

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NASSAU HEALTH CARE CORPORATION

-----X

BOARD OF DIRECTORS/EXECUTIVE COMMITTEE

MEETING

-----X

Nassau University Medical
Center

2201 Hempstead Turnpike

East Meadow, New York

June 22, 2016

5:35 P.M.

REPORTED BY:

Angela Arena

1

2 A P P E A R A N C E S :

3 BOARD OF DIRECTORS/EXECUTIVE COMMITTEE
4 MEMBERS PRESENT:

5

6 Michael B. Mirotznic, Esq. -
7 Chairman of the Board8 Warren D. Zysman, LCSW - Board
9 Member

10 Linda Reed, Board Member

11 Victor F. Politi, MD -
12 President/CEO13 Giuseppe Caruso, MD - Board
14 Member15 David J. Sussman, MD - Board
16 Member17 Russell Caprioli, DPM, FACFAS -
18 Board Member

19 Krishan Kumar, MD - Board Member

20 Frank Saracino, EdD - Board
21 Member

22 Steve Cohn, Esq. - Board Member

23 Asif M. Rehman, MD - Board Member

24 Victor Gallo, MD - Board Member

25

ALSO PRESENT:

26 Beatriz Fuschetto - Assistant to
27 the Board28 Craig Rizzo, Esq. - EVP / Special
29 Assistant to NHCC30 Shelley Lotenberg - Director of
31 Public Affairs

32 John Maher - EVP/CFO

33 Paul Mustacchia, MD - Chair of
34 Medicine

35 Kevin Mannle - VP of Facilities

36 Megan Ryan, Esq. - Chief
37 Compliance Officer38 Karen McGlynn - Deputy Chief
39 Nursing Officer

40 Timothy Sullivan - VP of Finance

41 Michael Gatto - VP of Care
42 Coordination and DSRIP43 Frank Intagliata - Director of
44 Supply Chain45 Victor Scarmato - Chief Medical
Officer, Chair of Radiology

1

2 A P P E A R A N C E S : (CONTINUED)

3

Robert Heatley - EVP Ambulatory
Services & Business Development

4

Thomas Alfano, Esq. - Legal
Department

5

Farooq Ajmal - Chief Information
Officer

6

Jeff Thrope, Esq. - Foley &
Lardner

7

Ann Marie Studdert - Director of
Intergovernmental Affairs

8

Harold McDonald - Chief
Administrative Officer, EVP

9

Debra Hallgren-Benson - Director
of Revenue Cycle Management

10

Vincent DiSanti - Senior Vice
President

11

Lou Feuerstein, Esq. -

12

Raymond Anderson, Esq. -

13

Richard Zuckerman, Esq. - Lamb &
Barnosky

14

Maureen Roarty - Executive Vice
President of Human Resources

15

Gerald Wright, Esq. - Legal
Department

16

Byron Epstein - Assitant Director
of Finance

17

Rozan Padula - Manager of Patient
Accounts

18

Michael Ferrandino - Vice
President Security

19

Lou Feuerstein - Grant Thornton

20

Raymond Andersen - Grant Thornton

21

Christine Mancuso - RN,
IV/Director of Cancer Screening

22

Program

23

24

25

1 06-22-16

2 MR. MIROTZNIK: Good evening,
3 ladies and gentlemen. I make a motion to
4 open up of the Board of Directors Meeting
5 and the Executive Committee of NuHealth of
6 June 22nd, 2016. Hand vote, all in favor?
7 Motion to open up the meeting? Unanimous.

8 First order of business, number
9 two in the packet, motion to open up the
10 meeting, which passed unanimously. Ladies
11 and gentlemen, the first order of business
12 is to approve the minutes of April 26th,
13 2016, at our regular meeting.

14 I have a resolution that reads:
15 Whereas minutes were kept at the regular
16 meeting of the Board of Directors held on
17 April 26th, 2016, and whereas those minutes
18 were reviewed on or before this
19 duly-convened meeting of June 22nd, 2016, a
20 regular meeting of the Board of Directors,
21 now be it resolved at this June 22nd, 2016
22 regular meeting of the Board of Directors,
23 that the minutes from the April 26th, 2016
24 meeting are approved.

25 Do I have a motion? Ms. Reed?

1 06-22-16

2 All in favor? Unanimous. Thank you. Make
3 a motion to go into executive session? I
4 have a motion. Dr. Caprioli? All in favor?
5 Unanimous.

6 Those members from legal, please
7 stay. All CSEA, thank you for exiting the
8 room and we will be with you shortly.

9 (A recess was taken.)

10 MR. MIROTZNIK: I make a motion
11 to invite everybody else into the room?

12 MR. ALFANO: Mr. Chairman,
13 Mr. Zuckerman has the resolution
14 language for you.

15 MR. MIROTZNIK: Sure.

16 MS. REED: Great.

17 MR. MIROTZNIK: Everybody back in
18 that wants to be here? Thank you for
19 that extensive break. It was more than
20 Dr. Politi's five minutes. Thank you.
21 We are grateful that Mr. Zysman was
22 able to make it here. We have a full
23 Board meeting.

24 Mr. Zuckerman, I understand there
25 is a motion that I am going to ask you

1 06-22-16

2 to read into the record; is that
3 correct, Mr. Alfano?

4 MR. ALFANO: Yes, a resolution.

5 MR. MIROTZNIK: After you read
6 the resolution into the record, we are
7 going to take a hand vote on the
8 resolution. Please, sir, you have the
9 floor.

10 MR. ZUCKERMAN: The proposed
11 resolution reads as follows: Resolve
12 that the Board hereby ratifies and
13 approves the memorandum of agreement
14 with the CSEA regarding Union members,
15 terms and condition of employment,
16 covering the period January 1, 2016
17 through December 31, 2018.

18 MR. COHN: I would just request
19 that memorandum agreement be marked and
20 made a part of the record.

21 MR. MIROTZNIK: Mr. Zuckerman?

22 MR. ZUCKERMAN: That's fine.

23 MR. MIROTZNIK: That will be
24 Exhibit-A. Continue.

25 MR. ZUCKERMAN: There is another

1 06-22-16

2 resolution.

3 MR. MIROTZNIK: We will get a
4 copy of the resolutions, as well?

5 MR. ZUCKERMAN: Yes.

6 MR. MIROTZNIK: Everybody on the
7 Board, have they heard the resolution?
8 Take a hand vote. All in favor of the
9 resolution articulated moments ago by
10 Counsel Zuckerman? Second by
11 Mr. Zysman. All in favor? Unanimous
12 hand vote from the Board. Unanimous
13 vote. Thank you very much.

14 (Applause.)

15 MR. LARICCHIUTA: Thank you very
16 much, Mr. Chairman, Dr. Politi,
17 Mr. Rizzo, and everybody on the Board,
18 and Mr. Zuckerman for your help and all
19 of you, too. Mr. Alfano is a big
20 help. Now we have to go out and talk
21 to our members.

22 Mr. Zysman, thank you so much,
23 and we have a lot of work to do. Thank
24 you, also. And we have to go out and
25 educate our members about it. It's a

1 06-22-16

2 tough contract, but a good contract. I
3 think good enough for the next three
4 years.

5 We will get that help going and
6 doing, like, three times the amount of
7 business we are doing today and we will
8 come back and hit you good. Thank you
9 so much.

10 MR. MIROTZNIK: Jerry, on behalf
11 of the Board, I thank you and the
12 members present here, your delegates
13 are here, and Kenny Nicholson, for all
14 the hard work.

15 I know it's not easy, but you are
16 our partner in this venture and it may
17 not always be perfect, but we are all
18 trying to do the best and we appreciate
19 it on behalf of the Board.

20 I'm sure you are going to explain
21 this to all your members and hopefully
22 we will come together shortly and there
23 will be a signed agreement.

24 We have done our part and we hope
25 you and your members will do yours.

1 06-22-16

2 MR. LARICCHIUTA: Thank you again
3 for expediting and getting everything
4 on the record. I appreciate it. Thank
5 you.

6 (Applause.)

7 MR. MIROTZNIK: I have nothing to
8 report other than we are very -- a
9 couple of things to report. Mr. Cohn
10 and Mr. DeLuca went abroad and they
11 made it back here safely, so we are
12 grateful for that, one of you did.

13 Dr. Sussman, thank you for making
14 it to this meeting. We would like to
15 see you more often, if possible, and
16 Dr. Asif, thank you so much as well.
17 We needed you this evening. I have
18 nothing else to report. Dr. Politi?

19 DR. POLITI: Yes. We are moving
20 forward in a lot of areas. As you
21 know, today we put forth the proposed
22 contract for the next three years and
23 it's to the Union now to ratify it with
24 it's members. We think it was a fair
25 contract.

1 06-22-16

2 It took us about almost a year to
3 hammer that out, but I think both sides
4 worked well together with the
5 assistance of the legal department here
6 at NUMC and attorney Richard Zuckerman.
7 We were really able to put a fair
8 contract together in the end.

9 We are still working hard on many
10 different fronts. DSRIP is still a
11 major project undergoing and we have
12 been progressing quite well in that
13 department.

14 We also talked about our
15 financials over the year and we had
16 testimony from our consultants, Grant
17 Thornton, that stated that we had
18 several large expenditures for last
19 year, approximately \$42 million worth
20 of expenditures, but without those \$42
21 million, we would have made \$18 million
22 last year.

23 Amazing number, to think that
24 this hospital could have turned that
25 around and made \$18 million dollars if

1 06-22-16

2 it wasn't for Medicare reimbursements
3 that were required from as far back as
4 2010. So hopefully going forward we
5 won't have those added expenses.

6 We have policies and procedures
7 in place to prevent those types of
8 overcharges so that this year we can
9 see a true increase in our net patient
10 revenue services.

11 That is an amazing testament to
12 the hard work of all the administrators
13 and leaders in the hospital, in this
14 room, physician leadership, and our
15 nursing leadership. It has been a lot
16 of hard work, but I think we have a lot
17 more work to do and we have a lot of
18 great things at the hospital.

19 As far as grants and other types
20 of money available, we were recently
21 informed that we were awarded a grant
22 for \$40 million. So we received a
23 congratulatory note this week, which
24 will pay out \$10 million a year for
25 four years. That is an amazing,

1 06-22-16

2 amazing accomplishment.

3 It is called VBP QIP, which is
4 Value-Based Payment Quality Improvement
5 Program, for \$40 million. This, I
6 might say, is on top of the \$23 million
7 we received in January.

8 So far it's \$63 million in grant
9 moneys that have been received and we
10 have two grants in the pipeline as
11 well, which I will report to as we get
12 it.

13 So between the grant money that
14 we are making, the progress we are
15 making, and the revenue cycle and
16 finance side, the excellent medical
17 care that is being provided by the
18 nurses, clinicians and physicians in
19 the hospital, this hospital is really
20 becoming one of the most premier
21 hospitals in Nassau County and I feel
22 very proud and honored to be the CEO at
23 this particular time, as all these
24 changes are being done.

25 None of this could be realized

1 06-22-16

2 and we could do nothing without our
3 Board of Directors. Our Board of
4 Directors have been very, very strong
5 advocates, have been very, very strong
6 supporters of all of our programs and I
7 feel very, very strongly that we would
8 not have been in any condition if it
9 wasn't for the strong leadership of the
10 Board and the strong support of the
11 Board.

12 I can say on a personal note that
13 I have called on them many times for
14 guidance. They have always been
15 available for me. They have always
16 gone out of their way, taken off from
17 their own jobs to spend days here doing
18 things that this hospital requires.

19 So I owe a great debt of
20 gratitude to the members of the Board
21 for all the hard work that they have
22 done. That is my report, Mr. Chairman.
23 I will turn it back over to you.

24 MR. MIROTZNIK: Thank you for
25 those kind words, Dr. Politi.

1 06-22-16

2 Mr. Zysman, can you report on the DSRIP
3 Committee?

4 MR. ZYSMAN: DSRIP Committee, I
5 think it was about a week ago. There
6 were a number of hires that DSRIP, the
7 NQP LLC, which is the PMO, which is a
8 management entity of DSRIP between our
9 hospital and two other hospitals that
10 participate, have hired, I believe, it
11 was a medical director and someone who
12 handles operations, as well as, I
13 think, a human resources person.

14 I don't have all of it in front
15 of me right now, but it is contained
16 within the minutes. Those things were
17 approved by the Committee, and I think
18 subsequently approved by the NQP
19 Executive Board for all three HUBS.

20 I think there is another meeting
21 tomorrow to discuss some other open
22 items, which I think includes a
23 consulting contract that David is
24 looking to extend to give some overlap
25 for the new hires and consulting group,

1 06-22-16

2 but we will learn more about that
3 tomorrow night.

4 Anything else, Dr. Politi, that I
5 missed?

6 DR. POLITI: No, sir. I think
7 you were very complete. Thank you.

8 MR. MIROTZNIK: We call for a
9 table of the approval of the minutes of
10 the March 29th, 2016 meeting to our
11 next Board meeting. Ms. Ryan, no
12 objection?

13 MS. RYAN: I don't know. Which
14 minutes?

15 MR. MIROTZNIK: Whenever we have
16 the next full Board meeting for
17 Executive Session. Beatriz, just table
18 that.

19 MS. RYAN: I think that's John.

20 MR. MAHER: I want to make sure
21 it's not this resolution.

22 MR. MIROTZNIK: No, hold on.
23 It's just the DSRIP Committee --

24 MS. RYAN: Oh, yes, yes.

25 MR. MIROTZNIK: -- minutes.

1 06-22-16

2 MR. ZYSMAN: I didn't have the
3 chance to review the minutes, but we
4 will put them forward for approval for
5 the next --

6 MS. FUSCHETTO: It is the
7 March 29th meeting.

8 MR. ZYSMAN: Regardless of what
9 they are, I am not ready to put them
10 forward for approval because I haven't
11 read them.

12 MR. MIROTZNIK: You were stuck in
13 an elevator. There wasn't a chair, but
14 we're going to table that for the next
15 meeting.

16 MR. ZYSMAN: Motion to table?

17 MR. MIROTZNIK: All in favor?
18 Unanimous. Ms. Reed, Compensation
19 Committee?

20 MS. REED: Can I have a motion to
21 approve the Compensation Committee
22 minutes from April 20th, 2016, please?

23 MR. MIROTZNIK: All in favor?
24 Unanimous. Thank you.

25 MS. REED: Thank you.

1 06-22-16

2 MR. MIROTZNIK: Back to you,
3 Mr. Zysman. Do we have the elevator
4 issue for the contracts, the proposed
5 contracts spreadsheet?

6 MR. ZYSMAN: Off the record.

7 (A discussion was held off the
8 record.)

9 MR. ZYSMAN: There were four
10 contracts that, due to urgency, they
11 needed to be discussed tonight. I
12 think we have about 30 or 40 for
13 tomorrow night, so we really limited
14 for tonight on the Board meeting.

15 Three of them are from Kevin
16 Mannle and very similar. They are
17 called Crothall Healthcare,
18 C-R-O-T-H-A-L-L.

19 MR. MIROTZNIK: Mr. Mannle?

20 MR. MANNLE: Yes, I'm here.

21 MR. ZYSMAN: These are three
22 different contracts with the same
23 vendor?

24 MR. MANNLE: That's correct.

25 MR. ZYSMAN: First, can you just

1 06-22-16

2 tell us why you are doing this three
3 contracts and not one contract with the
4 same vendor?

5 MR. MANNLE: One of the contracts
6 that we need to discuss tonight is a
7 current contract with the vendor to
8 maintain large clinical equipment here
9 at this facility.

10 It is an insurance-based contract
11 where they provide services and
12 coverage on all the large, clinical
13 pieces of equipment here.

14 MR. ZYSMAN: Is Crothall a new
15 name?

16 MR. MANNLE: Crothall is a new
17 name. The company was formerly known
18 as Modern Medical.

19 MR. ZYSMAN: For the record, what
20 does Crothall do?

21 MR. MANNLE: They provide the
22 clinical engineering, or biomedical
23 engineering services, here at the
24 hospital. They have nine full-time
25 employees here.

1 06-22-16

2 They maintain all the clinical
3 equipment in the hospital and they
4 oversee all the maintenance and service
5 contracts that exist on the equipment,
6 as well.

7 MR. ZYSMAN: It is my
8 recollection as well when this contract
9 last time came up that it was two
10 separate contracts, one for small
11 equipment, one for large equipment; is
12 that correct?

13 MR. MANNLE: That is correct.
14 Currently we have two contracts.

15 MR. ZYSMAN: The focus was, I
16 think, in the future to RFP, to combine
17 the contracts and make them one
18 contract?

19 MR. MANNLE: That is correct and
20 we are moving towards that.

21 MR. ZYSMAN: So you are looking
22 for extra time?

23 MR. MANNLE: So we need on the
24 current, large equipment contract to
25 increase some funds to cover increases

1 06-22-16

2 in the inventory, and then we are
3 looking to extend both of these
4 contracts.

5 MR. ZYSMAN: So the first one is
6 you have a contract that carries you to
7 the end of this month, but you spent
8 \$196,000 more than what the original
9 contract indicated, the up-to amount?

10 MR. MANNLE: Correct.

11 MR. ZYSMAN: That you're
12 accrediting to having more machinery?
13 Why did we spend more?

14 MR. MANNLE: The contract has
15 been in effect for about seven years
16 and there have been changes to the
17 inventory over the course of those
18 seven years.

19 So as the inventory changes, the
20 price goes up, and the contracts tend
21 to get amended a little bit later than
22 the inventory increasing, so that's led
23 to the shortfall now, to make it to the
24 end of the contract.

25 MR. ZYSMAN: John, do we have the

1 06-22-16

2 budget room for this?

3 MR. MAHER: There would be budget
4 room for this, yes.

5 DR. SUSSMAN: May I?

6 MR. ZYSMAN: Sure, Doctor.

7 DR. SUSSMAN: So when the
8 equipment went up, were more people
9 hired? You said they had nine
10 full-time employees. Did they hire?
11 Why did the price go up? Did they have
12 more employees?

13 MR. MANNLE: I don't know what
14 their employee count has been. This is
15 a seven-year contract, so over the term
16 of the contract there has been changes
17 to the inventory.

18 A lot of it is large equipment
19 and tends to be more outside service
20 than inside service.

21 DR. SUSSMAN: They pay for the
22 outside services? You said they
23 administer, or do we have separate
24 insurance contracts on the -- they
25 administer the insurance contracts?

1 06-22-16

2 MR. MANNLE: We pay them directly
3 for everything and they administer and
4 oversee and maintain all the equipment,
5 the contracts.

6 DR. SUSSMAN: So they bid the
7 contracts? We have medical equipment,
8 so if they can't do the work inhouse,
9 you have to -- often the supplier, you
10 bid a contract with the supplier to
11 take care of the equipment. Are they
12 bidding that contract? Who bids when
13 we buy the medical equipment? Did they
14 bid?

15 MR. MANNLE: No. We buy the
16 medical equipment. We bid it.

17 DR. SUSSMAN: When we buy the
18 medical equipment, do we also bid the
19 service contract?

20 MR. MANNLE: We bid a service
21 contract and there is a warranty that
22 comes with that. When the equipment
23 comes off warranty, then the biomedical
24 services provider, which is Biomedical
25 and Crothall, picks up.

1 06-22-16

2 DR. SUSSMAN: I haven't been
3 here, so forgive me. There is a
4 warranty, but the thing with medical
5 equipment is it's always going down.

6 So very often, when you bid for a
7 piece, the way they make it better, the
8 way different companies compete is on
9 their long-term service contract. I
10 know that we --

11 MR. MANNLE: Yes.

12 DR. SUSSMAN: So are we bidding
13 that? You can have a service contract
14 for three or four years as well as
15 buying the stuff because everybody
16 knows that it breaks every six weeks.
17 Are we paying them? Do we bid it?

18 MR. MANNLE: When we buy it, we
19 bid that.

20 DR. SUSSMAN: And we are paying
21 that directly?

22 MR. MANNLE: Yes.

23 DR. SUSSMAN: So they would have
24 nothing to do with that?

25 MR. MANNLE: In those cases no,

1 06-22-16

2 that's correct.

3 DR. SUSSMAN: Okay.

4 MR. COHN: The \$196,000, that is
5 only through June 30th? How come we
6 are just finding out that we owe
7 \$196,000 now? Did we know before that
8 we were going to owe it?

9 Did they just give us a bill and
10 say we reconciled your records and you
11 owe us \$196,000 and that was standard
12 in the contract, that the contract
13 provide for them to hit us with a bill
14 at the end?

15 I'm not really sure how I have a
16 seven-year contract and now I owe
17 \$196,000 at the end of the contract.

18 MR. MANNLE: So right now the
19 contract in question, the payment is
20 approximately \$125,000 a month. So on
21 January 1 there was a PO issued for
22 that \$125,000 a month and there are
23 invoices from -- there are previous
24 invoices out there that needed to be
25 paid. Some of them have been paid.

1 06-22-16

2 There has been a mismatching of
3 invoices over time on this seven-year
4 contract, mostly because the inventory
5 has changed over seven years.

6 So you have a number of pieces of
7 equipment being serviced by this
8 company, and if the inventory
9 increases, the cost increases and the
10 contract has to be increased.

11 So the inventory increases and it
12 may be month or two before the contract
13 actually gets increased. When the
14 contract has been increased, it has
15 been increased correctly, but moving
16 forward, not picking up the maybe two
17 or three months that took place, and
18 that's happened a couple of times over
19 the term.

20 MR. COHN: Are you telling me
21 that for a three-month period it was
22 \$196,000 extra? Or you are telling me
23 that four years ago we got billed, but
24 we didn't pay, and that now is just
25 picked up and now is being added on at

1 06-22-16

2 the end of the contract?

3 MR. MANNLE: Over the course of
4 seven years there has been a number of
5 changes that the timing was not
6 accurate, and that's what led to this
7 gap, this \$196,000.

8 It was caught this year because
9 we are coming to the end of the
10 contract and the end of the PO. So
11 doing the accounting, we realized that
12 we need the extra \$196,000.

13 MR. COHN: I guess I'm failing to
14 understand. When they did the work,
15 they invoiced us for the work two years
16 ago, three years ago, five years ago,
17 and we just didn't pay that invoice; is
18 that, in essence, what occurred?

19 MR. MANNLE: No. The invoices
20 were paid.

21 MR. COHN: Then how come we still
22 owe all the money?

23 MR. MANNLE: Because as the
24 invoices were paid, they were -- if you
25 were set up to pay \$100,000 a month --

1 06-22-16

2 MR. COHN: Let's back up for a
3 moment. We have a fixed contract. We
4 pay a set amount a month?

5 MR. MANNLE: Correct.

6 MR. COHN: Pick a number. I
7 don't care what the number is.

8 MR. MANNLE: Say \$100,000.

9 MR. COHN: \$100,000 a month.
10 Something changed and the contract
11 allowed them to bill us extra for that
12 change?

13 MR. MANNLE: That's correct.

14 MR. COHN: Did they bill us?

15 MR. MANNLE: Yes.

16 MR. COHN: Did we pay it?

17 MR. MANNLE: Yes.

18 MR. COHN: So in my book, at this
19 point we owe them nothing. Now we come
20 to a point in time where you're telling
21 us that we owe them \$196,000. How did
22 that come about happening?

23 MR. MANNLE: We had a contract
24 that was \$100,000. It went to
25 \$110,000. It allowed them to bill

1 06-22-16

2 \$110,000. They billed \$110,000 and we
3 paid it.

4 At some point in time, maybe two
5 or three months in the future, we
6 officially increased the contract and
7 we increased the PO value. So what
8 happened --

9 MR. COHN: So we're talking the
10 same language, when you say we
11 officially increased the contract, the
12 monthly payment?

13 MR. MANNLE: Yes.

14 MR. COHN: From \$110 to something
15 else?

16 MR. MANNLE: From \$100,000 to
17 \$110,000 --

18 MR. MIROTZNIK: With Board
19 approval or without?

20 MR. MANNLE: With Board approval.

21 MR. SARACINO: Are we talking
22 about change orders?

23 MR. MANNLE: No, these are not
24 change orders. It's changes to the
25 medical equipment inventory in the

1 06-22-16

2 hospital.

3 MR. SARACINO: We added equipment
4 then?

5 MR. MANNLE: We added equipment
6 or we had equipment that came off
7 warranty and therefore incurred new
8 costs.

9 MR. COHN: So we have a contract
10 for \$100,000. They do work, they bill
11 us \$110,000. We pay the \$110,000. Two
12 months later the monthly rate goes up
13 to \$110,000?

14 MR. MANNLE: We increased the
15 contract to say it's \$110,000, and we
16 increased the PO, and we made it
17 effective that day when we should have
18 made it effective two months earlier.

19 MR. COHN: But you told me that
20 we paid that increase?

21 MR. MANNLE: We paid it, but we
22 didn't have the money on the PO.

23 MR. COHN: But we paid it, so we
24 still don't owe them that money. So is
25 this a bookkeeping entry, or is this an

1 06-22-16

2 actual, out-of-pocket?

3 MR. MANNLE: It's a bookkeeping
4 entry and the \$196 I'm asking for is
5 just to put it on the PO so that we can
6 pay the six bills this year from
7 January to June.

8 MR. COHN: What I'm failing to
9 register, and I may be the only one, so
10 I apologize to everybody else, the
11 \$100,000 gets raised to \$110,000
12 because of new equipment. We pay it.

13 Two months later, realizing that
14 our new rate is actually going to be
15 \$110,000, we raise our monthly rate to
16 \$110,000, but when we raise our monthly
17 rate to \$110,000, we owe 0 because we
18 have already paid the \$110,000 for the
19 past two months?

20 MR. MANNLE: That's correct.

21 MR. COHN: Then we continue and
22 if it goes from \$110 in one month to
23 \$115, we still pay it. Now we come to
24 the end of our contract term and we owe
25 \$196,000.

1 06-22-16

2 How did we manage to owe that
3 \$196,000 if we were paying everything
4 current?

5 MR. MANNLE: When you were paying
6 \$100 a month, you had a PO, and let's
7 say that PO is set up for 12 months,
8 that's \$1.2.

9 MR. COHN: Okay. That's \$100,000
10 for 12 months.

11 MR. MANNLE: So you're at \$1.2 on
12 the PO. When we started paying more
13 money, the PO was not going to have
14 enough money at the end of the year.

15 MR. COHN: Right. I appreciate
16 that, but --

17 MR. RIZZO: There is a shortfall
18 at the end of the year is what he's
19 trying to say.

20 MR. COHN: What you're saying is
21 that during the course of the contract
22 we didn't put aside enough money to pay
23 that contract?

24 MR. MANNLE: Correct.

25 MR. COHN: So when the contract

1 06-22-16

2 started seven years earlier and we said
3 it's going to be \$100,000 a month for
4 seven years, we gave \$100,000 a month
5 for seven years.

6 Then over the course of that, it
7 went up \$196,000. So we spent the
8 money faster than we thought?

9 MR. MANNLE: Correct. You spent
10 the money faster than you thought. You
11 now just need to increase the PO so you
12 can make your final payments.

13 MR. ZYSMAN: What was the total
14 amount of the original contract that
15 went over?

16 MR. MANNLE: The total value of
17 the contract over seven years was about
18 \$8.7 million. I don't remember what it
19 was in it's first year, though.

20 MR. ZYSMAN: You recently started
21 handling this?

22 MR. MANNLE: That is correct.

23 MR. ZYSMAN: How long ago?

24 MR. MANNLE: Within the last six
25 months.

1 06-22-16

2 MR. ZYSMAN: Who handled it
3 previously to you? Who handed it off
4 to you?

5 MR. MANNLE: It was being handled
6 by Farah Tobay when she was here, and
7 when she wasn't here, the bills were
8 just being processed and nobody was
9 doing the accounting.

10 MR. COHN: In essence you're
11 saying that until immediately before
12 this Board meeting, whenever this was
13 put on, nobody realized that we were
14 running out of money?

15 MR. MANNLE: About a year ago
16 they had a realization that they were
17 running out of money and came here and
18 asked for money. It was last April or
19 May of 2015 and again, it was another,
20 similar issue where they realized that
21 there was an accounting issue, but the
22 timing was not 100 percent accurate.

23 So every time someone came to
24 this Board and asked for money, they
25 were asking for the money from the date

1 06-22-16

2 that they were asking for the money,
3 not the two or three months prior, and
4 you have that problem several times
5 over the course of the seven years.

6 So people have been here several
7 times over the course of the seven
8 years asking for money to be added to
9 this contract.

10 MR. ZYSMAN: Harold, weren't you
11 here last time this was presented?

12 MR. MCDONALD: I was involved
13 with the RFP.

14 MR. COHN: Did anyone realize
15 when they came here and asked us for
16 money that there was a shortfall that
17 they were neglecting?

18 MR. MANNLE: I don't know how
19 they didn't realize there was a
20 shortfall because by the time they get
21 the equipment inventory increase, the
22 bills have increased.

23 By the time they get here, there
24 is definitely a two or three month lag
25 for that to happen.

1 06-22-16

2 MR. COHN: They just ignored it?

3 MR. MANNLE: I can't answer your
4 question. I have the same question as
5 you.

6 MR. COHN: Right.

7 MR. SARACINO: Would it add
8 clarity to this whole discussion if we
9 added another element, like we're going
10 for \$100,000 a month and for x number
11 of pieces of equipment, and then we
12 have added equipment, which raised the
13 number?

14 MR. MANNLE: I think that would
15 have helped in the past and certainly
16 moving forward with the new contract.
17 One of the things we have done is we
18 have identified all the equipment in
19 the inventory.

20 We have line item pricing for all
21 the items in the inventory, so when
22 pieces come and go, you know exactly
23 how much the contract changes by.

24 MR. SARACINO: Without mentioning
25 increase in equipment, it really fogs

1 06-22-16

2 the mind that there are elements that
3 are increasing in the contract that
4 were unforeseen. They had to be seen
5 if we are adding to what we initially
6 agreed upon.

7 MR. MANNLE: Yes.

8 MR. ZYSMAN: Let me frame it this
9 way. What have we learned from this?
10 How are we going to not be in this
11 situation in the future?

12 MR. MIROTZNIK: Let Kevin handle
13 it. Be your problem now, right?

14 MR. MANNLE: It needs to be
15 handled where someone is going to
16 manage the accounting and set up a
17 process in validating that the bills
18 are what we have budgeted and the
19 equipment changes are going to have to
20 be presented in a certain fashion at
21 which we know about them beforehand so
22 we don't wind up in these situations.

23 MR. ZYSMAN: So that is the
24 control you're going to put in place.
25 Are there any other controls that

1 06-22-16

2 should be put in place, maybe
3 Dr. Politi, or John, or whoever?

4 How can these types of things be
5 picked up on and caught early, rather
6 than finding out at the end of the
7 contract? Because I think that is the
8 heart of the issue. What is the
9 control?

10 MS. REED: John, whatever
11 happened to that red flag that we were
12 doing?

13 MR. ZYSMAN: Is that a purchasing
14 control? Is that accounts payable?
15 Where does the control lie?

16 MR. MAHER: The control
17 ultimately lies with the accounts
18 payable that will not pay because the
19 amount of the purchase order has been
20 extended. So that stops the payments
21 and that's what forces it to go back --

22 MR. COHN: That's only part of
23 the problem. The problem is this came
24 to us, but somebody, whoever it was
25 that came to us, just didn't take the

1 06-22-16

2 bother or effort to say, why don't we
3 have the money?

4 What about two months ago when we
5 paid it? Maybe I should ask for that
6 money. It's just lazy.

7 MR. MAHER: I don't think they
8 knew it. They should have known it,
9 but they didn't.

10 MR. COHN: You can't not know it.
11 It's just plain lazy. You are paying
12 more than is budgeted. Then you say I
13 need more money. You came to the Board
14 and said I need more money, but don't
15 talk about the money that got me here.

16 It just didn't happen this month.
17 It happened before, but I'm just going
18 to ignore that and at the end of the
19 day, I will come and ask for the whole
20 kit and caboodle, rather than prepare
21 for it.

22 I look at it as just I want to be
23 lazy. I want to keep my eyes closed
24 and why should I bother doing more than
25 the minimum amount of my job?

1 06-22-16

2 MR. ZYSMAN: When Farah left, who
3 was responsible for this? Did you take
4 responsibility immediately or was
5 someone else responsible?

6 MR. MANNLE: I think when Farah
7 left it was, kind-of, left unattended
8 to.

9 MR. ZYSMAN: Who took over for
10 Farah?

11 MS. REED: Nobody took over for
12 Farah. That was the problem.

13 MR. RIZZO: We had Demetrius here
14 and Ross was here and ultimately it
15 went through an RFP process.

16 MR. ZYSMAN: They are both gone?

17 MR. RIZZO: Ross is still here.

18 MR. ZYSMAN: What about Doug
19 Bruce?

20 MR. RIZZO: No, he wasn't
21 involved. It was Farah's baby. Ross
22 and Demetrius were involved, but it was
23 Farah's baby.

24 She came up here, asked for more
25 money. She asked for the RFP. The RFP

1 06-22-16

2 was then put together. It was then
3 decided the RFP wasn't sufficient. We
4 ended up doing another RFP where Harold
5 got involved with the RFP process and
6 the RFP process was started.

7 At that point in time Kevin got
8 involved in it, probably about a year
9 ago?

10 MR. MANNLE: When Harold started
11 to get involved with the RFP, he asked
12 me to help with the process.

13 MR. COHN: When we pay money on a
14 fixed contract and then the next month
15 we pay more money for the same
16 contract, does somewhere in our
17 computer system go beep, beep, you're
18 paying more than was budgeted for this
19 contract this month? Beep, beep.

20 MR. MAHER: No.

21 MR. COHN: So in other words, if
22 I'm a smart vendor dealing with the
23 sophistication of this hospital, I just
24 bill \$10,000 more a month and it gets
25 paid?

1 06-22-16

2 MR. MAHER: No.

3 MR. COHN: Something stops it?

4 MR. MAHER: Right.

5 MR. COHN: What?

6 MR. MAHER: Accounts payable.

7 They look at the purchase order and say
8 you don't have money, or its exceeded
9 the amount of money you have asked for.

10 MR. COHN: Why did it happen
11 here?

12 MR. MAHER: It didn't. That's
13 why I owe \$196,000.

14 MR. COHN: Why didn't it happen?
15 Shouldn't the computer go caution,
16 caution?

17 MR. MIROTZNIK: Mr. Cohn, they
18 are saying it did happen. It went
19 beep, beep, so-to-speak and an
20 individual picked it up and said we
21 can't pay this.

22 MR. COHN: No, no, no but the two
23 months prior it happened.

24 MR. MIROTZNIK: I'm not defending
25 it.

1 06-22-16

2 MR. ZYSMAN: Was this missed
3 because it's not a monthly payment,
4 it's a not-to-exceed number, or does
5 accounts payable look at it on a
6 monthly basis?

7 MR. MAHER: I would have to look
8 into it to see the specific issue. All
9 I know is that when they run --

10 MR. ZYSMAN: Typically when we
11 approve contracts, there is a
12 not-to-exceed number.

13 So if you have a seven-year
14 contract for \$8 million and you didn't
15 exceed that number until two months
16 before, that would make sense.

17 But if the actual contract has a
18 monthly fee, which it sounds like it
19 did here, then the accounts payable
20 system needs to be set up so that if
21 you exceed the monthly fee, rather than
22 the actual not-to-exceed number, that
23 you get a beep, beep.

24 MR. MIROTZNIK: To use
25 Mr. Cohn's.

1 06-22-16

2 MR. MAHER: In conjunction with
3 that comment, typically what happens on
4 multi-year contracts, they are set up
5 on annual lots. So this 7-year
6 contract would have had 12 months in
7 2015 or '14, and it will stop once it
8 reads the maximum for that year.

9 MR. ZYSMAN: That sounds like the
10 point of learning is to look at the
11 monthly amount, unless it is a
12 usage-based.

13 MR. COHN: So I could
14 theoretically then, if I have a monthly
15 contract for \$100,000 a month, bill
16 \$1.2 the first month and the computer
17 will be happy, you will be happy, he'll
18 be happy, I will be very happy.

19 Then month two we will realize we
20 just paid the entire budget in one
21 month --

22 MR. MAHER: That is generally
23 unlikely to happen.

24 MR. COHN: But could happen.

25 MR. MAHER: It is possible,

1 06-22-16

2 highly unlikely.

3 MR. COHN: It shouldn't be
4 possible.

5 MR. MAHER: It could because you
6 could end up, for instance, a contract
7 that requires a prepayment, like an
8 insurance contract.

9 MR. COHN: Shouldn't someone look
10 at it?

11 MR. MAHER: They do.

12 MR. SARACINO: There is a simple
13 solution. Steve, correct me if I'm
14 wrong, wouldn't this have been solved
15 along the way if we were paying x
16 number of dollars for x pieces of
17 equipment, and suddenly the x pieces of
18 equipment goes to x plus 10, and that
19 requires a change order in the contract
20 in order to stay current with our
21 financial obligations to the vendor at
22 the time?

23 For you to come back and say I
24 have a change order to the original
25 contract and come back and we are not

1 06-22-16

2 going to have this big bubble at the
3 end to challenge our finances if we
4 have the change orders coming as they
5 arise.

6 Is there something wrong with
7 that protocol of modus operandi?

8 MR. MAHER: I am going to answer
9 and say there is nothing wrong with
10 that protocol, but what I am saying is
11 when they asked for that change order,
12 they didn't ask for enough.

13 MR. SARACINO: John, I'm saying
14 this has to be on the person presenting
15 the contract.

16 MR. MAHER: That's correct.

17 MR. SARACINO: For them to stay
18 current when something interrupts the
19 standard flow of our responsibility
20 financially to the vendor.

21 MR. MAHER: Right.

22 MR. SARACINO: If there is an
23 increase in the number of pieces of
24 equipment that have to be serviced,
25 obviously we need more money. That's

1 06-22-16

2 the time --

3 MR. ZYSMAN: Is there a person
4 who oversees accounts payable?

5 MR. MAHER: There are several
6 people that oversee it and look at this
7 from a budget perspective.

8 MR. ZYSMAN: Can you have them
9 take a look at what needs to be done to
10 have that safety control that Mr. Cohn
11 is talking about and let us know in the
12 next meeting it is in place?

13 MR. MAHER: Tomorrow night.

14 MR. ZYSMAN: Thank you, John.

15 MS. REED: Kevin --

16 DR. SUSSMAN: We are paying
17 per-piece?

18 MR. MANNLE: Right now we have a
19 monthly payment. It's a flat fee.

20 DR. SUSSMAN: A flat fee?

21 MR. MANNLE: Excuse me, we pay a
22 flat fee based on the equipment
23 inventory. That's what we are paying
24 right now.

25 In the new contract we will be

1 06-22-16

2 paying unit pricing for individual
3 items. There is over 9,000 pieces of
4 equipment in the hospital.

5 DR. SUSSMAN: Although it doesn't
6 happen a lot, obviously if you are
7 paying per-piece and you get a new
8 piece and you take an old piece out,
9 the number of pieces hasn't gone up?

10 MR. MANNLE: Correct.

11 DR. SUSSMAN: So does the
12 contract reflect that?

13 MR. MANNLE: The new contract
14 will be written with the specific
15 equipment inventory. It will have all
16 9,000 pieces and it will have the
17 specific price for each one of those
18 9,000 pieces, which will give you a
19 total contract payment.

20 When there are changes to that
21 equipment inventory, they will be
22 agreed upon by the hospital and the
23 vendor and the contract will be
24 amended.

25 So if you take 10 pieces out and

1 06-22-16

2 put 5 pieces in, those 10 pieces will
3 be shown as out. Their dollar will
4 come out and the new pieces will go in
5 and the new dollars will go in.

6 DR. SUSSMAN: I know we don't
7 work that way, but you might want to
8 tell your Chairman that when he gets
9 new pieces that you are not going to
10 use the old pieces.

11 They should get decommissioned so
12 that the contract will reflect and we
13 won't be paying on things that we are
14 not using that are just simply sitting
15 in an OR chest or --

16 MR. MANNLE: That is correct and
17 that becomes incumbent on the person
18 managing this contract and managing
19 that vendor, to maintain the inventory.

20 So when we do take things out,
21 whether due to obsolescence or
22 decommissioning, that we do reduce the
23 inventory so that we see the drop in
24 cost.

25 DR. SUSSMAN: We pay the

1 06-22-16

2 insurance through them?

3 MR. MANNLE: We pay them only,
4 right.

5 DR. SUSSMAN: Who negotiates? Do
6 they negotiate a scope? The service
7 contract runs out, who negotiates with
8 different companies the new service
9 contract?

10 MR. MANNLE: They do, the vendor.

11 DR. SUSSMAN: Do we have any --
12 how do we know that they negotiated the
13 best price for us?

14 MR. MANNLE: I can't answer that.
15 I haven't been involved in that yet,
16 but moving forward it is something that
17 I would be involved in, when they bring
18 me a price change, I would want to
19 validate that and see what their basis
20 is.

21 MR. RIZZO: There is currently an
22 RFP that is being evaluated and
23 Mr. Zysman in the Precontracts
24 Committee requested that the RFP
25 process be looked at by outside counsel

1 06-22-16

2 to see if the RFP process was
3 sufficient.

4 So once that is done, we are
5 going to be asking for an extension on
6 this, correct, for six months, pay the
7 bills, ask for the extension of the
8 large and small equipment. There is
9 two contracts there. We are going to
10 pay the bills and we are going to have
11 the RFP evaluated by outside counsel.

12 So hopefully they come back with
13 the fact that the RFP was sufficient
14 and we can move forward with the
15 contract.

16 MR. COHN: Who is going to be in
17 charge of making sure the items come
18 off the list?

19 MR. MANNLE: I am going to be
20 overseeing that in the future.

21 MR. COHN: It will be your
22 responsibility?

23 MR. MANNLE: When the new
24 contract is awarded, I will be managing
25 the Biomedical Department and I will be

1 06-22-16

2 overseeing the inventory on a regular
3 basis.

4 MR. COHN: So if indeed we wind
5 up paying for equipment that has been
6 decommissioned for want of a better
7 word, we are going to look to you and
8 say why are we doing that?

9 MR. MANNLE: That's correct.

10 MS. REED: Kevin, if we approve
11 these moneys tonight, does that bring
12 us up to date as far as payment?

13 MR. MANNLE: That's correct. The
14 money that you would be approving
15 tonight is going to enable us to pay
16 the May and June bills and that brings
17 us up to date, current.

18 MS. REED: We owe nothing?

19 MR. MANNLE: That is correct.

20 MR. MIROTZNIK: Until?

21 MR. MANNLE: Until July 1st when
22 we enter a new phase of the agreement.

23 MR. MIROTZNIK: Is that on
24 tomorrow's --

25 MR. MANNLE: That's the next

1 06-22-16

2 thing we are going to talk about.

3 MS. REED: Thank you.

4 MR. MANNLE: You're welcome.

5 MR. ZYSMAN: Just for the record,
6 why is this essential we approve this
7 right now?

8 MR. MANNLE: It is essential to
9 approve this so we can maintain the
10 service through the end of this month
11 with this vendor.

12 MR. ZYSMAN: If we don't approve
13 it, what would happen?

14 MR. MANNLE: If we don't approve
15 it, we would not be able to pay them
16 for these services. They have the
17 potential to stop providing the
18 services.

19 MR. MIROTZNIK: Does this impact
20 the safety and welfare of our patients?

21 MR. MANNLE: Yes, it does.

22 MR. ZYSMAN: Dr. Politi, are you
23 recommending we move forward with this?

24 DR. POLITI: Yes, sir, I am.

25 MR. ZYSMAN: Can I get a

1 06-22-16

2 resolution to approve number one,
3 Crothall Healthcare, in an amount
4 not-to-exceed \$196,000 for the term
5 ending June 30th, 2016?

6 MR. COHN: I think you should
7 refer to the contract number.

8 MR. ZYSMAN: Contract number
9 LD-200, 2849. Where is Beth?

10 MR. ALFANO: She is at a personal
11 issue.

12 MR. ZYSMAN: If she's not going
13 to be here, we need someone from legal
14 to fill in for reading the resolutions.

15 MR. MIROTZNIK: Unanimous.

16 MR. ZYSMAN: Number two,
17 Crothall. You are looking for
18 extensions on both the small and the
19 large?

20 MR. MANNLE: That's correct.
21 Currently we have two contracts. We
22 have a small equipment contract. We
23 have a large equipment contract.

24 MR. MIROTZNIK: Kevin, we spent
25 about an hour on this. I don't mean to

1 06-22-16

2 interrupt. Is it the same philosophy?

3 MR. MANNLE: No, this is to
4 extend both of those contracts. They
5 both end June 30th. As
6 Mr. Rizzo mentioned earlier, there is
7 an RFP process that is ongoing and the
8 Committee that has been evaluating that
9 process is ready to make a
10 recommendation. It has been asked that
11 we bring that for an outside review to
12 look over this process.

13 It is a large contract. It is a
14 large award. So while that review
15 takes place, we would like to put a
16 six-month extension in place with
17 Crothall for the two different
18 contracts so they can continue to
19 provide these services and we will make
20 an award for those six months.

21 MR. MIROTZNIK: Dr. Politi, is
22 that what you're asking for?

23 DR. POLITI: Yes, sir, it is.

24 MR. COHN: \$196,000, was that
25 part of the same services provided

1 06-22-16

2 under 2876 and 2875?

3 MR. MANNLE: The same services,
4 yes, but that's for --

5 MR. COHN: The prospective. So
6 2849, in essence, would have brought us
7 even for the same services that are
8 being provided under 76 and 75?

9 MR. MIROTZNIK: 2849, we just
10 approved it. If the check is sent
11 tomorrow, we don't owe them anything as
12 of today?

13 MR. MANNLE: As of June 30th.
14 That pays them until June 30th.

15 MR. COHN: Is 75 and 76 for the
16 same services that were provided under
17 49?

18 MR. MANNLE: One of those is for
19 the same services under 49 and one is
20 for the small equipment. Remember
21 there is two contracts.

22 MR. COHN: So the small -- wait a
23 minute. One --

24 MR. MANNLE: We had no problems
25 with the small equipment. The

1 06-22-16

2 accounting had been done with that.

3 MR. COHN: So 49 was just for the
4 large?

5 MR. MANNLE: Correct.

6 MR. COHN: The amount of \$450
7 that you're asking for, that's on the
8 large, I would imagine? Sorry, the
9 small?

10 MR. MANNLE: The \$450 is the
11 small, yes.

12 MR. COHN: Is that a monthly
13 payment for the six months?

14 MR. MANNLE: That is a monthly
15 payment and there is a small amount of
16 dollars in there for consumable parts
17 that are part of this contract.

18 MR. COHN: But in essence, the
19 \$450 should be divided by six months
20 and then it's paid out?

21 MR. MANNLE: Yes, correct.

22 MR. COHN: But it can be greater
23 if we change equipment in that period
24 of time?

25 MR. MANNLE: That is correct.

1 06-22-16

2 MR. COHN: But if that happens,
3 we are going to know about it?

4 MR. MANNLE: We are going to know
5 about it and be proactive.

6 MR. COHN: We will know about it
7 the moment that it happens.

8 MR. MANNLE: Unfortunately
9 equipment does come online sometimes if
10 someone brings equipment in here and we
11 need it, but if I am coming to you, I'm
12 going to tell you when it came online
13 and when --

14 MR. COHN: It may be a month in
15 lag, but we --

16 MR. MANNLE: Dr. Sussman's point
17 before with managing change orders,
18 that's doable. The only issue is that
19 lag. There has to be some
20 understanding there will be a lag.

21 MR. COHN: So we understand there
22 will be a lag.

23 MR. MANNLE: Yes.

24 DR. CAPRIOLI: Mr. Mannle, what
25 is the small equipment and what is

1 06-22-16

2 large equipment and does it affect the
3 price of the repairs?

4 MR. MANNLE: It does not. For
5 whatever reason, years passed when that
6 was put out to bid with. It's vendor
7 then divided up the small equipment and
8 large equipment.

9 The small equipment is
10 essentially the small, roving equipment
11 that moves around the hospital. The
12 large equipment is the more fixed
13 equipment, the diagnostic equipment,
14 the imaging equipment.

15 DR. CAPRIOLI: X-ray, MRI?

16 MR. MANNLE: That's the stuff
17 that tends to have more of the service
18 contracts and the insurance agreements
19 on it. The other stuff is the smaller
20 stuff, the regular PMs, the mobile.
21 They do the fixed repairs and annual
22 service.

23 What we are doing, our final
24 contract is going to be all one.

25 MR. ZYSMAN: Kevin, who is

1 06-22-16

2 involved with the RFP process for you?

3 MR. MANNLE: Harold, myself,
4 Karen McGlynn, Dr. Scarmato,
5 Dr. Presso, Nick Albanese, Tom Belizzi.

6 MR. ZYSMAN: Are you heading up
7 that proces?

8 MR. MANNLE: Harold put the RFP
9 together and I have led the committee
10 that is doing the evaluation process.

11 MR. ZYSMAN: You and Harold are
12 here, so I will ask the two of you,
13 will the RFP be done, whatever work
14 that needs to be done in between
15 another vendor selected, prior to the
16 expiration of the six-month extension,
17 if we approve that tonight?

18 MR. MCDONALD: All of that at
19 this point is complete. We are just
20 waiting for the --

21 MR. ZYSMAN: All I'm asking is
22 yes or no?

23 MR. MCDONALD: Yes.

24 MR. ZYSMAN: It will or won't?

25 MR. MCDONALD: It will.

1 06-22-16

2 MR. ZYSMAN: Kevin?

3 MR. MANNLE: Yes.

4 MR. ZYSMAN: I will put forward a
5 resolution to approve Crothall
6 Healthcare, LD-200 2875, six months,
7 effective 7/1/2016 in an amount not to
8 exceed \$450,000 for the six-month term?
9 Motion? Second? Favor? Unanimous.

10 Number three, which is -- again,
11 I will ask, will we be able to complete
12 this process, the RFP and any work that
13 needs to be done within the six-month
14 period of time, so you don't need
15 another extension, Mr. McDonald?

16 MR. MCDONALD: Yes.

17 MR. ZYSMAN: Mr. Mannle?

18 MR. MANNLE: Yes.

19 MR. ZYSMAN: Dr. Politi, you are
20 recommending we move forward with all
21 these Crothall contracts?

22 DR. POLITI: Yes. It is a
23 necessary contract.

24 MR. ZYSMAN: Thank you. So your
25 recommendation is put forward a

1 06-22-16

2 resolution for Crothall Healthcare,
3 LD-200, 2876, for six months effective
4 7/1/2016 in an amount not to exceed
5 \$780,000 for the six-month term. Can I
6 get a motion? Second? Favor?
7 Unanimous. Thank you very much.

8 Revenue-based contract R1,
9 Western University Health Science,
10 Charles Ruotolo. I don't see him here.
11 Is there someone who is going to be
12 presenting for Dr. Ruotolo?

13 DR. SCARMATO: I am familiar with
14 the contract.

15 MR. ZYSMAN: They mention that
16 this needs to be done before July,
17 right?

18 DR. SCARMATO: Yes. It is to
19 send the orthopedic residents there as
20 a rotation. That is necessary to
21 complete their training in accordance
22 with the HGME. I believe we are being
23 paid by them.

24 If I remember, this contract, we
25 are being paid for the residents'

1 06-22-16

2 salaries there, so it should be -- it
3 should offset the costs of those
4 residents at the time.

5 MR. ZYSMAN: These residents are
6 due to start in July 1st, 2016 start
7 date?

8 DR. SCARMATO: Yes, I believe
9 that.

10 MR. ZYSMAN: Is that why you're
11 asking the Board to do this rather than
12 go through the contract process?

13 DR. SCARMATO: Yes, because they
14 want to get this done for July 1st so
15 we can send our residents.

16 DR. SUSSMAN: Where are they
17 going?

18 MR. ZYSMAN: They have residents
19 they're looking --

20 DR. SCARMATO: It is a resident
21 rotation.

22 DR. SUSSMAN: To where?

23 DR. SCARMATO: I forgot the name
24 of the hospital. This is the one that
25 is out in the Midwest.

1 06-22-16

2 MR. MAHER: It's Ohio, isn't it?

3 DR. SCARMATO: I forgot exactly
4 where it was, but I think it might have
5 been for pediatric orthopedics. I'm
6 not 100 percent sure, but it was one of
7 the orthopedic rotations we needed for
8 the orthopedic residents.

9 MR. COHN: Maybe I don't get it,
10 but it is revenue of \$1,550 for the
11 first year term?

12 DR. SCARMATO: They are
13 reimbursing us for the salary of the
14 residents while they are doing
15 rotations there.

16 MR. COHN: So are we being asked
17 to vote whether we will accept the
18 money from them?

19 DR. SCARMATO: Essentially, yes.

20 MR. COHN: Always. I will take
21 money from anyone.

22 MR. ZYSMAN: Is the money only
23 \$1,550 or per-resident?

24 DR. SCARMATO: I believe it is
25 per-resident rotation.

1 06-22-16

2 MR. ZYSMAN: I don't know if it's
3 written correctly. What do we do?

4 DR. SCARMATO: I apologize. I am
5 roughly familiar with the contract.

6 MR. COHN: Let me explain what's
7 in front of us. Western University of
8 Health Sciences, Charles Ruotolo, M.D.,
9 one-year term, effective 7/1/16,
10 revenue of \$1,550 for the first
11 year-term.

12 MR. MIROTZNIK: It also says that
13 clearly an amount of \$1,550 for the
14 one-year term. You believe that may be
15 incorrect, Steve?

16 MR. COHN: I guess we are getting
17 paid to rent out our residents?

18 DR. SCARMATO: Yes.

19 MR. MIROTZNIK: To rotate in
20 California?

21 DR. SCARMATO: In Ohio, I
22 believe.

23 MR. COHN: Can we send them some
24 management people, too?

25 MR. MIROTZNIK: It says

1 06-22-16

2 California.

3 DR. SCARMATO: Sorry.

4 MR. MIROTZNIK: We just pick a
5 state.

6 DR. SCARMATO: I know that we had
7 to send them to another place. I was
8 not familiar enough with the LD-200.

9 MR. MIROTZNIK: I got you.

10 MR. COHN: They paid them for the
11 time. Do we pay the residents?

12 DR. SCARMATO: We are paying
13 their salaries now and we get paid them
14 for their salaries.

15 MR. COHN: So their salary is
16 \$1,550, I guess? Is that the salary?

17 DR. SCARMATO: Maybe only one of
18 them has to go. That may be why.

19 MR. COHN: Is it revenue-neutral
20 to us?

21 MR. MIROTZNIK: Hold on.
22 Dr. Faust is putting his finger up.

23 DR. FAUST: I called Maureen
24 Hutcheon because that is her. For
25 whatever reason she didn't know this

1 06-22-16

2 was going to be presented right now.
3 Let me clarify. I know Dr. Scarmato is
4 doing his best.

5 There is a little difference
6 here. It's actually for this hospital
7 to rotate residents to us. They are
8 desperate. They need the orthopedic
9 cases. We have the volume, so they're
10 going to be sending one resident.

11 This is to get one resident
12 enough cases so he can graduate his
13 program. So it is a four-week rotation
14 to NUMC and they are going to pay us
15 that amount of money for that rotation.

16 MR. COHN: So we don't pay him or
17 her anything and we get \$1,550?

18 DR. FAUST: Right.

19 DR. CAPRIOLI: We don't pay for
20 transportation?

21 DR. FAUST: Nothing.

22 MR. MIROTZNIK: Doc, are you in
23 favor of us approving this? It is
24 actually an FYI.

25 DR. FAUST: Again, it's not my

1 06-22-16

2 department. I don't want to speak for
3 orthopedics, but clearly it sounds to
4 me like there is no downside to this
5 whatsoever.

6 MR. COHN: I will sponsor the
7 motion.

8 MR. MIROTZNIK: Unanimous.

9 MR. ZYSMAN: Revenue-based --

10 MR. COHN: Risking my neck on
11 behalf of the hospital, I make a motion
12 that we accept the \$1,550 so that this
13 resident can graduate and we accept him
14 as a resident here for the four weeks.
15 Who is seconding it?

16 MR. ZYSMAN: Second. Motion,
17 Western University of Health Sciences,
18 LD-200 number 2773, one-year term
19 effective 7/1/16, revenue of \$1,550 for
20 the one-year term. You made the
21 motion. I'll second. Favor?
22 Unanimous. Thank you.

23 MR. MIROTZNIK: Anything further,
24 Mr. Zysman? Say no.

25 MR. ZYSMAN: There is somebody

1 06-22-16

2 that Dr. Politi told me he would like
3 to put on. I don't know that we have
4 it in front of us, so let's move
5 forward on the agenda.

6 DR. POLITI: I think she's
7 bringing it in right now. This is a
8 contract that allows to begin
9 construction, A&E architectural and
10 engineering designs, for some of the
11 major projects that have been held up
12 here over a year, C PEP, which is a
13 huge revenue-generating contract, our
14 second CATH lab that has been a third
15 completed downstairs and has been
16 really a shame that we can't complete
17 that CATH lab.

18 This architect and engineer will
19 give us the plan so we can put out an
20 RFP to really complete those jobs. It
21 is really something we looked to in our
22 strategic plan to grow.

23 MR. ZYSMAN: What is the name of
24 the vendor?

25 MR. MANNLE: There are three

1 06-22-16

2 different vendors. The first one is
3 Lothrop Associates, L-O-T-H-R-O-P.

4 DR. POLITI: Explain what Lothrop
5 is.

6 MR. MANNLE: Lothrop is an
7 architectural design firm and they were
8 selected through an RFP process to
9 provide us with architectural and
10 engineering services to complete design
11 and code compliance analysis of the
12 CATH lab.

13 They will provide us, as
14 Dr. Politi stated, with the design
15 documents that will enable us to go out
16 to bid for construction work to
17 complete the CATH lab and bring it
18 online.

19 MR. ZYSMAN: This was RFP'd?

20 MR. MANNLE: That was RFP'd.

21 MR. ZYSMAN: This was the lowest,
22 responsible bidder?

23 MR. MANNLE: This was the lowest,
24 responsible bidder.

25 MR. ZYSMAN: Was there anyone who

1 06-22-16

2 came in lower with the bid?

3 MR. MANNLE: Yes, there was.

4 MR. ZYSMAN: Can you tell us why
5 you didn't choose them?

6 MR. MANNLE: Yes, I can. There
7 were two firms that came in a little
8 bit lower. Both of those firms'
9 proposals did not include all of the
10 requested work, so that would have
11 added cost to their proposals.

12 The first company, SPLM, their
13 work plan was a little bit weak. Their
14 proposal was a little sloppy. Their
15 average hourly rate for their
16 principals and their architects was the
17 highest, so we know that if we added
18 any additional work to them that their
19 price would go up exponentially.

20 The other firm that we decided
21 not to move forward with, their
22 proposal also didn't include all of the
23 requested work, so there were some
24 elements they left out. The architect
25 didn't participate in the walkthrough

1 06-22-16

2 and their proposal wasn't complete as
3 well, probably because he wasn't here.

4 MR. ZYSMAN: Dr. Politi, are you
5 satisfied with that?

6 DR. POLITI: Yes, sir. I
7 reviewed it with Mr. Mannle and I
8 feel this is something that --

9 MR. ZYSMAN: You have come to the
10 same conclusion Kevin has?

11 DR. POLITI: Yes, sir, I have.

12 MR. ZYSMAN: What are your
13 recommendations?

14 DR. POLITI: I recommend we go
15 forward with this particular company
16 for the A&E for a CATH lab.

17 MR. ZYSMAN: Harold, do you
18 agree?

19 MR. MCDONALD: Yes, I do.

20 MR. ZYSMAN: Can I get a motion
21 to approve Lothrop Associates LLP
22 Architects, LD-200 number 2832, three
23 years effective 8/1/2016, in an amount
24 not to exceed \$200,000 for the
25 three-year term. Second? Favor?

1 06-22-16

2 Unanimous. What's the name of the next
3 one?

4 MR. MANNLE: The name of the next
5 firm is Wiedersum Associates.

6 MR. MIROTZNIK: What about 23,
7 Lazardos Engineers? Do that first, if
8 you don't mind.

9 MR. MANNLE: Absolutely.

10 MR. MIROTZNIK: Briefly, Kevin.

11 MR. MANNLE: Lazardos Engineering
12 is an engineering design firm and they
13 have been selected to be awarded an
14 on-call contract. This would be a
15 three-year contract.

16 They would be providing us with
17 engineering consulting services for a
18 variety of projects. Over the course
19 of that three years we plan to award
20 several contracts to several
21 engineering firms.

22 We have an open RFP going on
23 right now. This is the first award.
24 There will be several others. This
25 will enable us -- one of the first

1 06-22-16

2 projects they would be assigned to work
3 on is the C PEP project.

4 MR. ZYSMAN: When will the C PEP
5 project be started to be worked on?
6 Give me a date. This is not directed
7 to you, just in general. We have
8 waited, I think, over two years, for
9 this part to start, and it hasn't
10 started yet.

11 MR. MANNLE: I understand. I
12 have spoken with this firm. They will
13 be ready to begin work here within two
14 weeks of having a signed contract.

15 MR. ZYSMAN: Can you get us an
16 e-mail update?

17 MR. MANNLE: Absolutely.

18 MR. ZYSMAN: Have it sent out to
19 the Behavioral Health Committee and
20 Dr. Politi. This was RFP'd. Was this
21 the lowest?

22 MR. MANNLE: This was not the
23 lowest. We felt that was the lowest,
24 responsible bidder. We selected them
25 to move forward.

1 06-22-16

2 MR. ZYSMAN: How did you choose
3 them versus the other ones?

4 MR. MANNLE: The one bidder who
5 was lower than them is a firm that has
6 been in business for less than a year.
7 They have one full-time employee, three
8 part-time employees.

9 They do not have as much
10 healthcare design experience in their
11 proposal. We really didn't feel they
12 were ready to serve our needs at this
13 time, especially on projects of this
14 nature and this scope.

15 MR. ZYSMAN: Dr. Politi, are you
16 familiar with that RFP process?

17 DR. POLITI: Yes, sir, I am.

18 MR. ZYSMAN: Do you come to the
19 same conclusion as Mr. Mannle does?

20 DR. POLITI: Yes, I do.

21 MR. ZYSMAN: What are your
22 recommendations to this Board?

23 DR. POLITI: I recommend we go
24 forward. This is a major project. It
25 is one of the projects we see growing

1 06-22-16

2 this hospital's business in a whole new
3 area.

4 The Behavioral Health Committee
5 has been very instrumental in providing
6 support for that. I believe this is
7 the first step that we have all been
8 waiting two years to do, and I am so
9 happy to get that in front of you.

10 MR. ZYSMAN: When you say move
11 forward with, you just, for
12 clarification, are you referring that
13 you recommend that we approve number
14 23, Lazardos Engineering and
15 Associates?

16 DR. POLITI: Yes, I do agree.

17 MR. ZYSMAN: Are you recommending
18 that we --

19 DR. POLITI: I recommend.

20 MR. ZYSMAN: Any questions from
21 the Board? No? Can I get a motion to
22 approve Lazardos Engineering
23 Associates, PC, LD-200 number 2815,
24 three years, effective 7/1/2016 in an
25 amount not to exceed \$500,000 for a

1 06-22-16

2 three-year term? Motion? Favor?

3 Unanimous.

4 Thank you. Just on those
5 contracts, these up-to amounts are
6 doing lots of different projects?

7 MR. MANNLE: That's correct.

8 MR. ZYSMAN: 24, Wiedersum
9 Associates Architects. Off the record
10 one second.

11 (A discussion was held off the
12 record.)

13 MR. ZYSMAN: Let the record
14 reflect that Dr. David Sussman has
15 stepped out of the room, is recusing
16 from number 24, Wiedersum Associates.

17 We have a quorum through
18 Executive Committee. Motion to go into
19 Executive Committee? Motion to have a
20 brief adjournment of full Board to go
21 into Executive Committee to vote on
22 this contract? Second? Favor?
23 Unanimous. Motion to go into Executive
24 Committee? Unanimous.

25 (A recess was taken.)

1 06-22-16

2 MR. ZYSMAN: When I say that, it
3 means only the Executive Committee
4 members can now vote on these
5 contracts. All Board members and all
6 members of this meeting are welcome to
7 stay. No one is being asked to leave.
8 Mr. Mannle?

9 MR. MANNLE: Wiedersum Associates
10 is an architectural design firm and
11 they have been selected through an RFP.
12 We are recommending to award them an
13 architectural on-call contract to
14 provide architectural services for a
15 variety of capital projects here for
16 the three years, not to exceed
17 \$500,000.

18 Wiedersum was selected through an
19 RFP process and is being recommended by
20 the Committee to be awarded the first
21 on-call architectural contract. We
22 will be back to ask for several more of
23 these. One of the first projects
24 they're going to be assigned to is the
25 C PEP project.

1 06-22-16

2 We felt at this time Wiedersum
3 was the lowest responsible bidder.
4 There was one bidder who bid a little
5 lower than that, a company called
6 S-L-A-M. Although that company had a
7 decent proposal, they are based near
8 Hartford, Connecticut, and we were a
9 little concerned about their ability to
10 service a client down here on the
11 Island.

12 They did not have any other
13 hospitals in their proposal that they
14 referenced that are in metropolitan New
15 York City/Long Island area, although
16 they want to get in to this market. We
17 may talk to them in the future, but at
18 this time we wanted to work with a
19 local architect, Long Island-based.

20 Wiedersum can service us. They
21 have worked with us before on a number
22 of projects with no problem or issues.
23 Our recommendation is to award them an
24 on-call contract at this time.

25 MR. MIROTZNIK: Good job, Kevin.

1 06-22-16

2 MR. ZYSMAN: I want to point out
3 when we got into that, that when we
4 went into executive session, that
5 Dr. Sussman left the room and recused
6 himself and has not been present for
7 any of this discussion.

8 MR. MIROTZNIK: I think we can
9 see him through the glass, though.

10 MR. SARACINO: What are their
11 designs?

12 MR. MANNLE: The first project
13 they will be assigned to is the C PEP
14 project. They will be doing the
15 architectural work on the C PEP
16 project.

17 DR. CARUSO: Does that involve
18 building?

19 MR. MANNLE: Yes. It would
20 involve renovations to one of the
21 existing buildings to house the C PEP
22 unit, so it would involve room
23 renovation, potential bathroom
24 renovations, ceiling, code compliance
25 issues.

1 06-22-16

2 MR. SARACINO: They designed more
3 than half of the school buildings that
4 are in excess of 50-years old on Long
5 Island. I have to tell you that their
6 designs, it might be in retrospect, but
7 their designs are suspect.

8 All those buildings have had to
9 be retrofitted, and you might say after
10 50 years they should be, but they had
11 to be retrofitted for the lighting.
12 They were notorious for dark schools
13 and in need of retrofitting lighting
14 situations.

15 They are currently doing a lot of
16 work on the west coast and they are
17 recycling all the Long Island schools.
18 If you go to Seattle, and Washington
19 State, and Oregon, you are going to see
20 a lot of Long Island schools replicated
21 there.

22 So I'm just concerned about the
23 quality of the design because they left
24 behind a lot of unhappy people.

25 MR. ZYSMAN: Dr. Politi, do you

1 06-22-16

2 share in those concerns?

3 DR. POLITI: I believe, based on
4 what we reviewed with the applicants
5 that we looked through, with the RFP,
6 that the current choice was the best
7 choice that we were provided with.

8 MR. SARACINO: We went out for an
9 RFP rather than a bid?

10 MR. MANNLE: It was an RFP, yes.

11 MR. SARACINO: They are working
12 on their specs?

13 DR. POLITI: Yes, sir.

14 MR. SARACINO: As long as we have
15 someone reviewing them, I don't have a
16 problem.

17 DR. POLITI: I feel very
18 confident on our team under Kevin
19 Mannle.

20 MR. MANNLE: They also have
21 multiple studios under their firm.
22 They have a healthcare studio, and
23 those are the folks we would be working
24 with. As far as lighting, most of the
25 lighting would be done in concert with

1 06-22-16

2 the engineering firm.

3 As far as the C PEP project goes,
4 that would be the Lazardos contract
5 that we just awarded. We can look for
6 those things and I will definitely keep
7 an eye out for those things.

8 DR. SARACINO: I am sure they're
9 aware of the criticisms and hopefully
10 they've grown from that. If we're
11 reviewing that, please look at
12 qualified people looking at --

13 DR. POLITI: Your concerns are
14 duly-noted and we will keep an eye on
15 it.

16 DR. CAPRIOLI: What does the C
17 PEP project stand for?

18 MR. MANNLE: I do not know the
19 acronym.

20 MR. ZYSMAN: Right now we have
21 the psychiatric ER being operated like
22 an outpatient mental health clinic.
23 It's getting a licensed C PEP will give
24 us the benefit of a psychiatric ER
25 enhanced rate that we would be eligible

1 06-22-16

2 from third-party payers.

3 There have been several proposals
4 going back, I think, as far as two
5 years ago to the Behavioral Health
6 Committee that would expand the staff
7 to be able to meet the license
8 requirements, but the enhanced rate was
9 extremely higher than what we receive
10 now.

11 It would more than cover that and
12 the service, I think we are currently
13 losing money on. If I recall the
14 presentation correctly, I would have to
15 deflect to the minutes for 100 percent
16 accuracy, this was going to take
17 something we have been losing money on
18 and be able to make a profit or take
19 the losses off the balance sheet while
20 enhancing care and providing more
21 service to the patients who present
22 with acute psychiatric issues and are
23 in need of emergency care.

24 DR. CAPRIOLI: So if I'm correct,
25 you have a separate facility. Then

1 06-22-16

2 there is a separate facility fee and a
3 higher reimbursement?

4 MR. ZYSMAN: So it's a license
5 and it entitles you to a higher
6 reimbursement. So I will give an
7 example. Right now we have, like RER,
8 and I don't know the rates of the RER,
9 but I am going to assume that RER gets
10 compensated probably higher than like
11 an outpatient medical practice.

12 Right now because we don't have
13 that license, the most that can be paid
14 for is an office visit or a psych eval
15 --

16 DR. CAPRIOLI: Separate.

17 MR. ZYSMAN: Separate. It also
18 allows to bill for things like a mobile
19 crisis so they can send vans with
20 psychiatrists and nurses out in the
21 community and respond to emergencies.

22 DR. CAPRIOLI: It is a separate
23 facility, separate department, that is
24 being built in the hospital for that?

25 MR. ZYSMAN: We are calling it

1 06-22-16

2 behavioral health and because there is
3 more services, it can also prevent a
4 lot of admissions that may not
5 necessarily be -- because they have
6 what's called an observation bed.

7 So they can keep someone for up
8 to two days prior to admitting them to
9 see if they really need admission,
10 which is also helpful for other
11 metrics.

12 DR. CAPRIOLI: Thank you.

13 MR. COHN: I have a question that
14 has little relevance, just out of
15 curiosity. On the next-to-last column,
16 next to the x's, it says this award, a
17 new extension, amended contract, and
18 next to yours it says no. Is it
19 somebody other than yours? I'm just
20 curious.

21 MR. MANNLE: It is another
22 contract.

23 MR. COHN: I was just curious if
24 there was another term for it that I
25 was not aware of.

1 06-22-16

2 MR. ZYSMAN: The only other
3 question I have, and it's really all
4 encompassing to the three before we
5 vote on this, is you made a mention
6 this is an on-call contract?

7 MR. MANNLE: Correct.

8 MR. ZYSMAN: So who approves
9 project-to-project that is being done,
10 or is this a blank check for you to
11 have as many engineering projects and
12 architectural projects? Is there some
13 approval process that you have?

14 MR. MANNLE: There is an approval
15 process at the senior leadership level,
16 yes.

17 MR. ZYSMAN: What is that
18 approval process?

19 MR. MANNLE: So there is a
20 capital budget that we work with and
21 the projects that we work on are
22 outlined in that capital budget.

23 Myself, Mr. Rizzo, Dr. Politi,
24 Mr. Maher and Mr. Sullivan meet
25 regularly to look at the projects that

1 06-22-16

2 we're doing and look at the spend we're
3 working on.

4 MR. ZYSMAN: Tomorrow night at
5 the Contracts Meeting can you give us
6 formalized in writing what that process
7 is going to be?

8 MR. MANNLE: Yes.

9 MR. ZYSMAN: The only thing I
10 would ask is some kind of Board
11 notification, whether it's the
12 Contracts Committee or to the Board.

13 MR. RIZZO: Mr. Zysman, you asked
14 for a resolution to be done at the
15 Precontracts. We have a resolution if
16 you want to adopt the resolution for
17 that committee. If you want to adopt
18 it, you can adopt it.

19 MR. ZYSMAN: Okay. Why don't we
20 put the resolution on for tomorrow
21 night so we can look at it? Off the
22 record.

23 (A discussion was held off the
24 record.)

25 MR. ZYSMAN: Dr. Politi, are you

1 06-22-16

2 familiar with that RFP process?

3 DR. POLITI: Yes, I am.

4 MR. ZYSMAN: Do you agree with
5 Mr. Mannle's conclusions on his vendors
6 he selected?

7 DR. POLITI: Yes, I do.

8 MR. ZYSMAN: Do you have any
9 recommendation for this Board?

10 DR. POLITI: Yes. I recommend we
11 go forward and approve that contract.

12 MR. ZYSMAN: Can I get a motion
13 to approve Wiedersum Associates
14 Architects, LD-200 number 2814, three
15 years, effective 7/1/16 in an amount
16 not to exceed \$500,000 for the
17 three-year term? Unanimous. Thank you
18 very much. Motion to close the
19 Executive Committee? Unanimous.

20 (A discussion was held off the
21 record.)

22 MR. ZYSMAN: Motion to go back
23 into full Board meeting? Unanimous.
24 Off the record.

25 (A discussion was held off the

1 06-22-16

2 record.)

3 MR. ZYSMAN: While we were off
4 the record, Mr. Rizzo indicated that he
5 has a resolution together on the
6 on-call for Mr. Mannle's contract and
7 architectural engineering.

8 We asked, just in terms for time
9 tonight, that it be put on for
10 Contracts Committee meeting tomorrow
11 night, and Mr. Rizzo was okay with
12 that.

13 MR. MIROTZNIK: MPAC Committee?

14 MS. REED: Can I please have an
15 approval of the minutes of April 26th,
16 2016?

17 MR. MIROTZNIK: All in favor?
18 Motion? Unanimous. Thank you.
19 Finance Committee, Mr. Maher you are
20 calling for --

21 MR. ZYSMAN: I have an amendment.
22 Finance Committee minutes 3/29, I'd
23 like to amend line 21, page six, after
24 the word of NuHealth, I would like to
25 remove the words 'has reviewed the' and

1 06-22-16

2 in it's place put the language, 'have
3 been presented with the'.

4 Next amendment we will vote on is
5 after line 25, I would like to insert
6 the following language, page six, line
7 25, for continuity purposes, shall read
8 as follows: 'Program provided by
9 Huggins, H-U-G-G-I-N-S, Actuarial; by
10 the CFO and CEO and as such the Board
11 of Directors is hereby relying on these
12 representations in it's approvals of
13 this matter and in all matters
14 connected to this subject area.

15 MR. MIROTZNIK: Let those minutes
16 be reflective of the changes and
17 anything further on the
18 March 29th, 2016 minutes, Mr. Zysman?

19 MR. ZYSMAN: With those
20 amendments I would ask that a motion to
21 approve the 3/29/16 Finance Committee
22 minutes with an amendment just
23 articulated on the record by both
24 myself and Chairman Mirotzник.

25 MR. MIROTZNIK: All in favor?

1 06-22-16

2 Unanimous. Item number ten, with
3 regard to the bylaws and resolutions,
4 amending the bylaws, we are going to
5 table that to our next Board meeting.

6 The members of legal staff that
7 are involved in this, Mr. Tepper is not
8 here this evening, so we are going to
9 table that.

10 MR. ZYSMAN: Motion to table?

11 MR. MIROTZNIK: All in favor?

12 Unanimous. 11, approval of the
13 executive meeting dates for all those
14 members? Dr. Asif, I don't know what
15 happened, but Dr. Sussman, we welcome
16 you back from some period of hiatus.

17 We have sent out with the help of
18 Beatriz the aforementioned dates of
19 7/6, 8/3, 9/7, 10/5, 11/9 all to begin
20 at 5:30 p.m. The 7/6 date may be
21 changed tomorrow to possibly 7/11.

22 We will send out on e-mail, but
23 barring any unforeseen circumstances,
24 these are the -- these are proposed
25 dates. We ask every member of the

1 06-22-16

2 Board to jot them down in their record,
3 dairy them, so we can stick with these.
4 We will have a few other dates coming
5 forthwith.

6 I guess that's a resolution.
7 Call for a motion to have these dates
8 sort-of in pen with an eraser nearby?
9 All in favor? Unanimous. I'm sure
10 it's unanimous.

11 MR. ZYSMAN: We may have a need
12 for an end of August meeting as well
13 because of some August contracts.
14 Beatriz, if you can, send out just to
15 the Board, a lot of people go away in
16 August, weeks that people will be away
17 so that we can try to schedule around
18 that.

19 There will be Contract Committee
20 meetings, I believe Beatriz is working
21 on that, for both July and August also,
22 etched in stone probably by Friday. So
23 once we have the meeting time for the
24 Executive Committee in August we will
25 schedule those as well.

1 06-22-16

2 MR. MIROTZNIK: Thank you. Any
3 another business? Is there any other
4 business? Mr. Maher.

5 MR. MAHER: It's done.

6 MR. MIROTZNIK: Are you happy?

7 MR. MAHER: They just corrected
8 the minutes so did we approve that?

9 MR. MIROTZNIK: We did while you
10 were playing with your computer.

11 MR. MAHER: I think it's done.

12 MS. RYAN: It's done.

13 MR. ZYSMAN: By approving these
14 minutes we did it.

15 MR. MAHER: By approving these
16 minutes and accepting them, you
17 approved the computation agreement?

18 MR. MIROTZNIK: Did you read the
19 minutes?

20 MR. MAHER: Yes, I have it right
21 here.

22 MR. MIROTZNIK: Is what you
23 needed to be approved in there?

24 MR. MAHER: Yes.

25 MR. MIROTZNIK: So it's all done.

1 06-22-16

2 MR. ZYSMAN: Dr. Politi, are you
3 satisfied?

4 DR. POLITI: I am absolutely
5 satisfied.

6 MR. MIROTZNIK: On that note
7 there is no other business. Is there
8 any public comments? I would like to
9 thank Beatriz. Beatriz did a good job
10 tonight with the packets and that's
11 really nice work.

12 All the Board members, Beatriz
13 will get an e-mail to you in the next
14 day or so. Please respond as quickly
15 as you can. Those doctors treating
16 patients, leave the patients in the
17 examining room and respond to Beatriz
18 so she can get dates. Thank you all.
19 Have a good evening.

20 DR. POLITI: Anybody who has a
21 copy of the contract, please keep it
22 close to vest or shred it.

23 MR. MIROTZNIK: Thank you all.
24 Good evening, be safe. Motion to
25 adjourn? All in favor? Unanimous.

1 06-22-16

2 (Time noted: 8:48 P.M.)

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

INDEX

3

4

EXHIBITS

5

DESCRIPTION

PAGE

6

Memorandum Agreement

6

7

8

MOTIONS

9

Whereas minutes were kept at the

5

10 regular meeting of the Board of

11 Directors held on April 26th, 2016,

12 and whereas those minutes were

13 reviewed on or before this

14 duly-convened meeting of June 22nd,

15 2016, a regular meeting of the Board

16 of Directors, now be it resolved at

17 this June 22nd, 2016 regular meeting

18 of the Board of Directors, that the

19 minutes from the April 26th, 2016

20 meeting are approved.

21 Resolve that the Board hereby ratifies 7

22 and approves the memorandum of

23 agreement with the CSEA regarding

24 Union members, terms and condition of

25 employment, covering the period

1		
2	January 1, 2016 through December 31,	
3	2018.	
4	Table the minutes of the March 29th,	16
5	2016 meeting to our next Board	
6	meeting.	
7	Approve the Compensation Committee	16
8	minutes from April 20th, 2016,	
9	Approve number one, Crothall	53
10	Healthcare, in an amount not-to-exceed	
11	\$196,000 for the term ending	
12	June 30th, 2016	
13	Approve Crothall Healthcare, LD-200	60
14	2875, six months, effective 7/1/2016	
15	in an amount not to exceed \$450,000	
16	for the six-month term	
17	Resolution for Crothall Healthcare,	61
18	LD-200, 2876, for six months effective	
19	7/1/2016 in an amount not to exceed	
20	\$780,000 for the six-month term.	
21	Western University of Health Sciences,	67
22	LD-200 number 2773, one-year term	
23	effective 7/1/16, revenue of \$1,550	
24	for the one-year term.	
25	Approve Lothrop Associates LLP	72

1		
2	Architects, LD-200 number 2832, three	
3	years effective 8/1/2016, in an amount	
4	not to exceed \$200,000 for the	
5	three-year term.	
6	Approve Lazardos Engineering	76
7	Associates, PC, LD-200 number 2815,	
8	three years, effective 7/1/2016 in an	
9	amount not to exceed \$500,000 for a	
10	three-year term.	
11	Approve Wiedersum Associates	88
12	Architects, LD-200 number 2814, three	
13	years, effective 7/1/16 in an amount	
14	not to exceed \$500,000 for the	
15	three-year term	
16	Approval of the minutes of April 26th,	89
17	2016	
18	Approve the 3/29/16 Finance Committee	90
19	minutes with an amendment just	
20	articulated on the record by both	
21	Mr. Zysman and Chairman Mirotznik.	
22	Table number 10.	91
23	Resolution of dates.	92
24		
25		

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATION

I, ANGELA ARENA, a Notary
Public in and for the State of New
York, do hereby certify:

THAT the foregoing is a true and
accurate transcript of my stenographic
notes.

IN WITNESS WHEREOF, I have
hereunto set my hand this 25th day of
August, 2016.

ANGELA ARENA