

**SOUTH BROWARD HOSPITAL DISTRICT
A COMBINED REGULAR MEETING/LIAISON CONFERENCE ADVISORY COMMITTEE/AND
WORKSHOP SESSION OF THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT**

August 22, 2007

A Combined Regular Meeting/Liaison Conference Advisory Committee/and Workshop Session of the Board of Commissioners of the South Broward Hospital District (S.B.H.D.) was held at Memorial Regional Hospital, in Perry Auditorium, on August 22, 2007, at 5:34 p.m.

The following members were present:

Mr. Kevin C. Tynan	Chairman
Mrs. Kathleen Durham	Vice Chairman
Mrs. Sara E. Wolfer	Secretary Treasurer
Mr. Albert C. Jones	
Ms. Laura Raybin Miller	
Mr. Carlos J. Reyes	

The following member was absent:

Mr. Shane Strum

A registration sheet listing all attendees is attached to the Minutes on file in the Executive Office.

1. CALL TO ORDER

There being a quorum present, the meeting was called to order by Mr. Kevin Tynan, Chairman. As is customary, the Chairman invited public participation in the meeting and announced that anyone wishing to address the Board would be recognized.

2. APPROVAL OF MINUTES

a. Regular Meeting Held July 25, 2007

There being no additions or corrections to the Minutes,

Mr. Jones *moved, seconded* by Mrs. Wolfer, that

**THE BOARD APPROVE THE MINUTES OF THE
MEETING HELD JULY 25, 2007**

The motion *carried* unanimously.

3. **REPORTS TO THE BOARD; REPORTS FROM BOARD OFFICERS AND STANDING COMMITTEES**

a. **Senior Services Committee, Mrs. K. Durham, Chairman**
Minutes of Meeting Held 8/13/07

Mrs. Durham reviewed the Minutes of the Senior Services Committee meeting held August 13, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes *moved, seconded* by Mrs. Wolfer, that

**THE BOARD APPROVE THE MINUTES OF THE SENIOR SERVICES
COMMITTEE MEETING HELD AUGUST 13, 2007**

The motion *carried* unanimously.

Mrs. Durham congratulated Mr. Bill Edelstein on his recent appointment by the Governor to the Department of Elderly Affairs Advisory Board.

b. **Finance Committee, Mrs. K. Durham, Chairman**
Minutes of Meeting Held 8/13/07

Mrs. Durham reviewed the Minutes of the Finance Committee meeting held August 13, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Approval to form SHARP as a Florida, LLC; Ratify Tony Krayner and Matt Muhart as SHARP's Initial Board Members; Fund SHARP's Initial Capitalization of \$1.21 Million; Acquire Windstorm Insurance for MHS from SHARP for the Member Retention Layer With a Premium Not to Exceed \$2 Million; and Convert Existing MHS Property Insurance Policies from Direct Policies to Reinsurance Policies Issued to SHARP and Concurrently Issuing Insurance Policies from SHARP to MHS for the Same Coverages in Place Today at No Additional Cost to the District

Mrs. Durham requested Mr. Muhart come forward to provide an overview of the SHARP Program.

In response to the lack of windstorm coverage availability and over-priced insurance premiums, Mr. Muhart advised that the SHARP initiative was developed to mitigate reliance on the insurance market by creating a shared windstorm risk pool with other healthcare systems across the state. In light of the apprehension expressed by other healthcare systems to share risk, the program has moved its focus from sharing risk to utilizing group buying power of multiple healthcare systems to obtain better rates from reinsurance markets for windstorm and all other perils and gain exemptions from Citizens and Cat Fund assessments. There is also a 2% layer that would allow the System to start building a fund to be used in the event we incur damage from a hurricane, with reinsurance layers available to cover windstorm events and all other perils above the 2% layer.

Four to seven governmental healthcare systems have expressed some level of interest in the program, primarily in the model that does not share risk. Aggressive pursuit of those healthcare systems and many other hospitals and systems throughout the state from a reinsurance approach would be initiated upon Board approval of the motion at hand, with the risk pool concept still available.

It was noted that the \$1.21 Million initial capitalization represents 3% of the policy limit of the 2% layer. Should SHARP set up a credit facility to provide liquidity, the banking community would expect some additional capital to support credit worthiness.

Upon Board approval, the District would begin the process of converting existing MHS property insurance policies to reinsurance policies, thus gaining immunity from assessments, with conversion contingent upon no additional cost to the District. There would be no broker commissions paid by the District for these insurance transactions. The risk sharing features described would not commence until such time as SHARP was comprised of multiple healthcare systems, thus presenting a better underwriting risk.

Mr. Jones ***moved, seconded*** by Mr. Reyes, that

THE BOARD OF COMMISSIONERS APPROVE TO FORM SHARP AS A FLORIDA, LLC; RATIFY TONY KRAYER AND MATT MUHART AS SHARP'S INITIAL BOARD MEMBERS; FUND SHARP'S INITIAL CAPITALIZATION OF \$1.21 MILLION; ACQUIRE WINDSTORM INSURANCE FOR MHS FROM SHARP FOR THE MEMBER RETENTION LAYER WITH A PREMIUM NOT TO EXCEED \$2 MILLION; AND CONVERT EXISTING MHS PROPERTY INSURANCE POLICIES FROM DIRECT POLICIES TO REINSURANCE POLICIES ISSUED TO SHARP AND CONCURRENTLY ISSUING INSURANCE POLICIES FROM SHARP TO MHS FOR THE SAME COVERAGES IN PLACE TODAY AT NO ADDITIONAL COST TO THE DISTRICT

Mr. Tynan commended the great work and effort put forth on this project. Mr. Muhart commended the outstanding job done by Mr. Bill Wheatley, noting the remarkable success he achieved with several banks in selling the concept of credit issuance to the start up entity, with some banks considering it a subordinated debt.

The motion ***carried*** unanimously.

Mr. Jones ***moved, seconded*** by Mr. Reyes, that

THE BOARD APPROVE THE MINUTES OF THE FINANCE COMMITTEE MEETING HELD AUGUST 13, 2007

The motion ***carried*** unanimously.

c. Planning Committee, Mrs. S. Wolfer, Chairman
Minutes of Meeting Held 8/13/07

Mrs. Wolfer reviewed the Minutes of the Planning Committee meeting held August 13, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Approval to Transfer the Inpatient Pediatric Unit from Memorial Hospital West to Memorial Hospital Miramar

Mr. Reyes *moved, seconded* by Mr. Jones, that

THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD HOSPITAL DISTRICT APPROVE THE TRANSFER OF THE INPATIENT PEDIATRIC UNIT FROM MEMORIAL HOSPITAL WEST TO MEMORIAL HOSPITAL MIRAMAR

Mr. Sacco provided further clarification regarding the project, noting that the \$1.2 Million project cost also included the telemetry monitors for Memorial Hospital West. In-house construction will be utilized for creation of the telemetry unit, with renovations to convert an existing 18 bed adult unit at Memorial Hospital Miramar into a 12 bed inpatient pediatric unit being done via change order. The pediatric unit requires more square footage to house support space, i.e. playrooms, family rooms. This move will decompress Memorial Hospital West and defer addition of beds by at least one year and will enable the recruitment of more pediatricians to Memorial Hospital Miramar. The three existing pediatric emergency rooms at Joe DiMaggio, West, and Miramar will remain in place, with pediatric patients requiring sub-specialists being transferred to Joe DiMaggio Children's Hospital, as is current practice.

The motion *carried* unanimously.

Mr. Reyes *moved, seconded* by Mr. Jones, that

THE BOARD APPROVE THE MINUTES OF THE PLANNING COMMITTEE MEETING HELD AUGUST 13, 2007

The motion *carried* unanimously.

d. Contracts Committee, Mr. K. Tynan, Chairman
Minutes of Meeting Held 8/14/07

Mr. Tynan reviewed the Minutes of the Contracts Committee meeting held August 14, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Approval of Renewal of Employment Agreements Between S.B.H.D. and Michael Jofe, M.D., Randolph Cohen, M.D., Neal McNerney, M.D., and Stephen Storer, M.D., for Pediatric Orthopedics

Mrs. Durham *moved, seconded* by Mr. Jones, that

**THE BOARD OF COMMISSIONERS APPROVE THE RENEWAL
EMPLOYMENT AGREEMENTS WITH MICHAEL JOFE, M.D.,
RANDOLPH COHEN, M.D., NEAL MC NERNEY, M.D., AND
STEPHEN STORER, M.D., AND SOUTH BROWARD HOSPITAL
DISTRICT FOR PEDIATRIC ORTHOPEDIC SERVICES**

The Chair recognized Michael Jofe, M.D., who came forward, also speaking on behalf of his partners, and thanked the Board for the honor and privilege to continue to grow the Children's Hospital under the leadership of Mr. Sacco and Ms. Beauchesne, and stated that he looked forward to three more good years.

Dr. Auerbach commented on the tremendous growth of this orthopedic group, He noted they are the referral group for Broward and Palm Beach Counties, providing a tremendous service to the Children's Hospital, with Dr. Jofe adding to the reputation of the Children's Hospital, both locally and nationally.

Mr. Sacco further noted that Dr. Jofe has developed a pediatric orthopedic practice much larger than most children's hospitals or university based practices in the country, with recruitment of a fifth physician underway. He stated the System is very fortunate to have this group, as they are university caliber and the premier pediatric orthopedic group on the east coast of the United States.

The motion *carried* unanimously.

(2) Request Board Approval of Physician Recruitment Agreement Between S.B.H.D. with Wilbur, Greenstein & Quintela, M.D.'s, P.A., and Rodolfo F. Barroso, M.D., Internal Medicine

Mr. Jones *moved, seconded* by Mrs. Wolfer, that

**THE BOARD OF COMMISSIONERS APPROVE THE PHYSICIAN
RECRUITMENT AGREEMENT BETWEEN WILBUR, GREENSTEIN &
QUINTELA, M.D.'S, P.A., AND RODOLFO BARROSO, M.D., AND
SOUTH BROWARD HOSPITAL DISTRICT FOR INTERNAL MEDICINE
SERVICES**

The Chair recognized Richard Wilbur, M.D., who came forward to thank the District and the Board, as well as Ms. Martha Garcia and Ms. Cathy Meyer from Memorial Hospital Pembroke, for their efforts in recruiting Dr. Barroso as the fifth physician to their Cooper City practice. Dr. Wilbur stated Dr. Barroso would be an asset to their practice, as well as to the community.

The Chair recognized Rodolfo Barroso, M.D., who came forward and stated that he was excited about the opportunity to work for the System and proud to join one of the finest primary care practices in the area. He thanked the Board for their support, and extended his personal thanks to Ms. Garcia and Ms. Meyer.

The motion *carried* unanimously.

(3) Request Board Approval of First Amendment to Extend Agreement Between S.B.H.D. and Broward County for Contracted Primary Care Services

Mrs. Wolfer *moved, seconded* by Mr. Reyes, that

THE BOARD OF COMMISSIONERS APPROVE THE FIRST AMENDMENT TO EXTEND AGREEMENT BETWEEN BROWARD COUNTY AND SOUTH BROWARD HOSPITAL DISTRICT FOR CONTRACTED PRIMARY CARE SERVICES

Mr. Tynan requested Mr. Benz come forward to present an overview of the three related County agreements being presented to the Board for approval.

Mr. Sacco took the opportunity to commend Mr. Benz for the tremendous job he has done in negotiating the agreements with the County during such a challenging time. He noted the Broward County Commission would meet in September for a final vote.

Mr. Benz provided an overview of the five-month negotiation period with Broward County for contracted primary care services. Due to the County's budget environment, it was decided to pursue a one-year term extension as opposed to three years. As tentatively discussed with the County a year ago, the agreement includes the joint funding of a primary care center in Miramar to serve the growing population needs, as well as decompress the Pembroke Road site. The site of the new Miramar PCC will be the old Miramar City Hall.

The Offsite Parking Services Agreement addresses the parking crisis at the Pembroke Road Primary Care Center. To allow for increased patient parking capability at the Pembroke Road PCC, MHS has been leasing offsite parking spaces from the City of Hollywood for its PCC employees and providing them with shuttle service. The County wishes to continue to contribute funding for this temporary parking solution.

The Billing Services Agreement relates to the County's responsibility for the health of its prisoners and the Healthcare System's agreement to accept the Medicaid rate for the provision of healthcare services to eligible prisoners. The individuals covered under this agreement are those that have been arrested, but not yet incarcerated, requiring medical care and are kept under guard while in the hospital facility.

The motion *carried* unanimously.

(4) Request Board Approval of Third Amendment to Extend Term of Agreement Between S.B.H.D. and Broward County for Offsite Parking Services

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

THE BOARD OF COMMISSIONERS APPROVE THE THIRD AMENDMENT TO AGREEMENT TO EXTEND TERM BETWEEN BROWARD COUNTY AND SOUTH BROWARD HOSPITAL DISTRICT FOR OFFSITE PARKING SERVICES

The motion *carried* unanimously.

(5) Request Board Approval of Agreement Between S.B.H.D. and Broward County for Billing Services

Mrs. Durham *moved, seconded* by Mr. Reyes, that

THE BOARD OF COMMISSIONERS APPROVE THE AGREEMENT BETWEEN BROWARD COUNTY AND THE SOUTH BROWARD HOSPITAL DISTRICT FOR BILLING SERVICES

The motion *carried* unanimously.

Mr. Reyes *moved, seconded* by Mr. Jones, that

THE BOARD APPROVE THE MINUTES OF THE CONTRACTS COMMITTEE MEETING HELD AUGUST 14, 2007

The motion *carried* unanimously.

4. REPORT OF SPECIAL COMMITTEES

None

5. ANNOUNCEMENTS

None

CORRESPONDENCE

None

6. UNFINISHED BUSINESS

None

7. BOARD REGULAR BUSINESS

a. Report from Chief of Staff, Memorial Regional Hospital; T. Macaluso, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

On behalf of Dr. Macaluso, Dr. Marks presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 14, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes *moved, seconded* by Mr. Jones, that

THE BOARD APPROVE THE RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF AT MEMORIAL REGIONAL HOSPITAL AS PRESENTED

The motion **carried** unanimously.

b. Report from Chief of Staff, Joe DiMaggio Children's Hospital; R. Auerbach, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Auerbach presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 7, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Jones **moved, seconded** by Mrs. Durham, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT JOE DIMAGGIO CHILDREN'S HOSPITAL AS PRESENTED**

The motion **carried** unanimously.

c. Report from Chief of Staff, Memorial Hospital West; D. Ancona, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Ancona presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 14, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Wolfer **moved, seconded** by Mr. Jones, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL WEST AS PRESENTED**

The motion **carried** unanimously.

d. Report from Chief of Staff, Memorial Hospital Miramar; B. Shatkin, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Shatkin presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 10, 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Reyes **moved, seconded** by Mr. Jones, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL MIRAMAR AS PRESENTED**

The motion *carried* unanimously.

e. Report from Chief of Staff, Memorial Hospital Pembroke; J. Snow, M.D.

(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.

Dr. Snow presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 10, 2007, as well as Addendum to Agenda Item 7.e.(1), copies of which are attached to the Minutes on file in the Executive Office.

Mr. Jones *moved, seconded* by Mr. Reyes, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF
AT MEMORIAL HOSPITAL PEMBROKE AS PRESENTED**

The motion *carried* unanimously.

f. Administrative Staff

(1) Quarterly Statistical Report for Period Ending 7/31/07; Mr. F. Sacco, President and Chief Executive Officer

Mr. Sacco presented the Quarterly Statistical Report for period ending 7/31/07, a copy of which is attached to the Minutes on file in the Executive Office. He also discussed possible upcoming adverse funding events, including a yearly recurring reduction of Medicaid reimbursement by \$19 Million, the sunset of PIP with an impact of \$6 Million, as well as Medicare and tax cuts, and emphasized the need to create more business to continue growth.

g. Financial Reports; Mr. M. Muhart, Senior Vice President and Chief Financial Officer

(1) Financial Report for the Month of July 2007

Mr. Muhart reviewed the Financial Report for the Month of July 2007, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Jones *moved, seconded* by Mr. Reyes, that

**THE BOARD APPROVE THE FINANCIAL REPORT FOR THE MONTH
OF JULY 2007**

The motion *carried* unanimously.

h. Legal Counsel; Mr. G. Barber, Senior Vice President and General Counsel

No report

8. NEW BUSINESS

None to report

9. COMMISSIONERS' COMMENTS

Mrs. Wolfer commented on her recent attendance of a pinning ceremony that took place at Memorial Hospital West as a continuation of their Nursing Magnet Program Award celebration. She was extremely impressed with the team attitude expressed by the nurses and their realization that they achieved this award together with the other departments of the hospital. Mrs. Wolfer presented each Commissioner with a Magnet pin, as the Board is the policy-making body that promotes quality and excellence in patient care, and to the CEO for providing the environment to accomplish these goals.

Mr. Jones recognized his daughter who was in attendance, and remarked on his recent positive experience on the Rehabilitation Unit at Memorial Regional Hospital South

ADJOURNMENT

There being no further business to come before the Board, Mr. Tynan declared the meeting adjourned at 6:53 p.m.

WORKSHOP SESSION

No business.

**THE BOARD OF COMMISSIONERS OF THE
SOUTH BROWARD HOSPITAL DISTRICT**

BY: _____
Kevin Tynan, Chairman

ATTEST: _____
Kathleen Durham, Vice Chairman