FINAL OFFICIAL MEETING MINUTES
Miami-Dade County Hospital Governance Taskforce (HGT)

State Attorney's Office
1350 N.W. 12th Avenue,
4th Floor Conference Room
Miami, Florida

April 28, 2011
As Advertised

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CLERK'S FINAL OFFICIAL MEETING MINUTES
MIAMI-DADE COUNTY HOSPITAL GOVERNANCE TASKFORCE
APRIL 28, 2011

The Miami-Dade County Hospital Governance Taskforce (HGT) convened a meeting at the State Attorney's Office, 1350 N.W. 12th Avenue, 4th Floor Conference Room, Miami, Florida, on Thursday, April 28, 2011, at 3:00 p.m., there being present Chairperson Juan Carlos Zapata, Vice Chairperson Susan Dechovitz, and Members: Martha Baker, Michael Barron, Jose Cancela, Lee Chaykin, Ed Feller, Robert Johnson, M. Narendra Kini, Marisel Losa, Linda Quick, Sharon Pontious, Lillian Rivera, Donna Shalala, Steven Sonenreich, and Alternate members George Foyo representing Brian Keeley, Janisse Schoepp representing Steven Marcus, and Amy Perry representing Steven Sonenreich; (Members Manuel P. Anton III, Brian Keeley, Steven Marcus, Ana Mederos, Steven Pinkert and Steven Sonenreich were absent).

I. ROLL CALL:
The following staff members were present: Assistant County Attorneys Karon Coleman and Valda Clarke Christian; Gary Collins, S. Donna Palmer, and Angie Martinez, Office of Commission Auditor; and Deputy Clerk Mary Smith-York.

Chairman Juan Zapata called the meeting to order at 3:13 p.m.

II. OPENING REMARKS:
Chairperson Juan C. Zapata advised that he would recognize members Lillian Rivera and Robert Johnson at the start of the Working Item discussion, to address the recommendations, thoughts, and observations they submitted. Additionally, he stated that following Mr. Migoya's presentation, there would be discussion regarding Mr. Jose Cancela's issues regarding the recommendations to the County Commission. Mr. Zapata commented on an article in the "Miami Today" newspaper that misquoted him and cautioned members to avoid speaking with reporters.

III. APPROVAL OF MUNITES (April 14, 2011)

The following corrections to the April 14, 2011, minutes were requested:
- page 2, IV, A, 3 – to include additional points highlighted by Dr. Combes during his presentation.

It was moved by Mr. Cancela, that the April 14, 2011, meeting minutes be approved as amended with the foregoing requested change. This motion was seconded by Dr. Pontious, and upon being put to a vote, passed by a unanimous vote of those members present.

IV. TELECONFERENCE PRESENTATION

Dr. John R. Combes, President/Chief Operations Officer, Center for Healthcare Governance, Chicago, IL, via teleconference, provided a brief overview of the steps

necessary for effective governance. A slideshow of his speaking points was provided for HGT members' reference during the presentation entitled "Practicing Effective Governance." Dr. Combes noted his presentation would focus on how boards were structured and organized, and what core competencies board members needed to function effectively. Speaking points included the following:

- Board Culture
- Key Practices
- Core Competencies
- Using Competencies to Create Effective Governance

Following his presentation, Dr. Combes provided the following responses to questions from HGT members:

Between nine (9) and seventeen (17) members is the recommended number to have an effective board. Having less than nine makes it difficult to create diversity and more than 17 makes it hard to manage.

Generally, the board's membership consists of approximately 25% physicians. Other members of the medical industry should also be included in the board's membership as well, because they bring a certain knowledge that's needed.

Conflicts of interest policies that board members should adhere to included prohibiting members from having any level of material business with the organization or having any business with the organization. Procedures to manage conflicts of interest events, when they occur, must be in place.

Due to current issues regarding finance, more in-boardroom educational programs are recommended.

With regards to reference material on best practices for boards' by-laws, "A Guide to Good Governance" provides sample by-laws, along with rules and procedures. Best practices also include the creation of committees within the board.

Board members need financial literacy because finance is involved in everything the board oversees. Creating an appropriate financial dashboard is a key to having an effective board; however, no template exists for training.

The board should dedicate resources to governance and ensure educational opportunities are available. The board should also have a good relationship with the Chief Executive Officer (CEO).

Self perpetuating board that take the appointment process of nominees serious and spend time working on that process, is the best model of an active governance nominating committee. In a public model, people would present to the County Commission a slate of nominees to be considered.

Representatives from the teaching institution affiliated with the hospital are stakeholders and should have a voice on their perspectives. CEOs and union representatives are representing people's perspectives during the discussion and it is not important that they are unable to vote at the end.

It is important to have open meetings and the best model has a pubic session and follows later with an executive session.

Board committees should consist of board members and non-board members who were not staff members to allow the opportunity for outside expertise.

V. INTRODUCTION AND DISCUSSIONS

Mr. Carlos Migoya, President Elect, Jackson Memorial Hospital, appeared before the HG Task Force and expressed appreciation for the invitation to speak. He stated his primary focus, since being elected as CEO, was internal operations. Mr. Migoya advised that he had no comments pertaining to governance and noted he would not become involved in the process at this point. He addressed the temporary Finance Recovery Board (FRB) proposed by the County Commission that would provide a pathway for the integration of the HGT's work into the system. Mr. Migoya advised that no new resources were being dedicated to fund this board. He noted JMH currently needed approximately $300 million in capital and to build an infrastructure around paying patients and future capital resources. Mr. Migoya advised that an effective, working board operates better with smaller numbers; has representation of stakeholders; and communicates the strategic direction to the Commission. He expressed concern that the Sunshine Law has a negative impact on the board.

In conclusion, Mr. Migoya stated nimbleness was achieved by tax money following the patient; however, JHS needed the time and ability to build its financial situation to the level of its quality of healthcare.

VI. WORKING ITEM

Chairperson Zapata recognized Mr. Cancela to introduce ideas and suggestions that the HGT could recommend to the County Commission.

Mr. Cancela described the proposed 7-member FRB and expressed concern with the lack of language requiring any kind of healthcare expertise as a qualification. He pointed out that the HGT members should take this opportunity to weigh in on the discussion regarding the FRB membership. Mr. Cancela asked members to reconsider its position on proposing language to the Board of County Commissioner (BCC) for consideration on the makeup of the FRB.

Discussion ensued among HGT members concerning the criteria for FRB members and how appointments to fill the seven slots would be made. Issues addressed by members included concerns with language in the resolution establishing the FRB providing that BCC Chairman Joe Martinez would make the Mayoral appointments and HGT's consensus on the 2/3's vote requirement to veto the FRB's actions and to direct any

resolution directing the FRB to act. Members also discussed whether it was in the HGT's scope to make recommendations on the makeup of the FRB, an operational board.

Assistant County Attorney Valda Clarke Christian advised members that the Financial Recovery Board was filed as an assistance measure in response to the Public Health Trust's request for a cash advance for operations funding. She noted the HGT's commentary would not be directed at the FRB; rather would be guidance on how this enterprise should be governed.

Chairperson Zapata suggested the HGT start focusing some of its recommendations on the short-term, and some preliminary recommendations to the County Commission to communicate what direction the HGT was taking.

Ms. Clark Christian advised that the seven FRB appointments would consist of: four (4) by the County Commission, one (1) by the Mayor, one (1) by the AFL-CIO President, and one (1) by the Dade Delegation, and read into the record the qualification criteria for those appointments.

Mr. Cancela recommended a motion and vote be conducted on the 2/3's vote requirement to veto the FRB's actions and the direction to the FRB to act.

Further discussion resulted in consensus among HGT members to focus their recommendations on the 2/3's vote requirement, emphasizing conflict of interest, and diversity. Members agreed to not submit any recommendations regarding qualifications of board members and to specify that the conflict of interest language would apply to stakeholders, as well as board members.

It was moved by Mr. Cancela that the HGT's short-term recommendation to the Chairman and members of the County Commission include the following three (3) points:
1) requirement for 2/3's vote to override the board's action or to override any resolution providing direction to the board;
2) language providing that conflicts of interest and ethics policies also applied to stakeholders; and
3) diversity in board makeup.
This motion was seconded by Mr. Johnson, and upon being put to a vote, passed by a vote of 14-0 (Members Manuel P. Anton III, Brian Keeley, Steven Marcus, Ana Mederos, Steven Pinkert and Steven Sonenreich were absent).

Extensive discussion ensued among members in the development of long-term recommendations.

Following discussion, Chairperson Zapata requested members to review the information provided by Dr. Rivera, Mr. Johnson, and County staff, and submit feedback for compilation and discussion at the next meeting.

Members agreed to conduct the next meeting (May 5th) at the Miami-Dade County Health Department's office in Doral and to each contribute towards providing dinner so the meeting could be extended to complete the list of recommendations.

VII. ADJOURNMENT

There being no further business to come before the HGT Task Force, the meeting adjourned at 6:05 p.m.

Juan C. Zapata, Chairperson
Miami-Dade Hospital Governance Task Force