

WESTCHESTER COUNTY HEALTH CARE CORPORATION

BOARD OF DIRECTORS MEETING

July 19, 2017

6:30 P.M.

EXECUTIVE BOARD ROOM

EXECUTIVE OFFICES

VOTING MEMBERS PRESENT: Orlando Adamson, M.D., William Frishman, M.D., Renee Garrick, M.D. – via phone, Herman Geist, Susan Gevertz, John Heimerdinger, Mitchell Hochberg, Patrick McCoy, Dennis Mehiel – via phone, Alfredo Quintero, Zubeen Shroff, Michael Staib, Mark Tulis

NON-VOTING MEMBERS PRESENT: Nan Hayworth, M.D., Michael Israel, James Vodola, Richard Wishnie

VOTING MEMBERS EXCUSED: Claudia Edwards, PhD

STAFF PRESENT: Julie Switzer, EVP, Chief Legal Officer and General Counsel
Gary Brudnicki, COO, CFO, WMCHealth Network
Kevin Carraccio, SVP, Fund Development
Marsha Casey, EVP, Network Strategy and Integration
Anthony Costello, SVP, Professional & Support Services
Beth Davis, SVP, Deputy General Counsel
Mark Fersko, EVP, Financial Planning and Managed Care
David Ingber, SVP, Network Financial Operations
June Keenan, SVP, Delivery System Transformation
John Morgan, SVP, Financial Planning
James Palovick, Vice President Internal Audit
Jordy Rabinowitz, SVP, Human Resources Operations
Josh Ratner, SVP, Network Strategy
Patricia Wrobbel, SVP and Chief Nurse Executive

PHYSICIANS PRESENT: Dr. Gewitz, Dr. Savino

CALL TO ORDER

The July 19, 2017, meeting of the Westchester County Health Care Corporation Board of Directors was called to order at 6:30 p.m. A quorum was present consisting of the following Board members:

VOTING MEMBERS PRESENT

Orlando Adamson, M.D.	Patrick McCoy
William Frishman, M.D.	Dennis Mehiel – via phone
Renee Garrick, M.D. – via phone	Alfredo Quintero
Herman Geist	Zubeen Shroff
Susan Gevertz	Michael Staib
John Heimerdinger	Mark Tulis
Mitchell Hochberg	

VOTING MEMBERS EXCUSED

Claudia Edwards, Ph.D

NON-VOTING MEMBERS PRESENT

Nan Hayworth, M.D.
Michael Israel
James Vodola
Richard Wishnie

REPORT OF THE CHAIR/ADDITIONS TO THE AGENDA

MR. HOCHBERG ASKED FOR A MOTION TO APPROVE THE MINUTES FROM THE JUNE 7, 2017, MEETING OF THE BOARD. A MOTION WAS MADE BY MS. GEVERTZ, SECONDED BY MR. TULIS, TO APPROVE THE JUNE 7, 2017, WESTCHESTER COUNTY HEALTH CARE CORPORATION BOARD OF DIRECTORS MEETING MINUTES. THE MOTION WAS APPROVED UNANIMOUSLY.

REPORT OF THE PRESIDENT OF THE MEDICAL STAFF

Dr. Lebovics provided the report of the President of the Medical Staff. He presented a credentialing packet (dated July 18, 2017, and attached to these minutes) containing information on Credentialing Appointments, Reappointments, Category of Staff Changes, FPPE's, and Additional Privileges to the Board for its approval.

Motion to Approve Recommendations for Appointments, Reappointments, Category of Staff Changes, FPPE's, and Additional Privileges.

MR. HOCHBERG ASKED FOR A MOTION TO APPROVE THE RECOMMENDATIONS FOR APPOINTMENTS, REAPPOINTMENTS, CATEGORY OF STAFF CHANGES, FPPE's, AND ADDITIONAL PRIVILEGES. MR. SHROFF MOTIONED, SECONDED BY MR. QUINTERO. THE MOTION CARRIED UNANIMOUSLY.

REPORT OF THE PRESIDENT

Mr. Costello presented a slideshow illustrating various construction projects to the Board. He stated that the new Dental Department is just about completed and includes the latest technology; he added that Dr. Martinez and the dental staff will be moving in a couple of weeks.

Mr. Costello informed the Board that the in-house construction crew has started renovating the patient rooms in the Physical Medicine and Rehabilitation unit.

Mr. Costello informed the Board that the steel is being erected for the new Ambulatory Care Pavilion. He stated that the podium area, which consists of the basement and floors one and two, is eighty-five percent complete. Mr. Costello advised that next week the steel for the tower expansion will be erected and concrete for floors one through three will be poured. He stated that the pouring of the concrete floors will stabilize the structure in order to erect floors four through eight.

Mr. Costello advised the Board that WMC is in the final phase of the 2 South Room Renovation project.

Mr. Costello informed the Board that the corridors in Macy Pavilion, which are close to 100 years old, are being renovated to be continuous and cosmetically identical to the corridors throughout the hospital.

Ms. Casey reminded the Board that WMCHHealth is in year 3 of the DSRIP initiative, and July 1, 2017, started Measurement year 4. She stated that the financial incentives for the program ramp up in Measurement years four and five. Ms. Casey informed the Board that Ms. Keenan and her team have revamped their efforts to focus on the broad Network and achieving its measurements.

Ms. Casey informed the Board that DSRIP plays an important role in the IT Strategic Plan. She stated that WMCHHealth has successfully completed its proof of concept of the health catalyst at Charity. Ms. Casey advised that this will help in creating the hub and its inter-navigation.

Dr. Gewitz informed the Board that the Maria Fareri Children's Hospital ("MFCH") was well represented at the Children's Hospital Association in Washington, D.C., last week. He stated that a patient of the MFCH, who has a chronic illness and a genetic disorder, and her parents, were featured speakers at the Family Advocacy Day. Dr. Gewitz stated that with the help of Mr. Ryan, the family met with the New York delegation of law makers and healthcare players in Washington, D.C. He stated that this was important, as the Children's Health Insurance Program is set to expire in September.

Dr. Gewitz informed the Board that the new CEO of ShopRite paid a visit to the MFCH. He stated that over the past six to seven years ShopRite has raised over \$1 million for various programs at the MFCH. Dr. Gewitz informed the Board that the new CEO was very enthusiastic about continuing this special relationship with the MFCH.

Dr. Gewitz reminded the Board of the recent surgical challenges due to the turnover of several physicians. He stated that WMC is starting to turn this around and advised that tomorrow morning there is a relatively unique brother/sister living donor kidney transplant. Dr. Gewitz informed the Board that a 19 year old young man is donating a kidney to his 14 year old sister.

Dr. Gewitz informed the Board that this past Sunday was Sail 4 Kids in Rye, noting it was the 12th consecutive year for this event.

Mr. Israel stated that this concluded his report for the public session. He informed the Board that he has strategic and personnel matters for executive session.

REPORT OF COMMITTEES

COMBINED FINANCE AND TECHNOLOGY COMMITTEES

Mr. Shroff, Chair of the Finance Committee, stated that the Committees met in a combined meeting just prior to the Board meeting. He stated that the Finance Committee reviewed the May, 2017, financial statements.

Mr. Shroff stated that the cash balance at the end of May, 2017, was \$102.1 million, and Accounts Receivable were \$164.8 million.

Mr. Shroff reviewed the Statement of Operations for the Board as follows:

Total Operating Revenue - \$565.7 million
Total Operating Expenses - \$544.4 million
Operating Income - \$21.3 million
Income Before Excess Fringe Benefits - \$15.3 million
Net Interest Expense was - \$9.1 million
NYS Actuarial Adjustment - \$6.3 million
YTD Bottom Line Loss - \$6.6 million

Mr. Shroff reviewed the following statistics:

Valhalla Campus

Total Acute Discharges and Outpatient Cases – 9,820
Acute Patient Days – 65,901
Average Length of Stay – 8.39
E.R. Visits – 20,296

MidHudson Campus

Total Acute Discharges and Outpatient Cases – 1,773
Acute Patient Days – 8,495
BHC Days – 10,244
E.R. Visits – 11,703

Mr. Shroff advised the Board that WMC management has been meeting with the rating agencies. He stated that S&P has issued their rating of WMC, maintaining its BBB rating, however they have revised WMC's outlook from stable to negative.

Mr. Shroff presented a Resolution to the Board amending the Master Trust Indenture ("MTI"), which has been in place since 2000, by entering into a Twelfth Supplemental Indenture. He stated that under the Supplement, which is permitted under the MTI, an Officer of the Corporation will provide the annual certification as to no default in the performance of any covenants, and an annual CPA certification will only be required with respect to the Corporation meeting its debt service coverage requirements.

MR. SHROFF ASKED FOR A MOTION TO APPROVE THE RESOLUTION AUTHORIZING THE CORPORATION TO ENTER INTO A TWELFTH SUPPLEMENTAL INDENTURE. MR. TULIS MOTIONED, SECONDED BY MR. HEIMERDINGER. THE MOTION CARRIED UNANIMOUSLY.

Mr. Staib, Chair of the Technology Committee, reminded the Board that last month there was a presentation on the proposed change to the IT Strategic Plan. He stated that the management team determined that a mid-course review would be appropriate. Mr. Staib advised the Board that with the help of outside consultants and analyzing the risk to WMC's revenue cycle, the team has decided to take an interfaced approach rather than an integrated approach to the IT Strategic Plan. He informed the Board that the new EMR system would be interfaced with the current revenue cycle, reducing the level of risk dramatically. Mr. Staib stated that the focus remains on a new EMR for WMC, MHRH and Advanced Physician Services and the integrated hub.

MR. HOCHBERG ASKED FOR A MOTION TO APPROVE WMC MANAGEMENT ENTERING INTO NEGOTIATIONS WITH CERNER IN REGARDS TO ITS IT STRATEGIC PLAN. MR. STAIB MOTIONED, SECONDED BY TULIS. THE MOTION WAS APPROVED UNANIMOUSLY WITH ONE ABSTENTION.

QUALITY COMMITTEE

Ms. Gevertz, Chair, WCHCC Quality Committee, stated that the Committee met on June 16, 2017.

Ms. Gevertz advised the Board that the Committee received a report by Dr. Garrick on the Quality and Safety Council meeting of May 11, 2017. She stated that Dr. Garrick reported on the following: Cardiovascular QC; Emergency Department; Radiation Medicine; Case Management; and the Transfer Center.

Ms. Gevertz stated that the Committee received a presentation from Ms. Halstead and Ms. Bennorth on Patient Experience. She stated that the following areas were highlighted: DNV Survey Update for corrective actions provided with evidence of sustained compliance; a new process for writing a hand written note upon conclusion of complaints handled in real time; and a review of HCAHP's data.

Ms. Gevertz informed the Board that the Committee received a presentation from Mr. Doering on the Environment of Care. She stated that he highlighted the slip and fall data and the recent DNV survey corrective action plans.

Ms. Gevertz informed the Board that the Committee received a presentation by Dr. Bierman on the GME Quality Council. She stated that he highlighted the progress report regarding sponsorship of the ACGME programs and upcoming application process; the results of the ACGME Resident and Fellow survey, noting that the survey results are consistent between residents and fellows with improvement from the prior survey.

NEW BUSINESS

Mr. Tulis informed the Board that WMC was a sponsor of the Pleasantville Music Festival again this year, with over three thousand people in attendance. He stated that the main stage was referred to as the WMC stage, and various people spoke on behalf of WMC including the mayor of Pleasantville. Mr. Tulis complimented Ms. Bennorth and Ms. Kram for their hard work.

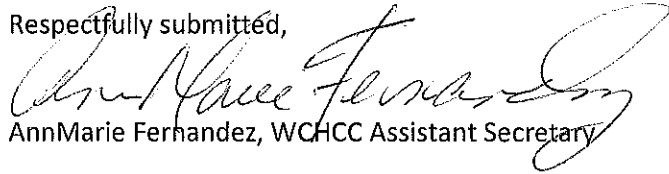
EXECUTIVE SESSION

MR. HOCHBERG ASKED FOR A MOTION TO MOVE INTO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING STRATEGIC AND PERSONNEL MATTERS. MR. TULIS MOTIONED, SECONDED BY MR. HEIMERDINGER. THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

MR. HOCHBERG ASKED FOR A MOTION TO ADJOURN THE JULY 19, 2017, MEETING OF THE WESTCHESTER COUNTY HEALTH CARE CORPORATION BOARD OF DIRECTORS. MS. GEVERTZ MOTIONED, SECONDED BY MR. STAIB. THE MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "AnnMarie Fernandez". The signature is written in black ink and is positioned above the typed name.

AnnMarie Fernandez, WCHCC Assistant Secretary