

MINUTES OF THE PUBLIC SESSION OF THE NUHEALTH BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE MEETING HELD ON JUNE 30, 2015

Directors Present

*Michael B. Mirotznik, Esq, Chair
*Michael DeLuca, MPA
*Vincent A. Gallo, MD
*Linda Reed
*Warren D. Zysman, LCSW

Non-Voting Directors Present

Victor Politi, MD, FACP, FACEP
Kristan Kumar, MD

Hospital Administration

John Ciotti, EVP General Counsel
John Maher, EVP CFO
Harold E. McDonald, SVP Chief Administrative Officer
Craig V. Rizzo, Esq, SVP Special Assistant to NHCC/Legal Affairs
Andrea Rivera, Executive Assistant to the President/CEO
Jamie-Lea Savello

Not Present

Greg-Patrick Martello, Esq
David Sussman, MD
Frank Saracino, EdD
Jemma Marie-Hanson, RN
Asif M. Rehman, MD
Andrew Zucaro
*Steven Cohn, Esq
John A. Venditto, MD

Guests

Shelley Lotenberg, Public Affairs
Vincent DiSanti, SVP Revenue Cycle Management
Michael Gatto, VP Care Transitions
Dr. Victor Scarmato
AnnMarie Studdert
Roza Padula
Teresa Silversmith, Director Medical Records
Kent Kessler, Human Resources

*Executive Committee Members

1. Chairman Michael Mirotznik noted that a quorum of the Executive Committee of the Board of Directors was present. The meeting was called to order at 8:36 a.m.
2. Adoption of Minutes. The minutes of June 18, 2015 were approved. **Resolution No. 152-2015.**
3. Report of the Chairman. Mr. Michael Mirotznik reported that there has been a brief interview on selection committee since Joan Soffel has retired. Just as an FYI: Maureen Shannon has been provided full access to NUMC Compliance 360. Note that unanimous show of hand and we will move forward to Dr. Victor Politi.
4. Report of the CEO. Dr. Victor Politi announced that Maureen Shannon and her team are doing an amazing job on The Joint Commission survey prep. Regarding DSRIP \$535M awarded \$447M without bonus money. 8400 partners help support in DSRIP. Finance Committee, John Maher will keep informed of communication letters and emails. Mr. DeLuca expects everybody to have sense of pride and to remain motivated in their jobs. CMS was just here and Joint Commission expected next Monday to complete a full survey. Press Ganey reports have been bad but getting better. We will examine the possibility of telephone surveys instead of survey letters.

Thank you Mr. Chairman....move onto Contracts.

5. Contracts for Consideration.

Velocity (LD200 # 2510)

Michael Mirotznik-Farooq; why should this be going to the committee? Farooq says that this is Software is to meet October upgrade. Warren Zysman asked why this wasn't presented at the

last contracts meeting. When was the last meeting? Last meeting was June 1, 2015. Contracts to be presented are usually submitted 2 weeks before Contract committee. I want things in a timely, detailed way and anything pressing could have been planned better. Linda Reed inquired what would have happened if we did not meet. Michael Mirotznik asked "What's Velocity?" Farooq stated that is an imaging module that works with Lawson to store Invoices. The MHC software needs to be hosted along with the Lawson software. We are requesting amendment to the Velocity software to add MHC hosting and scanning ability. Warren Zysman asked why this wasn't purchased already. Why are we hearing about this now? Farooq said it was because of Cost maintenance. Warren Zysman inquired why do you need it? Farooq said it is to extend contract, modules provisional. Michael Mirotznik asked if this was necessary, technically we have 6 contracts. Is this a sole source? Farooq quoted yes; our Lawson system is integrated and there is no other product like this available. John Maher said that this is a scanning oversight, everyone is focused on software, hosting sight at times and this is why we are working to resolve. Michael Mirotznik oversight should be moved forward. Warren Zysman said that the price was missing and that John Ciotti filled it in. Michael Mirotznik-Vote on #3 (on the spreadsheet) (Velocity) for 15 months.

Velocity Contract to be tabled until Doug Bruce is present.
Mr. Bruce was called in to join the meeting and is now present.
Resume Velocity discussion.

Michael Mirotznik asked Doug Bruce if he was familiar with this and if he meets before the Contract Committee process. Suggests that Doug Bruce sit for 5 minutes and know that Linda Reed, Michael Mirotznik, Vincent Gallo and other members of the committee as well as John Ciotti will appear at the pre-contracts meeting and preparation should be complete. Doug Bruce mentions that LD200's are not viewed by Purchasing. Michael Mirotznik requests that all are on the same page to be in sync. **Upon a motion made, duly seconded and unanimously approved, the Executive Committee of the Board of Directors approved a contract with Velocity to provide remote hosting, implementation as well as secondary technical support for All Lawson products used by NHCC including Financial, HR and Supply chain modules. NHCC recently purchased an imaging module that works with Lawson to store Invoices. This amendment is to host the MHC software along with the Lawson software. MHC is the new scanning software is to add scanning to the Lawson system. For that reason, it needs to be hosted in the same environment as Lawson. This request is for a contract in an amount not to exceed \$479,817.00 for a term of 15 months with an anticipated start date of 7/1/2015. Resolution No. 153-2015.**

M*Modal (LD200 #2516)

Farooq said that he searched to find most cost effective, requested for use in Radiology and the OR, enterprise wide solution with Radiology dedication. Michael Mirotznik asked Dr. Scarmato; can you address? Dr. Scarmato said that this is not IC10 compliant; if we do not proceed we will not be able to code which will result in \$70M in change of the OR, not for coding. Need to roll out and move forward since this will be efficient and work better. We Negotiated a lot of money with M*Modal, have modules and compared documents and to allow us to document components in system. This is the State of Art at the best price. Michael Mirotznik asked Dr. Scarmato if he recommended that this is in the best interest of the hospital. Warren Zysman requested if this was sent out as an RFP? Dr. Scarmato replied that it is on State Contract. Robert Tepper defined State Contracts as doing due diligence similar to GPO but done by the State using Procurement Policy. John Ciotti -Yes or No Rob? Rob Tepper-I did not check this one. If it's on State Contract, then it would be appropriate. Michael Mirotznik-Is anyone else on State Contract? Michael DeLuca asked if the Purchasing Director was present at this meeting. Michael Mirotznik said that there should always be a Purchasing Director present at these meetings. Michael

DeLuca asked that Doug Bruce come up and attend meeting. Warren Zysman requires that at any contracts committee meetings; Purchasing needs to be here. Mr. Bruce joined the meeting.

Upon a motion made, duly seconded and unanimously approved, the Executive Committee of the Board of Directors approved a contract with M*Modal to provide cloud based speech, workflow and analytics technologies. M*Modal has Radiology and Front-End physician dictation solutions. M*Modal will provide Radiology voice dictation system that is compatible with ICD-10 coding. NHCC currently utilizes an older version of Nuance software which is not ICD-10 compatible. We are also requesting that M*Modal be used for front-end dictation when we deploy physician documentation. Using the voice dictation technology documentation can be significantly improved. This request is for a 5 year contract in an amount not to exceed \$247,509 per year for a term of 5 years with an anticipated start date of 7/10/2015. Resolution No. 154-2015.

KPMG (LD200 #2507)

Vincent DiSanti said that an RFP was put out early March and 3 companies were interviewed. KPMC is Training & documentation service related to ICD10 with onsite and remote based, will be concentrated on Clinical Documentation. Warren Zysman said to benchmark to determine success, we will get back and train 10/1. Vincent DiSanti said Medaptus is what we are using, 93% have been trained, all IC9 codes into IC10. \$24M in a year, clinical documentation used to support from past with KPMC in all of 2016. Warren Zysman asked if this is training or software. Vincent DiSanti responded that it is both. Dr. Scarmato said that it is a Teaching online module, physicians log on to onsite training, documents and coding after 10/1 and will be available for questioning. Warren Zysman-Based on pay question; how should you begin to measure? John Ciotti says that this should be indicated. Craig Rizzo said that he needs to validate with Doug Bruce. Warren Zysman asks if this will be put in place. Warren Zysman asked if this is on State Contract. John Ciotti said that the mistake has been cleared. Michael Mirotznik said that this was signed off and everyone has to come back to ensure. Craig Rizzo mentions that Doug Bruce did not check, we will not have, it's a State contract, validate before committee meets again. Linda Reed asked if this is easier to look at and that this has not been validated that it is correct. Michael DeLuca agreed. John Ciotti says to validate by owner. **Upon a motion made, duly seconded and unanimously approved, the Executive Committee of the Board of Directors approved a 1 year contract with KPMG International Cooperative ("KPMG International"), which is a global network of professional firms providing Audit, Tax and Advisory services. KPMG operates in 155 countries and has more than 162,000 people working in member firms around the world. KPMG has knowledge in many industries and services, with Healthcare being one of them. Services are based on need and changes to industry standards and client needs. Not Limited to: Training & Documentation Services Related to ICD10 • NUMC Hospital & A Holly • Services to be onsite and remote based on need • Coding Boot Camp • Documentation to be heavily concentrated on Clinical Documentation • 30 Plus Specialties Project Description for Services: • Custom development of content via LMS • Person to Person education at locations • Facilitated group meetings. KPMG is recommended because of services that can be offered to NHCC as well expertise in Healthcare Industry specific to ICD-10, including appropriate staffing for on-site training. This request is for a one (1) year contract in an amount not to exceed \$474,000.00 for a 1 year term with an anticipated start date of 7/1/2015. Resolution No. 155-2015.**

Jzanus Consulting and Greenstone will be tabled until the next meeting.

For information only: Harold McDonald mentioned that an RFP for temp agencies completion date RFP out for Seventeen (17) blanket orders for numerous current job descriptions,

6. Adjournment. Chairman Michael Mirotznik made a motion to adjourn public session meeting and move to Executive Session. Upon a motion made, duly seconded and unanimously adopted, the meeting was adjourned at 9:20 a.m. to Executive Session.

7. Report from Executive Session. Upon return to Public Session at 10:23 a.m., the Chairman reported that all resolutions will be voted on in the Public Session.

The following resolutions were discussed in Executive Session and were voted in Public Session:

Upon motion made, duly seconded and unanimously adopted, the Executive Committee of the Board of Directors approved recommendation of an annual salary of \$299,000 base with an annual \$125,000 incentive cap, 5 mile radius for one year non-compete if Dr. Mustacchia leaves. Severance of: 30 days severance pay for the 1st year of the contract, 60 days for year 2 of the contract and 90 days severance for year 3 of the contract with a 3 year term for Dr. Mustacchia as Chairman of the Department of Medicine. Resolution No. 156-2015.

Upon motion made, duly seconded and unanimously adopted, the Executive Committee of the Board of Directors approved recommendation of a salary of \$170,000 to Kevin Carey of A. Holly Patterson (which is below 50%) as an "at will employee", with no contract, non-competitive title, qualified for NYS benefits, non union employee at a Senior Level Position as Administrator of AHP. Resolution No. 157-2015.

Upon motion made by Chairman Michael Mirotznik, duly seconded and unanimously adopted, the Executive Committee of the Board of Directors approved recommendation of an annual salary of \$400,000 base pay with an annual \$75,000 incentive cap for 3 year contract, 5 mile radius for one year non-compete if Dr. Riggs leaves. Severance of: 30 days severance pay for the 1st year of the contract, 60 days for year 2 of the contract and 90 days severance for year 3 of the contract with Dr. John Riggs as Chairman of OB/GYN. Resolution No. 158-2015.

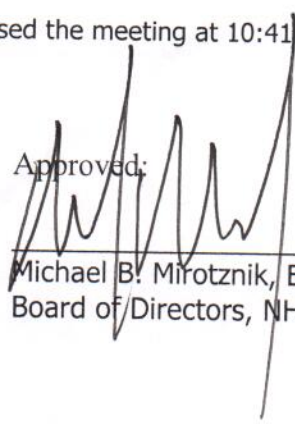
Upon motion made by Linda Reed, duly seconded and unanimously adopted, the Executive Committee of the Board of Directors approved recommendation of a salary of \$89,999 for Andrea Rivera as Executive to CEO. Resolution No. 159-2015.

8. Public Session. Mr. Mirotznik opened the meeting for public comment and there were no comments.

9. Close of the Regular Meeting. Mr. Mirotznik closed the meeting at 10:41 a.m.

10. The next meeting will be announced.

Approved:



Michael B. Mirotznik, Esq., Chair
Board of Directors, NHCC