by Arent Fox which is the outside counsel handling the OIG matter. The memorandum addresses the modification of Arent Fox's fees, costs and expenses. This item was discussed previously at the Legal Affairs Committee meeting in March, 2012.

Lastly, Mr. Goren mentioned that there has been a heightened awareness of the Foreign Corrupt Practices Act and how it may apply to public hospitals. Mr. Goren said that they are aware of the federal statute which was modified in 1977 and explained that it is a disclosure statute that relates to foreign payoffs and bribes. He said that counsel has met with Maria Panyi, Broward Health's Chief Internal Auditor, Donna Lewis, Broward Health's Chief Compliance Officer and Abbe Bendell, Broward Health's Vice President of International Business for. General Counsel will bring back to the Board at the April, 2012 Board meeting a Resolution that basically articulates the processes and procedures that are in place or will be in place with regard to that statute and how it applies to Broward Health. Mr. Goren said that Broward Health is operating in accordance with applicable state and federal laws.

COMMITTEE REPORTS

Audit Committee – March 7, 2012– Commissioner Rhonda Calhoun provided a brief summation of what occur at the meeting: Updates were provided by PwC, Internal Audit and Corporate Compliance.

It was moved by Commissioner Paul-Hus, seconded by Commissioner O'Flannery Anderson that the minutes of the Audit Committee of March 7, 2012 be approved as presented. Motion carried unanimously.

Pension and Investment Committee- February 24, 2012 – Commissioner Miguel Fernandez provided the following summary: Congress Asset Management conducted a review of the Private Equity portfolio as of 12/31/2011; Larry Marino of Segal Advisors presented “watch reports” on both BMO Harris and Systematic Financial Services; Northern Trust Company presented the investment portfolio for the Donated Funds account for the period ended 2/22/2012; Systematic Financial Services was asked to attend the meeting to give an update presentation to the Committee on their firm, their team and their investment style; Pension Fund balance as of February 24, 2012 totaled \$227,404,870; and Segal Advisors was requested to review and revise their asset allocation study for the pension plan as returns over time are running slightly below the imputed return built into the pension plan funding requirement. There were no changes in financial advisors.

It was moved by Commissioner Calhoun, seconded by Commissioner O'Flannery Anderson that the Minutes of the Pension and Investment Committee of February 24, 2012, be approved as presented. Motion carried unanimously.

Quality Assessment and Oversight Committee meeting – February 9, 2012 – Commissioner Joel Gustafson asked that the minutes be approved as submitted.

It was moved by Commissioner Calhoun, seconded by Commissioner Fernandez that the minutes of the Quality Assessment and Oversight Committee held on February 9, 2012, be approved as submitted. Motion carried unanimously.

Building Committee- March 14, 2012 – Commissioner Jennifer O’Flannery Anderson provided the following summary: Several items are listed on the Consent Agenda for final approval; on the Discussion agenda is a request to surplus a piece of property which requires the approval of a Resolution and BH is looking for two bids and then the property can be sold; cancelling the April meeting but will have a full agenda for the May meeting.

Commissioner Paul-Hus asked with respect to the Tier II contractors, Broward Health decided to go through a process that vetted companies and awarded or selected five companies and all the work within certain tiers goes to those companies. Commissioner Paul-Hus said that he has learned that there is an additional threshold within the tiers where the diversity factor is still applied. So within those five companies selected, if they are a diverse vendor, they have a 5% advantage. He said that it appears that Broward Health has short listed a certain group and then created a special class within a special group which seems very unusual. Commissioner Paul-Hus asked for an explanation as to why Broward Health has an additional threshold within a thoroughly vetted group of companies.

Commissioner O’Flannery Anderson explained that Broward Health gave diversity points when Broward Health selected the tier contractors. Diversity was always a qualification.

Mr. Polemeni commented that diversity was always a requirement for the 20% contractors whether they are a certified diverse vendor or not. In Tier I contractors there are four out of the six that are 100% diverse, in Tier II, two of the six contractors are diverse. In this particular bid, the low bidder for the OR storage project was Phoenix construction and the joint venture of those two diverse.

Mr. Polemeni suggested that Broward Health may want revisit the Quote Price Tolerance (QPT) which is part of Broward Health’s standard RFQ documents with regard to equity. Commissioner Paul-Hus suggested that Broward Health revisit that issue. Mr. Polemeni said that Broward Health would revisit the QPT in its relationship specifically to the pre-qualified term program but it will always remain in the RFQ projects for those projects that are above these thresholds.

It was moved by Commissioner Paul-Hus, seconded by Commissioner Calhoun that the minutes of the Building Committee held on March 14, 2012 be approved as presented.

Finance Committee – March 21, 2012 – Commissioner Richard Paul-Hus said that Mr. Martin provided a good review of the financial statement for February. Countywide volumes remain low but Broward Health remains 2% ahead of competition in the county; balance sheet remains strong; investments are up; total cash collected very good-\$82 million month; Days in AR dropping through the system; \$31 million less in funding from Medicare; recommended items that are on the Consent agenda; very good review and analysis from Dr. Boutin and Ms. Rey on Quality initiatives. Administrators are doing a good job with improving the quality numbers, moving in the right direction.

Commissioner Di Pietro requested, in an effort to be more transparent, that Finance Reports be given at a Board meeting as well as the Finance Committee meeting. Commissioner Fernandez disagreed and pointed out that there is more time to review the financials at a Finance Committee meeting.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Di Pietro that the minutes of the Finance Committee meeting held on March 21, 2012 be approved as presented. Motion carried unanimously.

Commissioner Di Pietro moved that the Broward Health’s CFO provide a summarized version of the financial status of the District at the regular Board meetings. It was seconded by Commissioner Calhoun.

Following further discussion, the motion carried unanimously.

Human Resource Committee – March 21, 2012- Commissioner Richard Paul-Hus reported that the only item on the agenda was to discuss the hiring and interview process for selecting Paul Echelard as Broward Health’s Chief Operating Officer (COO.) Commissioner Paul-Hus discussed the process in detail and Mr. Echelard was selected overwhelmingly.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez that the selection of Paul Echelard as the Corporate COO be ratified subject to passing the pre employment requirements. This item is also listed on the Consent agenda for final approval.

Motion carried unanimously.

Legal Affairs Committee- March 21, 2012 – Commissioner David Di Pietro provided a summary of the meeting: There was a report from two representatives of IHS Strategies, Mary Heymans and Aurora Young. The presentation included information on FMVs, what it entails, what is the background and what does the Board need to do as a governing body to protect not only the hospital district but them as well; out of the IHS presentation, staff was directed to adopt two separate policies regarding governance physician compensation; one for employed physicians and another for independent contractor physicians ; there was also a presentation of the North Broward Radiologist contract renewal, it was approved subject to receiving an FMV opinion (this item is on the Discussion Agenda for final approval); Updates on the Phoenix and Orthopedic Agreements and a memorandum from Arent Fox which outlined the proposed adjustments. Effective, March 1, 2012, Arent Fox will use three paralegals and one junior associate to perform first tier document review. Paralegals will be billed at \$165 per hour and the junior associate will be billed at \$325 per hour. In addition, all other associates will be billed at \$450 per hour and all partners will be billed at \$520 per hour which represents a \$30 hour increase over last year’s rates.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Fernandez that the minutes of the Legal Affairs Committee held on March 21, 2012 be approved as presented.

Discussion: Commissioner Calhoun said on the portion of the Minutes where she questioned why Broward Health was paying the Radiologist a bonus for attaining quality measures, she would like to expand that statement. The reason she was asking was because she felt that attainment of excellence and quality is expected within our contracts. She said that her question was more related to where we were going with it and why it was part of the contract.

Motion carried unanimously.

CONSENT AGENDA

(Items listed below were previously reviewed and recommended for approval at Building Committee, Finance Committee, Legal Review and Human Resource Committees)

Chair Gustafson asked if there was a motion to approve items 6 through and including 13 with the exception of Item 10 as listed on the Consent Agenda with the

Commissioner Paul-Hus asked that Item 10 be pulled from the Consent agenda and moved to the Discussion agenda.

6. Request acceptance of the Interim Financial Statement for the month of February 2012.
7. Request approval for BHMC OR Storage Projects using Tier 2 Contractors—Staff requests approval to enter into a contract with Link Construction Group, the lowest responsive and responsible bidder.
8. Request approval for BHCS Fuel Oil Tank Project—Staff requests approval to enter into a contract with Glasgow Equipment Service, Inc. the lowest responsive and responsible bidder.
9. Request approval for BHIP CT Scan Replacement Project using Tier 2 Contractors—Staff requests approval to enter into a contract with ANF Group, Inc., the lowest responsive and responsible bidder.
10. Pulled and place under Discussion agenda.
11. Request authorization for the President/CEO to revise North Broward Hospital District's Financial Assistance Guidelines for Health Care for the Homeless to include wording that specifies that the discounts for patients with incomes greater than 200% of FPG does not apply to patients enrolled for primary care services in the Health Care for the Homeless Program.
12. Request approval to submit the MAI proposal for continued funding to supplement outpatient/ambulatory medical care provided to Broward Health's patients with HIV/AIDS in the amount of \$100,000.
13. Request approval to name Paul Echelard as Sr. Vice President/COO.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Paul-Hus:

THAT THE BOARD OF COMMISSIONERS APPROVED ITEM 6-7-8-9-11-12 AND 13 AS LISTED ON THE CONSENT AGENDA.

Motion carried unanimously.

DISCUSSION AGENDA

(Item 14 was recommended for approval by the Building Committee)

10. BHN \$70million Capital Program—Selection Committee Recommendation of Program Manager—Staff requests approval to enter into a contract with Heery International, the best qualified Program Manager to manage the BHN \$70 million Capital Program.

Commissioner Paul-Hus asked Mr. Nask where they were on the ROI analysis.

Mr. Nask asked Mr. Polemeni to respond. Mr. Polemeni explained that one of the reasons for getting a program manager on board was to help evaluate the ability to determine the ROI. He explained that there are some improvements that will not be revenue enhancing and do not lend itself to an ROI process i.e. central energy plant and the skinning of the building. However, Broward Health will be going through an ROI process for the expansion of OR Suites, ED remodeling and expansion projects.

Commissioner O’Flannery Anderson commented that this was discussed at the Building Committee and when the ROI is done it should show a positive return but part of the infrastructure may not.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Paul-Hus:

THAT THE BOARD OF COMMISSIONERS APPROVE STAFF REQUESTS TO ENTER INTO A CONTRACT WITH HEERY INTERNATIONAL, THE BEST QUALIFIED PROGRAM MANAGER TO MANAGE THE BHN BMC \$70 MILLION CAPITAL PROGRAM.

Motion carried unanimously.

14. Request authorization for the President/CEO of the North Broward Hospital District to execute a new Radiology Services Agreement with North Broward Radiologists P.A. for a five (5) year term commencing April 1, 2012, with compensation as follows: Year 1 \$3,030,000; Year 2- \$3,121,000; Year 3- \$3,215,000; Year 4- \$3,311,000; Year 5- \$3,311,000. In addition, North Broward Radiologist will have the opportunity to be compensated an additional \$160,000 per year for achieving quality performance benchmarks outlined in Exhibit B of the Contract

Item 14 was presented by Paul-Echelard, Sr.VP/COO. Mr. Echelard stated that at the Legal Affairs Committee two items needed to be clarified. One was with regard to the quality matrix. Mr. Echelard noted that administration was adjusting the number just slightly in order to truly reflect an improvement on their performance. He met with Commissioner Calhoun and reviewed what the actual present level performance was and what the goal was for the Radiology group to earn additional funds. Commissioner Calhoun commented that all was good.

Secondly, the FMV opinion from IHS has been completed and a copy was given to the Commissioners.

It was moved by Commissioner Paul-Hus, seconded by Commissioner Fernandez:

THAT THE NORTH BROWARD HOSPITAL DISTRICT BOARD OF COMMISSIONERS AUTHORIZE THE PRESIDENT/CEO OF THE NORTH BROWARD HOSPITAL DISTRICT TO EXECUTE A NEW RADIOLOGY SERVICES AGREEMENT WITH NORTH BROWARD RADIOLOGISTS P.A. FOR A FIVE (5) YEAR TERM COMMENCING APRIL 1, 2012 WITH COMPENSATION AS FOLLOWS: YEAR 1 \$3,030,000; YEAR 2- \$3,121,000; YEAR 3- \$3,215,000; YEAR 4- \$3,311,000; YEAR 5- \$3,311,000. IN ADDITION, NORTH BROWARD RADIOLOGIST WILL HAVE THE OPPORTUNITY TO BE COMPENSATED AN ADDITIONAL \$160,000 PER YEAR FOR ACHIEVING QUALITY PERFORMANCE BENCHMARKS OUTLINED IN EXHIBIT B OF THE CONTRACT AND ACCEPTANCE OF THE FMV AS REQUIRED.

Discussion:

Commissioner Di Pietro commented that the FMV is for 3 years. Mr. Echelard said that since this is a 3 year contract, at the end of 3 years another FMV needs to be done. He stated that there is language included in the contract stating that after 3 years another FMV needs to be done to determine if they are still within fair market value and if not, then Broward Health would need to renegotiate with them.

Commissioner Di Pietro asked what range they needed to be in. Mr. Echelard said that the target is to be within the 50th to 75th percentile. If they are above the 75th percentile then it would come back to the Committee and Board for approval.

Commissioner Di Pietro also asked if there would be an issue with recruiting when the fair market comes in above the productivity percentile. Mr. Echelard said it should not. He explained that they choose to employ fewer employees and have them work a little more which pushes their individual salaries higher than the 50 percentile. This is the nature of the group and their business decision.

Motion carried unanimously.

15. Request approval to add additional members to the Broward Health Foundation's Board of Directors.

Mr. Stefanacci, President of Broward Health Foundation said that he appreciates being able to come before the Board on an as needed basis to add members to the Foundation's Board. He said by adding the three additional member today there would be a total of to

7 new members and they probably will add two more members in the restructuring. Mr. Stefanacci asked that the 3 nominees: Mr. Robert Birdsong; Antonio Coley and Mark Sprada be approved.

It was moved by Commissioner O’Flannery Anderson, seconded by Commissioner Paul-Hus:

THAT THE BOARD OF COMMISSIONERS APPROVE THE ADDITIONAL MEMBERS AS REQUESTED TO THE BROWARD HEALTH FOUNDATION’S BOARD OF DIRECTORS.

Motion carried unanimously.

16. Request approval to declare as surplus the Crystal Lago Apartments consisting of 26 one bedroom apartments located at 3831 Crystal lake Drive, Deerfield Beach, Florida 33064 and (2) solicit bids for the sale of this property, in accordance Resolution NO. 12-3-28-1.

Mr. Polemeni informed the Board that this building is currently unoccupied and will cost more money to bring it up to current code to make it a functional asset. The cost benefit analysis shows it would be more costly to keep the property rather than to sell it as is. There was a market proposal from a realtor that suggested that Broward Health list the property at \$600,000. The appraisal was \$450,000 which was basically for the land. He informed the Board that Broward Health needs to get at least two bids in order to sell the property as is.

Commissioner Calhoun asked when the proposals were completed. Mr. Polemeni said within the last 30 days. She also asked what the tax assessed value of the property. Mr. Polemeni tax assessment has been coming down but it is \$1.5 million that was on the tax assessor’s books.

Commissioner Calhoun asked if this issue would be coming back to the Board for approval once a bid is received.

Mr. Goren replied that it is required to come before the Board for approval. He also informed the Board that they are not obligated to accept the bids once opened.

It was moved by O’Flannery Anderson, seconded by Commissioner Paul-Hus:

THAT THE BOARD OF COMMISSIONERS DECLARE AS SURPLUS THE CRYSTAL LAGO APARTMENTS CONSISTING OF 26 ONE BEDROOM APARTMENTS LOCATED AT 3831 CRYSTAL LAKE DRIVE, DEERFIELD BEACH, FLORIDA 33064 AND (2) SOLICIT BIDS FOR THE SALE OF THIS PROPERTY, IN ACCORDANCE RESOLUTION NO. 12-3-28-1.

Motion carried unanimously.

17. Request approval to execute a re-alignment of the Broward Health Brand.

Mr. Nask informed the Board that at two meetings ago, there was discussion about doing additional research on naming opportunities and improving on the name and brand of Broward Health. Included in the Exhibit is a timeline of the activities that have occurred over the last two months. At this time, Ms. Howley played an audible video of a workshop that was conducted with the public for the Commissioners. Ms. Howley said that the Commissioners will be able to hear what the consumers who were interviewed had to say about the naming.

Mr. Nask said that the strength of the rebranding is to create the brand so that regardless of where someone went in the system they were at a Broward Health facility and knew where those facilities were located. From a marketing standpoint we would be just marketing Broward Health and from a quality standpoint since each medical center is connected through PACS, Meaningful Use, Electronic Medical Records patients would get the same level of care. In addition their medical records would be available no matter which Broward Health facility they went to. Mr. Nask said that was always the purpose of creating the system.

Ms. Howley stated that presentations were provided to CEOs of the medical centers, and the Chiefs of the Medical Staff. Ms. Howley said that today that are looking for approval to move forward with the Phase 2 re-alignment.

Mr. Nask said that included in the Exhibit are the proposed (before and after) names of the facilities.

Commissioner McKee said that at a Governance Committee meeting, Mr. Nask and Sara Howley gave a presentation on the entire rebranding process. At that time, the Committee received a letter from the medical staff of BHCS asking the Committee to oppose the rebranding. Commissioner McKee asked if they got a feeling of what the consensus was from the medical councils after they met with them.

Mr. Nask said that there was no unanimous decision at any of the meetings.

Commissioner McKee asked if they got a feeling of what the Chiefs thought of the realignment. Ms. Howley said that she would be happy to have the Chiefs come up and speak. She said that there was communication to all of the Chiefs and they were given the tools to communicate to their medical staffs. Everyone has been educated on the realignment. Ms. Howley said that all of them agreed that change is difficult and it is not easily accepted all of the time; however, Ms. Howley believes that this is the best thing going forward for Broward Health's brand and marketing.

Commissioner McKee said he opposed the rebranding because of two reasons, the cost and removing medical center from the names. He felt that in this economic climate when Broward Health is facing millions of dollars in potential cuts, this was not the time to do this.

Commissioner Fernandez gave the following example: Memorial Miramar is Memorial Miramar. He felt that spending was not the concern. If the money was not spent on the realignment then it would be spent on updating the facilities. Commissioner Fernandez said this is something that needs to be decided and his suggestion is to go with what Senior Management recommends--they have done their homework. Back in 2007,

Commissioner Fernandez said that when the Board approved changing the name to Broward Health, there was a group that did not want to do it. And today, looking back it was the right thing to do then. Commissioner Fernandez said he is not only supporting the realignment but strongly supporting it.

Commissioner O'Flannery Anderson said that the process has been thorough and they have learned along the way to make sure that people were involved in the discussion. She stated that professionals have been hired and we need to re-sign our buildings and the message is clear—all the new ads say Powerful Medicine, Broward Health. Commissioner O'Flannery Anderson feels that this is a wise decision.

Commissioner Calhoun thanked Mr. Nask and Ms. Howley for their continued outreach regarding this issue. She said that she brought it up yesterday at her Community Council meeting and everyone in attendance was supportive. Al Hendrickson, who was a former CRC member, was not in favor of changing the name to Broward Health back in 2007, he is however in favor of the realignment. He said that it makes sense--it is comprehensive. Commissioner Calhoun commented that she also reached out to Vice Mayor Bokart from Coral Springs, who was not in favor of this in the beginning but learned he was misinformed and is now in favor of the realignment. Commissioner Calhoun stated that she is in favor of moving forward with this campaign and it makes Broward Health look more like a family.

Commissioner Di Pietro said that he does not agree with the realignment. The expense was one reason. He suggested moving this item to the budgeting workshops to see where they are financially after the legislative session before making this decision. Commissioner Di Pietro commented that with respect to the Memorial System, Memorial was born out Memorial—this was the North Broward Hospital District that became Broward Health. All of Broward Health's hospitals have had their own name and now they are adding Broward Health to them. With regard to Broward General Medical Center which has been around since 1938, that is our best marketing tool. Everyone knows Broward General. It is the trauma center and it is the flagship of the Broward Health system. He believes it will create confusion and he does not agree with the realignment. Commissioner Di Pietro will not support the realignment.

Commissioner Paul-Hus said he supports the realignment. He believes it is a step in the right direction. However, he does have an issue with the name Broward Health North. He asked what would happen if they add another facility in the future, there might be some inconsistencies—his only modification to the realignment would be have North Broward named Broward Health Deerfield Beach and not just North.

Mr. Nask said that over the next few years, signage on all of the hospitals is going to be replaced so from a cost standpoint, a large portion of the \$750,000 was going to be spent.

Chair Gustafson said that he has a problem with the change. Losing the identity of the hospitals is a problem for him and by removing medical center you lose their identity.

Commissioner Fernandez motion to accept Phase 2 of the Realignment, seconded by Commissioner Paul-Hus.

Commissioner Di Pietro moved to amend Commissioner Fernandez’s motion that the name of Broward General be preserved—so it would be Broward Health Broward General--seconded by Commissioner McKee.

Motion showed 4 in favor (Commissioners’ Calhoun, Di Pietro, McKee and Gustafson—3 against (Commissioner O’Flannery Anderson, Commissioner Fernandez and Commissioner Paul-Hus). Motion carried

Ms. Howley said that the presentation on this realignment is based on the system. She asked if a vote could be taken based on a system, and not choosing names for the hospitals. It is very confusing. She said it defeats the purpose of trying to get everyone to recognize the name Broward Health.

Commissioner Paul-Hus said that Broward Health has spent a tremendous amount of money engaging professional staff to run this organization and what the Board is doing is upending a year’s worth of work on developing a brand for a system. He felt that this was wholly irresponsible as board members. Commissioner Paul-Hus said that what the focus group showed is that there is an overarching brand and there are branches to that brand. This is the perfect business time to do this and it should have been done years ago. Commissioner Paul-Hus said that what they are trying to do is attract more paying customers and to get away from the perception that the District only treats non-paying customers. The rebranding is a positive step in the right direction that only private business would make in this evolution of a system. For the Board to try and rename small parts of a big strategy is irresponsible. Commissioner Paul-Hus said that the Board should either vote on the entire strategy or kick it back to administration and let them bring back a new strategy.

Commissioner Calhoun she made a motion to reconsider the amendment--seconded by Commissioner O’Flannery Anderson.

Discussion:

Commissioner Di Pietro said the system was born out of Broward General. If Memorial is Memorial because it was born out of Memorial, then we are really Broward General and it should be kept that way.

Vote on the motion showed: 5 four and 2 opposed: Commissioner Di Pietro and Commissioner McKee

Motion carried.

The Board voted on the unamended main motion which was to accept Phase 2 realignment as presented.

Roll call vote showed:

**Commissioner Gustafson-No
Commissioner O’Flannery Anderson - Yes
Commissioner Paul-Hus - Yes
Commissioner Fernandez - Yes
Commissioner Calhoun - Yes
Commissioner McKee - No**

Commissioner Di Pietro - No

Motion carried.

MATRIX:

Mr. Nask said that there are some items outstanding on the Matrix. There was discussion with regard to changing the Board meetings and Committee meetings. Commissioner Gustafson said that the Bylaws require that they have monthly Board meetings.

Mr. Goren said that the Bylaws can be amended by the Board of Commissioners. This item was referred to the Governance Committee.

Commissioner Paul-Hus feels that there is a lot of money sitting in the audience every month and feels that this meeting could be held every other month with Committee meetings falling on the alternating months. He suggested having a meeting of the Governance Committee to discuss amending the bylaws.

Mr. Nask also commented on the GME report that was handed out to the Commissioners. He stated that the report needs to be updated but it lists all the graduate medical education programs and in handwritten form, it addresses the programs that were just recently looked at by the GME committee in the last couple of weeks.

Commissioner Paul-Hus asked that this be placed in the appropriate committee so it can be discussed a little more a length. It will be placed on the Legal Affairs committee.

COMMENTS BY COMMISSIONERS

Commissioner Calhoun informed the Board that at her Community Relations Council meeting, which was held at BHCS Mr. Grossman, did a SWOT (strength-weakness-opportunities and threats) analysis and to hear what those categories meant to the people who live in the Coral Springs area was quite enlightening. She suggested that Commissioners who sit on CRCs you might want to do that same type of exercise. Commissioner Calhoun wished everyone a Happy Passover, Easter or any spring activity that people enjoy.

Chair Gustafson complimented Broward Health for the care that his wife as a patient of Broward Health. The care is very impressive and Broward Health should be proud of the people who they employ.

Commissioner O'Flannery Anderson said that she will be running in the race at BHCS; welcomed Paul Echelard; congratulated the shining stars and their commitment to Broward Health and our patients and the community.

Commissioner O'Flannery Anderson stated that she is the representative for the Senior CRC and time needs to be spent revamping that council. Only a few senior are attending. Seniors are a big part of Broward Health's population and that council is not as engaged as it should be. She asked if Pauline Grant's team could help in getting the seniors out. Commissioner O'Flannery Anderson feels that the council is for all seniors in the community not just in the North Broward area and if used properly it could build a great base of advocates.

Commissioner McKee thanked the Board for the beautiful flower arrangement that was sent to his mother's funeral.

NEXT REGULAR BOARD MEETING

The next regularly scheduled Board of Commissioners' meeting will be held on April 25, 2012, at 10:00 a.m. in the auditoriums at Broward Health Imperial Point, 6401 North Federal Highway, Fort Lauderdale, Florida.

Meeting adjourned at 12:20 p.m.

Respectfully submitted,
Commissioner Richard Paul-Hus,
Secretary/Treasurer

BY: Maryanne Wing

A FULL RECORDING OF THIS MEETING IS AVAILABLE ON TAPE