

**WESTCHESTER COUNTY HEALTH CARE CORPORATION**

**BOARD OF DIRECTORS MEETING**

**December 6, 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., Herman Geist, Susan Gevertz – via phone, John Heimerdinger, Patrick McCoy, Alfredo Quintero, Mark Tulis**

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

**VOTING MEMBERS EXCUSED: Claudia Edwards, PhD, Mitchell Hochberg, Zubeen Shroff**

**STAFF PRESENT: Julie Switzer, EVP, Chief Legal Officer and General Counsel  
Gary Brudnicki, COO, CFO, WMCHHealth Network  
Patti Ariel, SVP, Internal Audit and Chief Compliance Officer  
Kara Bennorth, EVP, Corporate Communications and Fund Development  
Kevin Carraccio, SVP, Fund Development  
Anthony Costello, SVP, Professional & Support Services  
Beth Davis, SVP, Deputy General Counsel  
Mark Fersko, EVP, Financial Planning and Managed Care  
Susan Gerry, SVP, Strategic Alliances & Partnerships  
Paul Hochenberg, Executive Director, MidHudson Regional Hospital  
David Ingber, SVP, Network Financial Operations  
June Keenan, SVP, Delivery System Transformation  
Mary Leahy, M.D., CEO, Charity  
Kelly MacMillan, SVP, Government Relations  
John Morgan, SVP, Financial Operations  
James Palovick, Vice President Internal Audit  
Jordy Rabinowitz, SVP, Human Resources Operations  
Mecca Santana, SVP, Diversity & Community Engagement  
David Scarpino, CEO HealthAlliance  
Patricia Wrobbel, SVP and Chief Nurse Executive**

**PHYSICIANS PRESENT: Drs. Asprinio, Gewitz, Lebovics, and Savino**

**PUBLIC: Alan Aronow – CSEA  
James Mazzella - CSEA**

## **CALL TO ORDER**

The December 6, 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.	John Heimerdinger
William Frishman, M.D.	Patrick McCoy
Renee Garrick, M.D.	Alfredo Quintero
Herman Geist	Mark Tulis
Susan Gevertz – via phone	

### **VOTING MEMBERS EXCUSED**

Claudia Edwards, Ph.D  
Mitchell Hochberg  
Zubeen Shroff  
Michael Staib

### **NON-VOTING MEMBERS PRESENT**

Michael Israel  
James Vodola  
Richard Wishnie

## **REPORT OF THE CHAIR/ADDITIONS TO THE AGENDA**

MR. TULIS ASKED FOR A MOTION TO APPROVE THE MINUTES FROM THE NOVEMBER 1, 2017, MEETING OF THE BOARD. A MOTION WAS MADE BY MR. QUINTERO, SECONDED BY MR. HEIMERDINGER, TO APPROVE THE NOVEMBER 1, 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 December 6, 2017, and attached to these minutes) containing information on Credentialing Appointments, Reappointments, FPPE's, Category of Staff Change and Additional Privileges to the Board for its approval.

Dr. Lebovics presented revisions to the Medical Staff Bylaws to the Board.

Dr. Lebovics presented a Resolution to the Board whereby Management is directed to take all steps and provide the resources necessary to sustain a Level I New York State and American College of Surgeons trauma hospital designation for WMC.

**Motion to Approve Recommendations for Appointments, Reappointments, FPPE's, Category of Staff Change, Additional Privileges, Revisions to the Medical Staff Bylaws, and the Resolution to Support WMC as a Level I Trauma Designated Hospital.**

MR. TULIS ASKED FOR A MOTION TO APPROVE THE RECOMMENDATIONS FOR APPOINTMENTS, REAPPOINTMENTS, FPPE's, CATEGORY OF STAFF CHANGE, ADDITIONAL PRIVILEGES, REVISIONS TO THE MEDICAL STAFF BYLAWS, AND THE RESOLUTION FOR SUPPORT FOR WMC AS A LEVEL I TRAUMA DESIGNATED HOSPITAL. MR. QUINTERO MOTIONED, SECONDED BY MR. MCCOY. THE MOTION CARRIED UNANIMOUSLY.

**REPORT OF THE PRESIDENT**

Ms. Bennorth informed the Board that ShopRite ended its three week Point of Sale Campaign, raising \$70,000 and counting. She stated that 26 ShopRite stores throughout the Hudson Valley participated in the event.

Ms. Bennorth informed the Board that the recent WHUD Radiothon in the Maria Fareri Children's Hospital ("MFCH") Lobby raised \$300,000 and counting. She thanked WHUD and their listeners for their support and commitment.

Ms. Bennorth informed the Board that last Sunday the MFCH was the sponsor and beneficiary of The TriState Rocks event featuring the former Idol star Kara DioGuardi. She stated that this was a teen idol talent show and approximately one thousand people attended. Ms. Bennorth informed the Board that the highlight of the evening was when the runner up donated her prize back to the MFCH in honor of her sister who was a former NICU patient.

Ms. Bennorth informed the Board that the Network's 12 New York City marathon runners raised \$37,500 for their individual hospitals and programs.

Ms. Bennorth advised the Board that the Teen Leadership Committee is up and running again this year with a fundraising goal of \$15,000. She reminded the Board that this is a group of teens in Scarsdale who raise money for the MFCH.

Ms. Bennorth informed the Board that Pace University and Iona College completed their dance marathons, each raising \$16,000. She stated that several other Colleges and Universities will be holding fundraising dance marathons in 2018.

Mr. Costello presented a slideshow of construction project updates to the Board. He stated that the fire-proofing of the Ambulatory Care Pavilion ("ACP") is just about complete. Mr. Costello showed an image of a temporary roof on what will be the third floor of the ACP so that work can continue on the basement and floors one and two throughout the winter. He stated that the windows are in the process of being installed, as well as the metal studs for the walls.

Mr. Costello informed the Board that Phase 2 of the 2 South Maternity Unit project is just about complete. He stated that in January, 2018 the entire Maternity unit will be available for occupancy.

Mr. Costello reminded the Board that the doll exhibit in the MFCH has been moved upstairs to allow the gift shop to relocate. He showed images of the new gift shop layout.

Mr. Costello showed pictures of previously closed rooms on 6 North that were recently touched up by the in-house construction crew to create single patient rooms to help with the increasing patient census.

Mr. Costello showed images to the Board of the renovations of the Cooke Tower 6<sup>th</sup> floor at MidHudson Regional Hospital ("MHRH"). He stated that all work should be completed by the first week of January, 2018. Mr. Costello informed the Board that once regulatory approvals are received the floor will be opened for patient occupancy.

Mr. Costello showed images of the beautiful holiday decorations in the MFCH lobby. He stated that Mr. Carrachio has a relationship with American Christmas and they donated the decorations and the manpower to create a beautiful holiday display in the MFCH lobby. Mr. Costello stated that American Christmas also donated the Christmas tree in the main hospital lobby.

Dr. Garrick informed the Board that the Medical Staff Psych meeting was held at MHRH this morning. She stated this gave her the opportunity to see the renovations of the Cooke Tower 6<sup>th</sup> floor first hand, and she noted how terrific it looks. Dr. Garrick stated that this newly renovated floor will help to make MHRH a physician's/patient's hospital of choice.

Dr. Garrick informed the Board that WMC is using a Gojo Tracking System in conjunction with the hand hygiene system it is evaluating through a value based purchasing group. She stated this will enable WMC to track how well it is doing and where improvement is needed on hand washing. Dr. Garrick stated that WMC might be able to work with the state on a Beta grant regarding candida orias.

Dr. Garrick informed the Board that, as Mr. Costello stated, there is a lot of work in progress on the Valhalla campus in terms of expansion and geographical locations. She stated that Nursing, in conjunction with Dr. Frishman and Dr. Wrobbel, has developed a new process in the Department of Medicine for a better geographical organization of patients by way of bed reconfigurations to centralize clinical coverage.

Dr. Garrick informed the Board that WMC is conducting a search for a Network Pharmacy Director and stated that several great candidates have been interviewed. She stated that a Director will help streamline the pharmacies in terms of formulated choices and antibiotic stewardship.

Dr. Garrick informed the Board that the next series in the Michel Family Safety & Quality Lecture will be in January, 2018.

Dr. Gewitz informed the Board that there is a roster of events for December going on in the MFCH lobby. He stated that it is nice to see not only the patients enjoying the events, but that many of the activities and entertainment are provided by local high school students.

Dr. Gewitz advised the Board that with the help of DSRIP, the MFCH received a Doctors Across New York Grant. He stated that the MFCH was one of two hospitals in upstate New York to receive the grant. Dr. Gewitz explained that the grant is used to extend training in primary care and pediatrics to regional clinics.

Dr. Gewitz informed the Board that with the help of Mr. Israel and Mr. Brudnicki, a new Chief of Pediatric Cardiothoracic surgery was hired, Dr. Khanh Nguyen. He stated that Dr. Nguyen is an innovative surgeon and is the developer of a technique for minimally invasive pediatric open heart surgery.

Dr. Gewitz informed the Board that he would like to thank the pediatric nurses for taking charge of a Home Call Program. He stated that starting in the first quarter of 2018, the pediatric nurses will be calling patients twenty four hours after discharge to check in on their hospital stay experience and their compliance and understanding with discharge orders.

## REPORT OF COMMITTEES

### FINANCE COMMITTEE

Mr. Tulis, acting Chair of the Finance Committee, stated that the Committee met just prior to the Board meeting. He stated that the Finance Committee reviewed the October, 2017, financial statements.

Mr. Tulis stated that the cash balance at the end of October, 2017, was \$143.2 million, and Accounts Receivable were \$166.8 million.

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

Total Operating Revenue - \$1.15 billion  
Total Operating Expenses - \$1.10 billion  
Operating Income - \$51.8 million  
Income Before Excess Fringe Benefits - \$38.9 million  
Excess Pension Costs - \$16.4 million  
Post-Retirement Health Costs - \$13.7 million  
NYS Actuarial Adjustment - \$12.5 million  
Disproportionate Share Reduction - \$24.3 million  
YTD Bottom Line Loss after Disproportionate Share Reduction - \$27.9 million

Mr. Tulis reviewed the following statistics:

#### **Valhalla Campus**

Total Acute Discharges and Outpatient Cases – 20,059  
Acute Patient Days – 134,513  
Average Length of Stay – 8.46  
E.R. Visits – 39,276

#### **MidHudson Campus**

Total Acute Discharges and Outpatient Cases – 3,543  
Acute Patient Days – 16,514  
Average Length of Stay – 5.50  
E.R. Visits – 39,276

#### **Capital Leases**

Mr. Tulis informed the Board that going forward all Capital Equipment leases will be brought to the Committee for its recommendation of approval to the Board. He stated that the Committee reviewed two Capital Leases and asked Ms. Switzer to summarize them.

Ms. Switzer presented the following two Capital Leases to the Board:

Insight Investments, LLC	\$954,586	5.3%	60 months
Dell Financial Services, LLC	\$3,806,941	4.63%	60 months

MR. TULIS ASKED FOR A MOTION TO APPROVE THE TWO CAPITAL LEASES. MR. HEIMERDINGER MOTIONED, SECONDED BY MR. MCCOY. THE MOTION CARRIED UNANIMOUSLY.

### **2018 BUDGET**

Mr. Brudnicki informed the Board that WMC's 2018 Mission is to provide the highest quality care for all residents of the Hudson Valley regardless of ability to pay. He stated that WMC will build on its long tradition of delivering the most advanced services in the region by providing a network that ensures access to a coordinated continuum of care for its community. Mr. Brudnicki stated that as the region's only academic medical center, WMC is committed to educating the next generation of caregivers for the Hudson Valley and integrating research to advance treatment, expand knowledge, and improve lives.

Mr. Brudnicki informed the Board that WMC's 2018 Vision is to be the provider of choice for Hudson Valley residents by establishing a system of care with multiple points of access to ensure availability of care close to home.

Mr. Brudnicki reviewed the highlights of the 2018 Budget as follows:

- 2018 budgeted income of \$4.6 million includes the reduction in Disproportionate Share Revenue ("DSH"). Mr. Brudnicki reminded the Board that WMC's DSH payment for 2018 was reduced by \$38 million.
- Bedside staffing ratios have remained constant in 2018. Mr. Brudnicki informed the Board that preparation for the 2018 Budget included a careful look at all current and proposed spending. He stated it was paramount to ensure that bedside staffing levels for 2018 remain consistent with 2016 and 2017.
- Stable cash balances. Mr. Brudnicki informed the Board that the budget provides for stable cash balances through 2018 with \$158 million forecasted for year end.
- \$53 million in routine capital projects. Mr. Brudnicki advised the Board that this includes infrastructure changes and medical capital equipment.
- \$116 million in non-capital projects – primarily the ACP. Mr. Brudnicki reminded the Board that the funds for the ACP project are coming from the bonds that were sold.

Mr. Brudnicki advised the Board of the key operating budget assumptions as follows:

- Labor costs – Mr. Brudnicki informed the Board that all labor costs are consistent with all obligations and labor agreements.
- Fringe benefits – Mr. Brudnicki informed the Board that the expense level anticipated for 2018 came from independent actuaries looking at healthcare costs across the country.
- Revenue increase/Volume increase – Mr. Brudnicki informed the Board that there is a modest increase in volume projected for 2018. He stated that the Valhalla and MHRH campuses combined have forecasted an additional eight hundred thirty admissions valued between \$19-\$20 million. Mr. Brudnicki advised that the balance of the increased revenues for 2018 is the result of rate increases in WMC's government and commercially insured reimbursement contracts. He stated that the bulk of

the increases are in commercial reimbursements, as the government contracts with Medicare and Medicaid remain relatively flat.

Mr. Brudnicki advised the Board that the budgeted Net Income for 2018 is \$4.5 million. He stated that Operating Revenue is \$1.45 billion, with Operating Expenses of \$1.4 billion. Mr. Brudnicki stated that the Operating Expenses take into account a plan to further implement efficiencies in WMC's spending patterns in the amount of \$14 million.

Mr. Brudnicki informed the Board that income from operations before excess fringe benefits, which are somewhat unique to the Medical Center, is \$56 million. He advised the Board of the excess fringe benefit costs totaling \$51.8 million as follows:

- Excess pension cost \$18.8 million
- Excess post-retirement health \$18 million
- NYS Pension adjustment \$15 million

MR. TULIS ASKED FOR A MOTION TO APPROVE THE 2018 BUDGET. DR. ADAMSON MOTIONED, SECONDED BY MR. HEIMERDINGER. THE MOTION CARRIED UNANIMOUSLY.

#### **QUALITY COMMITTEE**

Dr. Garrick stated that the Committee met on November 17, 2017.

Dr. Garrick advised the Board that she gave a report to the Committee on the Quality and Safety Council meeting of October 12, 2017. She stated that the Antibiotic Stewardship Council is fully credentialed and has received antibiotic stewardship training. She stated that the Council continues to roll out its activity in conjunction with the pharmacy's needs. Dr. Garrick advised that the Council is engaged in medication reconciliation and is engaged in Sepsis therapy.

Dr. Garrick informed the Board that the Committee received a presentation from Ms. Berger on Physical Medicine and Rehabilitation ("PM&R"). She reminded the Board that Neurosurgery and Neurosciences are major initiatives of WMC for 2018. Dr. Garrick stated that in an effort to support those initiatives a great deal of work has been done in PM&R in neurocognitive areas. She stated that PM&R is working on Neuropsychological screening initiatives, fall prevention and spasticity training.

Dr. Garrick informed the Board that the Committee received a presentation on Speech and Hearing by Ms. DiMattia. She stated that the trach team has done a great job in teaching patients how to care for their trachs thereby reducing their length of stay.

Dr. Garrick informed the Board that the Committee received a presentation by Dr. Miller and Mr. Landers on Emergency Medicine. She stated that the admission rate for Valhalla's ER is 30%, compared to the typical 18% admission rate. Dr. Garrick informed the Board that the ER on both campuses have completed the rollout of a new suicide assessment scale, which is a best practice scale. She stated that the psych patients are now being seen in the ER.

Dr. Garrick informed the Board that the Committee received a report on the Glycemic Council from Dr. Weiss. She stated that WMC was named a top performer in Glycemic Management by the Society for Hospital Medicine in its Spring 2017 Benchmarking Report. Dr. Garrick stated that WMC is looking at a grant for Early Diabetic Screening and Control.

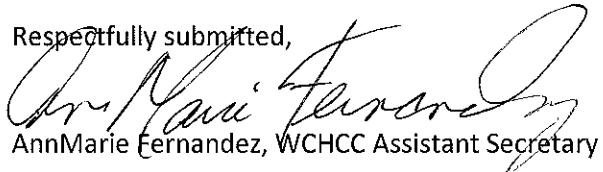
**NEW BUSINESS**

There was no new business.

**ADJOURNMENT**

MR. TULIS ASKED FOR A MOTION TO ADJOURN THE DECEMBER 6, 2017, MEETING OF THE WESTCHESTER COUNTY HEALTH CARE CORPORATION BOARD OF DIRECTORS. MR. QUINTERO MOTIONED, SECONDED BY MR. MCCOY. THE MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,



AnnMarie Fernandez, WCHCC Assistant Secretary