

Memorandum



Date: June 5, 2012

To: Honorable Joe A. Martinez, Chairman
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Sunset Review of County Boards for 2012 – Public Health Trust Financial Recovery Board

Agenda Item No. 1(F)1

In accordance with the provisions of Section 2-11.40 of the Code of Miami-Dade County, I am transmitting the 2012 Sunset Review of County Boards Report for the Public Health Trust Financial Recovery Board. The Board approved the attached report at its meeting on February 27, 2012 and has recommended the continuation of its board.

A handwritten signature in black ink, appearing to read "CG", positioned above a horizontal line.

Deputy Mayor

mayor08812



Chairman's Office

MEMORANDUM

TO: Carlos A. Gimenez
Mayor, Miami-Dade County

FROM: Marcos José Lapciuc, Esq., Chairman 
Public Health Trust Financial Recovery Board

DATE: March 14, 2012

RE: Sunset Review of County Boards for 2012-Public Health Trust Financial Recovery Board

Pursuant to Section 2-11.40 of the Code of Miami-Dade County, I am transmitting the 2012 Sunset Review of County Boards Report for the Financial Recovery Board for transmittal to the Board of County Commissioners (BCC). The Board approved the attached report at its meeting on February 27, 2012.

It is recommended that the BCC approve the continuation of the Financial Recovery Board.

BACKGROUND

The Financial Recovery Board was established as the governing body of the Public Health Trust (PHT) of Miami-Dade County by the Board of County Commissioners (BCC) pursuant to Resolution No. R-392-11, passed and adopted on May 3, 2011.

The Financial Recovery Board should continue its function for the purpose of operating and maintaining Jackson Health System, as well as to meet the needs of the community as the major provider of health care services in Miami-Dade County through the provision of a single high standard level of care for all.

PUBLIC HEALTH TRUST FINANCIAL RECOVERY BOARD

ATTENDANCE ROSTER FOR 2011

Financial Recovery Board Meetings

KEY: P - Present
E - Excused
C - Cancelled

PHT FRB Members	MEETING DATES													
	May 16	May 19	May 31	Jun 27	Jul 25	Jul 21	Aug 29	Sep 26	Oct 6	Oct 19	Oct 24	Oct 31	Nov 28	Dec 23
Joe Arriola	P	P	P	E	C	E	E	P	P	P	E	P	P	P
Michael Bileca	P	P	P	P	C	P	P	E	E	E	P	P	P	P
Joaquin del Cueto	P	P	P	P	C	P	P	P	P	P	P	E	P	P
Mojdeh L. Khaghan													P	E
Marcos Jose Lapciuc	P	P	P	P	C	P	P	P	P	P	P	P	P	P
Stephen S. Nuell	P	E	P	P	C	P	P	P	P	P	P	P	P	P
Darryl K. Sharpton	P	P	P	P	C	P	P	P	P	P	P	P	P	E

**SUNSET REVIEW QUESTIONNAIRE
MIAMI-DADE COUNTY BOARDS
2012**

I. GENERAL INFORMATION

1. Name of Board reporting:

Public Health Trust Financial Recovery Board (PHT FRB)

2. Indicate number of board members, terms of office, and number of vacancies:

Number of Board Members: 7

Terms of Office: 2 Years

Number of Vacancies: Zero

3. Identify number of meetings and members' attendance (Attach records reflecting activity from **(May 16, 2011 through December 31, 2011)**):

Number of Meetings: 13 PHT FRB Meetings

Number of Meetings with a Quorum: 13

Attendance Records: See Attachment

4. What is the source of your funding?

Funding sources include State and Federal Agencies (Medicaid and Medicare); Insurance and Managed Care Organizations; Patients; Miami-Dade County Unrestricted Funds (MOE); Miami-Dade County Unrestricted Health Care Surtax and Capital Expenditures are partially funded through bonds.

5. Date of Board Creation: The FRB was established as the governing body of the Public Health Trust (PHT) of Miami-Dade County by the Board of County Commissioners (BCC) pursuant to Resolution No. R-392-11, passed and adopted on May 3, 2011.

6. Attach a copy of the ordinance creating the Board (Please include all subsequent amendments).

See attachment

7. Include the Board's Mission Statement or state its purpose:

The purpose of the Financial Recovery Board is to ensure the financial sustainability of the PHT.

8. Attach the Board's standard operating procedures, if any.

The Financial Recovery Board does not have any other operating procedures over and above the Bylaws which are attached hereto.

9. Attach a copy of the Board's By-Laws, if any.

See attachment.

10. Attach a copy of the Board minutes approving the Sunset Review Questionnaire, including a vote of the membership.

See attachment.

II. **EVALUATION CRITERIA**

1. Is the Board serving the purpose for which it was created? (Please provide detailed information)

The Financial Recovery Board continues to serve the purpose of operation, governance and maintenance of Jackson Health System and all Public Health Trust facilities.

2. Is the Board serving current community needs? (Please provide detailed information)

The Financial Recovery Board meets the needs of the community as the major provider of health care services in Miami-Dade County, providing a single high standard of care for all residents.

3. What are the Board's major accomplishments?

- a. Last 24 months: The Financial Recovery Board has only been in place since May 2011.
- b. Since established: Since its inception in May 2011, the Financial Recovery Board has continuously provided strategic and visionary direction for the maintenance and operation of the Public Health Trust and its facilities. Additionally, the FRB has applied a laser-focus on the financial challenges currently ailing the system and is actively involved in its financial turn-around.

4. Is there any other board, either public or private, which would better serve the function of this board?

No. The Financial Recovery Board serves the community's health care interests in a comprehensive manner taking into consideration the needs of all Miami-Dade County and is the appropriate board for this function.

5. Should the ordinance creating the Board be amended to better enable the Board to serve the purpose for which it was created? (If "Yes", attach proposed changes)

No changes or amendments are needed at this time.

6. Should the Board's membership requirements be modified?

No. The Board's membership was changed with revisions to Chapter 25A that were adopted by the Board of County Commissioners on May 3, 2011. The number of members was reduced to 7 members, and a heightened standard of ethics was applied to members interested in serving on this board.

7. What is the operating cost of the Board, both direct and indirect? (Report on FY 2010 and FY 2011)

The administration of the Financial Recovery Board does not have an individual cost code. Funding for the Board comes from the Executive Office of the Public Health Trust.

**SUNSET REVIEW QUESTIONNAIRE
MIAMI-DADE COUNTY BOARDS
2012**

8. Describe the Board's performance measures developed to determine its own effectiveness in achieving its stated goals:

JCAHO Accreditation, AHCA and CMS regulations establishes a framework for achieving high quality health care to the entire community; these agencies provide a frame work for key performance indicators such as reduction of hospital acquired conditions, reduction of infection rates, performance and outcome measures associated with high volume diagnosis and procedures and customer satisfaction, sound financial status; local, state, national and international reputation, consistent performance in National Resident Match Program and approvals of 22 GME training programs in all medical specialties.

**OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA**



MEMORANDUM

Amended
Agenda Item No. 11(A)(42)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: May 3, 2011

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution implementing an assistive measure, pursuant to Section 25A-9(c)(5) of the Miami-Dade County Code, in the form of establishing a Financial Recovery Board to help resolve the financial sustainability conditions threatening the public Health Trust of Miami-Dade County, setting term of the recovery board, and defining those recovery board actions subject to Commission veto authority

Resolution No. R-392-11

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Joe A. Martincz and Co-Sponsors Commissioner Jose "Pepe" Diaz, and Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

RAC/cp

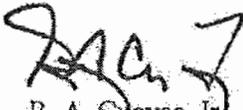


MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: May 3, 2011

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Amended
Agenda Item No. 11(A)(42)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised**
- 6 weeks required between first reading and public hearing**
- 4 weeks notification to municipal officials required prior to public hearing**
- Decreases revenues or increases expenditures without balancing budget**
- Budget required**
- Statement of fiscal impact required**
- Ordinance creating a new board requires detailed County Manager's report for public hearing**
- No committee review**
- Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve**
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 11(A)(42)
5-3-11

RESOLUTION NO. R-392-11

RESOLUTION IMPLEMENTING AN ASSISTIVE MEASURE, PURSUANT TO SECTION 25A-9(C)(5) OF THE MIAMI-DADE COUNTY CODE, IN THE FORM OF ESTABLISHING A FINANCIAL RECOVERY BOARD TO HELP RESOLVE THE FINANCIAL SUSTAINABILITY CONDITIONS THREATENING THE PUBLIC HEALTH TRUST OF MIAMI-DADE COUNTY, SETTING TERM OF THE RECOVERY BOARD, AND DEFINING THOSE RECOVERY BOARD ACTIONS SUBJECT TO COMMISSION VETO AUTHORITY

WHEREAS, pursuant to Chapter 25A of the Code of Miami-Dade County, Florida ("Chapter 25A"), the Public Health Trust of Miami-Dade County (the "PHT") was created as an agency and instrumentality of Miami-Dade County responsible for the governance, operation and maintenance of Jackson Memorial Hospital and other Designated Facilities (as such term is defined in Chapter 25A); and

WHEREAS, the PHT provides health care services to all segments of the Miami-Dade County community; and

WHEREAS, the PHT is currently facing one of the most serious financial crises in its history and has projected a deficit of approximately \$90 million this fiscal year, following a deficit exceeding \$200 million in the immediate prior fiscal year; and

WHEREAS, the PHT has advised the County of an immediate cash flow shortfall which could drastically impede the delivery of health care services and likely precipitate a reduction in health care service lines and severe cuts in health care personnel; and

WHEREAS, on March 15, 2011, in the form of a memorandum from Dr. Eneida O. Roldan, President and CEO of the PHT, to Mr. George Burgess, Miami-Dade County Manager,

with copy to the Commission, the PHT formally requested an advance of County sales tax funds in order to meet payroll and Intergovernmental transfer obligations under the Low Income Pool program; and

WHEREAS, the PHT has communicated that it lacks Trust funds to meet the afore-stated obligations and that the advance of County funds is necessary to address such operational needs and expenses and to support its vital mission of servicing the medical needs of the residents of Miami-Dade County, including the indigent and uninsured; and

WHEREAS, on March 28, 2011, the PHT Board of Trustees adopted Resolution Number PHT 03/11-049 directing the PHT administration to prepare and submit to the County Manager a formal request for an advance of County sales tax funds in the form of the earlier issued March 15th memorandum; and

WHEREAS, the Trust's request for advanced County funds was placed on the Commission's agenda for discussion on April 4, 2011, but the Commission then voted to defer the item to May 3, 2011, to allow sufficient discussion time; and

WHEREAS, on April 12, 2011, Dr. Roldan and Marcos Lapciuc, Esq., Chairman Elect of the PHT, also advised the Commission's Public Safety and Healthcare Administration Committee, that the PHT needs the requested advanced County funds, anticipates receipt of said funds in advance, and presumes receipt of said advanced funds in the current PHT financial estimates for fiscal year 2011; and

WHEREAS, the Commission finds that an advance of County funds to the PHT as requested is likely to occur within one hundred twenty (120) days of the PHT's request for said funds; and

WHEREAS, the current financial condition of the PHT evidences a high risk of public management failure and the need for intervention to ensure that the PHT meets the County's health care delivery goals and requirements; and

WHEREAS, the Commission has determined that the PHT needs assistance to resolve the financial challenges facing it and threatening its current operations; and

WHEREAS, Section 25A-9 of the Miami-Dade County Code ("County Code") allows the Commission to implement assistive measures to preserve a fully functioning and sustainable PHT; and

WHEREAS, the Commission has already provided the PHT with technical assistance and has already placed the PHT on management watch, which has not been terminated; and

WHEREAS, pursuant to Section 25A-4(j) of the Miami-Dade County Code, the PHT shall comply with directives of the Commission as set forth in resolutions; and

WHEREAS, the Commission now finds that the establishment of a Financial Recovery Board will provide needed assistance to the PHT in order to resolve the PHT's continuing financial challenges and thereby promoting, protecting, maintaining and improving the health and safety of all Miami-Dade County residents and visitors served by the PHT,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Implements an assistive measure to address the Public Health Trust's financial sustainability concerns, specifically by establishing a Financial Recovery Board ("Recovery Board") in accordance with Section 25A-9 of the County Code, effective immediately upon appointment of four (4) members to the Recovery Board by the Commission.

Section 2. Establishes that in selecting the membership of the Recovery Board emphasis should be on ethics and the absence of perceived conflicts. Members of the Recovery Board shall have no conflicts of interest, personally or as stakeholders, in the outcome of the Recovery Board's decisions and that the Recovery Board as a governing body shall have the future of Jackson Health System as their sole interest.

Section 3. Establishes that members of the Recovery Board shall represent the diversity of Miami-Dade County.

Section 4. Directs the Clerk of the Commission to receive nominations for Recovery Board membership from all Commissioners immediately upon adoption and passage of this Resolution.

Section 5. Directs the Clerk of the Commission to notify, no later than the date this Resolution becomes effective, the Mayor, Chair of the Miami-Dade Legislative Delegation, and President of the South Florida AFL/CIO of (i) the formation of the Recovery Board and (ii) that the Clerk's Office requests their designations for Recovery Board membership ("Designees") within two (2) days following the effective date of this Resolution.

Section 6. Directs the Clerk of the Commission to distribute a complete list of nominees for Recovery Board membership ("Nominee List") to all Commissioners upon adoption and passage of this Resolution. Immediately upon receipt of the Nominee List, or at such other time as designated by the Commission, the Commission shall vote on Recovery Board appointments in accordance with Section 25A-9(c)(5) of the County Code.

Section 7. Directs the Clerk of the Commission to distribute a complete list of Designees for Recovery Board membership to all Commissioners so that they may ratify Recovery Board designations in accordance with Section 25A-9(c)(5) of the County Code.

Section 8. Establishes that the Recovery Board shall remain in effect for twenty-four (24) consecutive months from date of establishment, unless earlier dismantled by subsequent Commission resolution, and to assume and exercise governing body authority for the Public Health Trust in accordance with Section 25A-9(c)(5).

Section 9. Directs the PHT to cooperate and comply with the Recovery Board in accordance with Section 25A-9(c)(5).

Section 10. The following powers and duties exercised by the Recovery Board as enumerated herein and as provided for in Section 25A-9(c)(5) of the County Code shall be subject to veto by the Commission: (i) acquiring, selling, conveying, mortgaging, encumbering title to, destroying, replacing or abandoning real estate; (ii) any action contrary to County Ordinance; and (iii) naming County buildings.

Section 11. Requires the Mayor or Mayor's designee to continue to report periodically to the Commission on the PHT's progress resolving the current financial crisis.

The Prime Sponsor of the foregoing resolution is Chairman Joe A. Martinez and the Co-Sponsors are Commissioner Jose "Pepe" Diaz, and Commissioner Rebeca Sosa. It was offered by Commissioner Bruno A. Barreiro, who moved its adoption. The motion was seconded by Commissioner Rebeca Sosa and upon being put to a vote, the vote was as follows:

	Joe A. Martinez, Chairman	aye	
	Audrey M. Edmonson, Vice Chairwoman	aye	
Bruno A. Barreiro	aye	Lynda Bell	aye
Jose "Pepe" Diaz	aye	Sally A. Heyman	aye
Barbara J. Jordan	aye	Jean Monestime	aye
Dennis C. Moss	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd day of May, 2011. This resolution shall become effective upon passage and adoption by the Commission, provided, however, if as of the date of adoption there is no vacancy in the Office of the Mayor, then this resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

*ES for
VCC*

Valda Clark Christian

**BYLAWS
OF THE
FINANCIAL RECOVERY BOARD
OF THE
PUBLIC HEALTH TRUST
OF
MIAMI-DADE COUNTY, FLORIDA**

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BYLAWS OF THE FINANCIAL RECOVERY BOARD OF THE
PUBLIC HEALTH TRUST OF
MIAMI-DADE COUNTY, FLORIDA

P R E A M B L E

The Financial Recovery Board was established as the governing body of the Public Health Trust of Miami-Dade County by the Board of County Commissioners pursuant to Resolution No. R-392-11, passed and adopted on May 3, 2011, and Section 25A-9(c)(5) of the Code of Miami-Dade County. The Financial Recovery Board shall exist for a period of twenty-four (24) months, which may be shortened or extended at the discretion of the Commission. The purpose of the Financial Recovery Board is ensure the financial sustainability of the Public Health Trust. These Bylaws shall terminate and be of no further force and effect upon expiration of the existence of the Financial Recovery Board and the reestablishment of the Board of Trustees of the Public Health Trust.

Amendments: December 23, 2011; January 30, 2012

ARTICLE I

DEFINITIONS AND CONSTRUCTION

Definitions. As used in these Bylaws, the following terms shall have the meanings described:

- A. Board or Financial Recovery Board-- the Financial Recovery Board of the Public Health Trust of Miami-Dade County, Florida.
- B. Commission -- the Board of County Commissioners of Miami-Dade County, Florida.
- C. Health Professional Affiliate -- an individual other than a licensed medical or osteopathic physician, dentist, podiatrist, oral surgeon or psychologist who provides direct patient care services in a Trust facility under a defined degree or supervision, exercises judgment within the areas of documented professional competence and consistent with applicable law and is granted clinical privileges to provide specified patient care activities through the credentialing process established in the Medical Staff Bylaws.
- D. Medical Staff -- licensed medical and osteopathic physicians, dentists, podiatrists, oral surgeons and psychologists who have clinical privileges in accordance with the Medical Staff Bylaws and shall serve as the medical staff for and attend to patients at Trust facilities.
- E. Office of Internal Audit -- the Office of Internal Auditor, Public Accountability and Information created pursuant to the Trust Ordinance.

- F. President -- the Chief Executive Officer of the Public Health Trust of Miami-Dade County, Florida.
- G. Trust -- the Public Health Trust of Miami-Dade County, Florida.
- H. Member -- a member of the Financial Recovery Board.
- I. Trust Facilities -- Jackson Memorial Hospital, Jackson South Community Hospital, Jackson North Medical Center and, where appropriate, all other health care facilities which have been or may in the future be designated by the Board of County Commissioners for governance, operation and maintenance by the Trust.
- J. Trust Ordinance -- the Ordinance establishing the Trust Ordinance No. 73-69, codified in Chapter 25A of the Code of Miami-Dade County, as it may be amended from time to time.

ARTICLE II
POWERS AND DUTIES OF THE TRUST

During its existence, the Financial Recovery Board shall have all of the powers and duties set forth in the Trust Ordinance.

ARTICLE III

FINANCIAL RECOVERY BOARD

Section 1. Composition of the Financial Recovery Board.

In accordance with Commission Resolution No. R-392-11, the governing body of the Trust shall be the Financial Recovery Board. The structure of the Financial Recovery Board shall be as set forth in Section 25A-9(c)(5)(iii) of the Trust Ordinance.

Section 2. Conflict of Interest and Code of Ethics.

Members shall strictly comply with the Miami-Dade County Conflict of Interest and Code of Ethics Ordinance, Section 2-11.1 of the Code of Miami-Dade County, Florida, and all amendments thereto, as that Ordinance has been modified in its applicability to the Trust by the Trust Ordinance. Members also shall comply with applicable sections of Chapter 112, Part III, Florida Statutes, the Code of Ethics for Public Officers and Employees.

Section 3. Heightened Conflict of Interest Standard.

Pursuant to Resolution No. R-1020-11 adopted by the Commission on November 15, 2011, the Commission mandated that any future appointees to the governing body of the Public Health Trust, except for appointees specifically designated by Section 25A-3(a), shall be subject to the following Ethics Requirement:

The governing board shall reflect and embrace a rigorous conflict of interest policy which includes a heightened standard, eliminating both the perception of as well as any actual conflict of interest for board members. Board members shall have no conflicts of interest for one year before or after serving, personally or as stakeholders, in the outcome of their decisions. The governing body's sole interest should be in the future of Jackson Health System.

The immediate family of a member of the board of Jackson Health System, and organizations in which the immediate family is employed, has control of, or has a material interest in, shall not be engaged to do business with or provide services to Jackson Health System. The immediate family of a member of the board shall not be employed in a management capacity as a director or above at Jackson Health System. Additionally, the immediate family of the member of the board shall not be employed as senior management, have control of, or have a material interest in an organization that competes with Jackson Health System. Immediate family member is defined to mean: the spouse, parents, step-parents, brothers and sisters, step-brothers and step-sisters, children and step-children, of a governing board member.

With respect to this Ethics Requirement, this Board hereby empowers the Miami-Dade County Ethics Commission to issue opinions concerning this Ethics Requirement.

Section 4. Automatic Suspension of Members Charged with Commission of a Felony.

In the event that a Member is charged with committing a felony under the laws of the State of Florida or the United States by indictment or information, the provisions of Section 2-11.3 of the Code of Miami-Dade County, Florida, and all amendments thereto, shall be applicable to the Member, including, but not limited to, provisions regarding the automatic suspension of such Member and temporary appointment of a successor Member for the remainder of such Member's unexpired term.

Section 5. Sunshine and Public Records Laws.

Members shall strictly comply with the statutory provisions pertaining to public meetings and records contained in Chapter 286, Florida Statutes, the "Government in the Sunshine Law" and Chapter 119, Florida Statutes, the "Public Records Law."

Section 6. Indemnification.

The Members shall be included as insured persons within the terms of the comprehensive general and professional liability insurance policies of the County for the protection of individual members of County boards while such members are acting within the scope of their duties. The Members shall, while acting within the scope of their duties, also be entitled to personal liability protection, to the same extent that members of other County boards have such protection, from funds set aside by the County to satisfy claims not payable from insurance proceeds by virtue of loss

deductible clauses in liability insurance policies. The Board shall be empowered to obtain such additional liability insurance and the expense of such insurance shall be an expense of the Trust.

Section 7.

Restrictions on Board Members.

- a. Neither the Board nor any of its Members shall direct or request the appointment of any person to, or the removal from, office by the President or any of his or her subordinates, or take part in the appointment or removal of officers and employees in the administrative services of the Trust. Any willful violation of the provisions of this Section by a Member shall constitute cause for his or her removal from office.
- b. The Board and its Members shall deal with the administrative service solely through the President.

Section 8.

Designation of Office Space and the Hiring of Staff.

It shall be within the discretion of the Trust to designate office space and to hire staff to direct and coordinate Trust activities. The Chairperson shall have the discretion to appoint a Trust employee to assist him or her in performing the Chairperson's duties and any other responsibilities related thereto. This employee shall report directly to the Chairperson. In addition, the Chairperson shall have the discretion to appoint two (2) additional Trust employees to assist the Financial Recovery Board (including the Chairperson) in the performance of the duties and

responsibilities of the Members of the Board. These two (2) employees shall report directly to the Financial Recovery Board.

ARTICLE IV

OFFICERS OF THE FINANCIAL RECOVERY BOARD

Section 1.

Officers: Election, Term, Removal.

The officers of the Board shall be the Chairperson, Vice-Chairperson, Treasurer, Secretary and such other officers as the Board may determine to be necessary. Each officer shall be elected by majority vote of the Members attending a duly constituted meeting of the Board. An officer may be removed from his or her office by the Board upon the affirmative vote of two-thirds (2/3) of the Members attending a duly constituted meeting of the Board and such officer shall cease to hold office at the time such removal action shall have passed. Notice of such proposed action shall be given to each Member of the Board not less than four (4) days prior to the meeting at which such removal shall be considered. In the event an officer of the Board shall be absent, or temporarily unable to carry out the duties of such office, the Board may temporarily assign the powers and duties of such officer to any other properly qualified Member until that officer is able to resume his or her duties or until replaced.

Section 2.

Chairperson.

In addition to other powers and duties set forth in the Trust Ordinance and in these Bylaws, the Chairperson of the Board shall have the following powers and duties:

- a. Preside at all meetings of the Board;
- b. Subject to the approval of the Board, appoint the chairpersons and members of all committees, except as provided to the contrary in the Trust Ordinance or these Bylaws;

- c. Subject to the approval of the Board, appoint the Chairperson of the committees required by the Trust Ordinance, unless otherwise provided therein.
- d. Officially represent the Trust whenever necessary or proper.
- e. Enforce all regulations and policies of the Board and perform such other duties as are usual to this office or that shall be imposed upon him or her by resolution of the Board.
- f. In his or her discretion, confer with the President at least quarterly concerning the President's performance and evaluation. The Chairperson shall report to the Board the occurrence of any conferences held at the next regular meeting of the Board.

Section 3.

Vice-Chairperson.

The Vice-Chairperson of the Board shall have the following powers and duties:

- a. Act as Chairperson of the Board in the absence of the Chairperson and when so acting shall have the responsibilities and powers of the Chairperson; and
- b. Perform such other duties as shall from time to time be imposed upon him or her by the Board and which are usual to his or her office.

Section 4.

Treasurer.

The Treasurer of the Board shall have the following powers and duties:

- a. Serve as Chairperson of the Fiscal Committee;
- b. Have those duties required by law and assigned by the Chairperson; and
- c. Participate along with the Chairperson and the President in the presentation of accountings required by the Trust Ordinance.

Section 5.

Secretary.

The Secretary of the Board shall have the following powers and duties:

- a. Have those duties required by law and assigned by the Chairperson; and
- b. Sign contracts as required by law or as requested by the parties contracting with the Trust. Notwithstanding the foregoing, the Secretary shall have no authority to execute any contract for the expenditure of Trust funds in an amount requiring Board approval pursuant to the Trust Procurement Policy/Regulation unless there has been final action and is otherwise in compliance with Article V, Section 6 of these Bylaws.

ARTICLE V

MEETINGS OF THE FINANCIAL RECOVERY BOARD

AND ITS COMMITTEES

Section 1.

Regular Meetings.

The Board shall hold regular meetings at such time and place as shall be determined by the Board or by the Trust Ordinance. The Board shall hold and televise regular meetings of the Board in Commission chambers. The regular meetings shall not conflict with the meeting schedule for the Commission or its committees. At the discretion of the Board, other meetings may be held and televised in the Commission chambers. The Trust shall request use of Commission chambers for regular or other meetings of the Board through the Chairperson of the Commission. The Chairperson of the Commission shall have final authority to approve the scheduling of such regular or other meetings of the Board in the Commission chambers. Except as provided by law, all meetings of the Board shall be public and audio recorded and written minutes of the proceedings thereof shall be maintained by the Office of Internal Audit, as such term is defined herein. All action taken at the meetings of the Board shall be promptly and properly recorded. Copies of all minutes and resolutions of the Board shall be forwarded to the Clerk of the Commission no later than ten (10) days subsequent to any meeting of the Board.

In the discretion of the Chairperson, the Board may hold no meetings during the months of July and/or December.

Section 2.

Special Meetings.

Special meetings of the Board may be called by the Chairperson of the Board or shall be called upon the written request of three (3) Members of the Board. Notice of a special meeting shall be given to each Member of the Board not less than two (2) days prior to the date of such special meeting. The notice shall state the purpose for which the meeting has been called, the time and place of such meeting and no other business shall be considered.

Section 3.

Public Meetings, Minutes, Agendas.

- a. Except as provided by law, all meetings of the Board and its committees shall be public audio recorded meetings and shall be in strict compliance with Chapter 286, Florida Statutes, the "Government in the Sunshine Law."
- b. Members of the public wishing to address the Board or any of its committees shall in writing notify the Chairperson of the Board or Chairperson of the committee or the President prior to the meeting and shall state therein the subject matter they wish to address. However, the Chairperson of the Board or chairperson of the committee of jurisdiction or those presiding in their absence, may waive the written requirement. The presiding officer of the Board or of the committee may in his or her discretion impose a reasonable time limit on presentations and may limit the number of speakers on any issue. Upon approval of the Board, a standing

committee chairperson may hold public hearings to solicit comments regarding issues under the jurisdiction of the specific committee. No Trust employee shall be permitted to address the Board on matters concerning his or her employment status.

- c. Written minutes of the proceedings of the Board shall be maintained and shall be promptly and properly recorded and forwarded to the Clerk of the Commission not later than ten (10) days subsequent to any such meeting of the Board. Minutes shall, where reasonably possible, be delivered to Board members in advance of the next scheduled Board meeting. The names of Board members present, absent and excused and the total number of unexcused absences shall be recorded in the minutes.
- d. Written minutes of the proceedings of the committees shall be maintained and, where reasonably possible, shall be delivered to the committee members at least four (4) days in advance of the next succeeding committee meeting. The names of the committee members present, absent and excused and the total number of unexcused absences shall be recorded in the minutes.
- e. A copy of each agenda item for regular meetings of the Board shall be furnished to the Members of the Financial Recovery Board not later than four (4) working days before a vote may be called on the item. The provisions of this four (4) day requirement shall be deemed waived unless asserted by a Member of the Financial Recovery Board before the Board takes action on the resolution, motion or other item in question.
- f. A written agenda of the matters to be considered at a regular committee meeting shall be delivered to committee members at

least four (4) days prior to such meeting, provided, however, committee proceedings shall not be limited to matters set forth in said agenda.

- g. All Members shall receive notification of each committee meeting.

Section 4.

Quorum, Voting.

- a. The presence of a majority of the Members of the Board then in office shall be necessary and sufficient to constitute a quorum for the transaction of business at all meetings of the Board. Except as otherwise provided herein or as provided by the rules of procedure, the Board shall not act except by resolution of at least a majority of those Members present and voting at a duly constituted meeting of the Board.
- b. The presence of a majority of the members of a committee of the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at all meetings of a committee of the Board.

Section 5.

Committee Deliberations

- a. Unless otherwise provided in these bylaws, no item shall be placed on an agenda of a regular meeting of the Board or considered by the Board, unless the item has been considered first by a committee of the Board and forwarded after such consideration to the full Board as hereinafter provided. A committee of the Board may take

one of the following actions with respect to each matter before the committee for action:

- (1) Recommend favorably;
- (2) Recommend favorably with committee amendment(s);
- (3) Forward without recommendation, upon the unanimous vote of the members of the committee who are present;
- (4) Receive a report;
- (5) Lay the matter on the table resulting in the matter not being placed on an agenda of the Board; or
- (6) Defer or take no action on an item for a maximum of two consecutive committee meetings. Deferral of or failure to act on a matter beyond two consecutive meetings shall cause the matter to be laid on the table, as set forth in the preceding subparagraph. Notwithstanding any other provision of this section, whenever action can not be taken because the vote of the committee members on an item has resulted in a tie, and no other available motion on an item is made and approved before the next item is called for consideration or before a recess or adjournment is called, whichever occurs first, the item shall be deemed to be laid on the table, as set forth in the preceding subparagraph; such item shall be reintroduced only in accordance with the renewal provisions of subparagraph c of this section.

- b. An item that has not been considered by a committee may be placed on the agenda of the Board if the chairperson of the committee to which the item has been referred requests a waiver in writing and the Chairperson of the Board concurs.
- c. A matter that has not been considered by a committee may be placed on the agenda of the Board to meet a public emergency of the Trust as determined in writing by the Chairperson of the Board. Time sensitive matters with little or no financial impact may be placed on an agenda of the Board by the Chairperson of the Board without having been considered by a committee.
- d. Any committee action taken pursuant to subparagraph a(1) through a(6) of this section may be reconsidered only at the same meeting at which the action was taken. A motion to reconsider an item resulting in a tie vote is out of order and no such motion may be reconsidered.
- e. Once an item is laid on the table in a committee, the proposed item may not be brought before that committee again during the three (3) month period following the date the item is laid on the table (subject to the provisions of subparagraph d hereof), unless an application for renewal made by two-thirds (2/3) of the committee members is first submitted to the chairperson of the committee.
- f. The following matters may be heard directly by the Board: special or citizen's presentations; resolutions recommending to the

Commission the naming or renaming of Trust designated facilities; settlements; resolutions related to contract lobbyist conflict waiver requests; and resolutions expressing intent.

Section 6.

Final Action

No resolution or action of the Trust shall be final until it is passed and adopted by the Board at its monthly televised regular meeting. In the event that the Board shall not hold a televised regular meeting because it is on hiatus for the months of July and/or December, then the Chairperson, in his or her discretion, may call a special meeting of the Board as provided in these Bylaws for final action, or, alternatively, may place such resolutions on an agenda of the Strategic Committee, which shall meet for the Board in accordance with Article VI, Section 2c(6) of these Bylaws.

In addition, the President or any officer of the Board shall have no authority to execute any contract for the expenditure of Trust funds in an amount requiring Board approval pursuant to the Trust Procurement Policy/Regulations unless there has been final action of the Board as evidenced by resolution of the Board. The President shall ensure that each contract in an amount requiring Board approval shall contain a standard contractual provision that at a minimum (i) sets forth the resolution number of the resolution evidencing the Board's final action and (ii) puts parties contracting with the Trust on notice of the mandates and requirements of this provision. Further, the President shall incorporate the mandates and requirements hereof into Trust policies and place and maintain on the website of Jackson Health System a notice of the mandates and requirements hereof. Provided, further, that any contract

failing to comply herewith, shall be an unauthorized contract and not valid or binding on the Trust.

Section 7.

Rules of Procedure.

The applicable rules of procedure for all meetings of the Board and any committees thereof shall be those contained in Robert's Rules of Order, Revised Edition, except as provided herein.

- a. Parliamentarian. The County Attorney, or his or her designee, shall act as parliamentarian and shall advise and assist the presiding officer in matters of parliamentary law.
- b. Attorney. The County Attorney, or his or her designee shall be available to the Board at all meetings.
- c. Call to Order. The Chairperson shall take the chair at the hour appointed for the meeting and shall call the Board to order immediately. In the absence of the Chairperson or Vice-Chairperson, the Treasurer or in his or her absence, the Secretary, shall temporarily take the chair and call the Board to order immediately. In the absence of all of the above, a temporary chairperson shall be elected and call the meeting to order immediately. Upon the arrival of an officer in the order stated above, the temporary chairperson shall relinquish the chair upon the conclusion of the business immediately before the Board.
- d. Quorum, Conflict of Interest.
Any Member of the Board who announces a conflict of interest on a particular matter and makes a decision to refrain from voting or otherwise participating in the proceedings related to that matter shall leave the meeting room until the consideration of the matter is concluded. The Member having the conflict of interest shall be

deemed absent for purposes of constituting a quorum, counting the vote and participation in discussion. Said Member shall comply with applicable law in matters concerning conflicts of interest and voting abstentions. Should no quorum attend within thirty minutes after the hour appointed for the meeting of the Board, the Chairperson or Vice Chairperson, or in their absence, the temporary chairperson, may adjourn the meeting.

ARTICLE VI

COMMITTEES OF THE FINANCIAL RECOVERY BOARD

Section 1.

Appointment and Removal, Composition and Term of Committees.

- a. The chairperson and members of all committees, with the exception of those specifically appointed pursuant to the Trust Ordinance and by these Bylaws, shall be appointed by the Chairperson of the Board subject to the approval of the Board. A committee chairperson or committee member may be removed only by action of the Board.
- b. With the exception of committees created pursuant to the Trust Ordinance, the Chairperson of the Board shall serve as an ex-officio voting member of all committees unless already a member of such committee. Provided, further, that in the event the Chairperson is not in attendance at a committee meeting, the Vice Chairperson of the Board may serve as an ex officio voting member of any such committee unless already a member of such committee. The members of subcommittees are not required to be a Member of the Board
- c. The chairpersons and members of all committees shall continue in those capacities until their successors have been appointed or the committee has been discharged.
- d. Committees shall hold meetings as determined necessary by the committee chairperson, unless otherwise directed by the Chairperson of the Board.

- e. Special committees or subcommittees of standing committees may be appointed by the Chairperson of the Board and shall be discharged by the Chairperson of the Board upon completion of the assigned tasks.
- f. Subcommittees of standing or special committees may be appointed by the committee chairperson, subject to approval by the Chairperson of the Board.
- g. The President shall assign appropriate staff to each committee.
- h. All Trust committees, including but not limited to subcommittees, special committees and ad hoc committees and the chairpersons and members thereof, shall be ratified by the Board.

Section 2.

Standing Committees.

There shall be three (3) standing committees as follows: the Fiscal Committee, Strategy and Growth Committee and Joint Conference and Efficiencies Committee. Unless already provided for in these Bylaws, the Chairperson is empowered, in his or her discretion, to assign to standing committees the jurisdiction over matters involving, but not limited to, philanthropy, human resources, pension or other retirement programs, health plans, international program, and other business units and service lines of the Trust and other such areas of Trust business.

- a. Fiscal Committee. There shall be a Fiscal Committee. The Treasurer of the Board shall serve as committee chairperson. The Fiscal Committee shall:
 - (1) Assist the Treasurer in performing the duties of his or her office and shall advise and consult with staff regarding the fiscal affairs of the Trust.

(2) Keep the Board fully advised as to the Trust's compliance with the financial duties of the Trust as set forth in the Trust Ordinance and applicable law. In supervising the Trust's compliance with the Trust Ordinance, the powers and duties of the committee shall include but not be limited to the following:

- (a) The preparation for the Board of an annual Trust budget request which, subject to approval of the Board, shall be submitted to the Commission preceding each fiscal year of the Trust. In its preparation of the annual Trust budget request, (i) the Facilities Subcommittee shall make recommendations to the Fiscal Committee regarding capital expenditures; and (ii) the Purchasing Subcommittee shall make recommendations to the Fiscal Committee regarding expenditures in the category of contractual and purchased services. The Fiscal Committee shall consider the recommendations of the Facilities Subcommittee and Purchasing Subcommittee in the preparation of the budget.
- (b) The preparation for the Board of supplemental budget requests to be forwarded to the Commission subject to Board approval.
- (c) The development in conjunction with County budget staff, of accounting, budgeting, and financial management systems which will enable Miami-

Dade County to provide the Trust with funding in accordance with applicable law and contractual arrangements.

- (d) Through staff of the Trust, the preparation for the Board of the financial reports and accountings.
 - (e) The making of recommendations to the Board and, through the Board, to the Commission for the issuance of new bonds and for the borrowing of money.
 - (f) The approval of and recommendation to the Board of the facilities development budget submitted by the Facilities Subcommittee.
- (3) Supervise the preparation of, examine and forward to the Board all financial statements which the Trust is required to make or which are necessary and proper for carrying out the powers and duties of the Trust.
 - (4) Study the rates and charges of the Trust Facilities and make recommendations to the Board at least annually with regards thereto.
 - (5) Within the framework of the operating agreement between the Trust and Miami-Dade County, study and make recommendations to the Trust/County Committee regarding the determination by the Commission of medical indigency status and health care delivery policies in the designated facilities of the Trust. The committee shall also make studies and recommendations to the Board regarding the establishment of policies for serving medically indigent

persons, extending credit and collecting patient accounts payable.

- (6) Subject to applicable requirements of law and the Trust Ordinance, shall develop, and present to the Board for approval, procedures for purchasing supplies, equipment and services, and for managing materials, and through the Purchasing Subcommittee shall supervise the implementation of such procedures.
- (7) At least quarterly, review and, as necessary, make recommendations, to the Board concerning the management and investment of all funds of the Trust and to monitor compliance with Board policies regarding investments as set forth in Resolution No. PHT 11/96-181 as amended or modified from time to time.
- (8) The committee chairperson shall appoint an Audit and Compliance Subcommittee. The subcommittee shall be responsible for the oversight, guidance and completion of the Trust's external audit by its external auditor, and oversight of internal audit and internal control functions and regulatory compliance programs.
- (9) The committee chairperson shall appoint an External Auditor Selection Subcommittee for the purpose of recommending to the Fiscal Committee an external auditor of the Trust. The External Auditor Selection Subcommittee shall consist of a minimum of three (3) Members, which shall include the chairperson of the Audit and Compliance Subcommittee. A three-fourths (3/4) vote of the members

present at a Fiscal Committee meeting is required for a recommendation to the Trust waiving the provisions of Article VI, Section (2)(a)(10) of these Bylaws limiting the number of years that an external auditor may serve.

- (10) An external auditor hired by the Trust to provide an audit of the Trust's consolidated operations and a management letter shall serve a maximum of five (5) consecutive years unless the Board by a two-thirds (2/3) vote of the members present waives this requirement. If the Board waives the five (5) year limitation on the external auditor's term, the managing partner in charge of the Trust's audit shall change.

b. Joint Conference and Efficiencies Committee.

- (1) There shall be a Joint Conference and Efficiencies Committee.
- (2) The Joint Conference and Efficiencies Committee shall:
 - (a) Be the committee of jurisdiction delegated by the Board to consider medical-administrative matters and be the official point of contact between the Board, the Trust administrative staff and the Medical Staff.
 - (b) Review and make recommendations to the Board regarding Medical Staff and Health Professional Affiliate Staff appointments, reappointments, modifications, resignations, suspensions, terminations, and leaves of absence as well as review and make recommendations regarding the granting, renewal, modification, reduction or revocation of clinical privileges.
 - (c) Receive and review recommendations and other input from the Medical Executive Committee of the Medical Staff regarding the following, and shall forward same to the Board for action as may be necessary:
 1. Adoption, amendment and repeal of the Bylaws, and Rules and Regulations of the Medical Staff, including provisions for the Medical Staff peer review process.

2. Establishment of the Trust policies dealing with patients' rights to accept or refuse medical treatment and to formulate advance directives.
 3. Any other communications, requirements or recommendations from the Medical Staff.
- (d) Assure the competence of all persons within the Trust Facilities who provide patient care.
 - (e) Review and forward recommendations to the Board regarding the Trust's various accreditation and regulatory compliance programs and review and evaluate activities relating to the accreditation of Jackson Memorial Hospital and other Trust Facilities.
 - (f) Receive and forward recommended procedures for patient safety and the protection and care of Trust patients and others utilizing the facilities of the Trust including any event of disaster.
 - (g) In closed sessions, if allowed by Florida law, receive, review and make any necessary recommendations to the Board with respect to reports on the quality assessment and improvement activities within the Trust Facilities. These reports describe implementation, through the Trust's Quality Assessment and Improvement and Risk Management Programs, the various mechanisms used by the medical, administrative, and other staff for monitoring and evaluating the quality of patient

care, for identifying and resolving problems and for identifying opportunities to improve care. Pursuant to federal and Florida law, including, but not limited to, Sections 395.0193, 395.0197 and 766.101, Florida Statutes, the proceedings and records of the Joint Conference and Efficiencies Committee (as it relates to Quality Assessment and Improvement and Risk Management Programs) are not public records under Chapter 119, Florida Statutes and meetings held by the Committee in exercising its responsibilities as set forth above are not open to the public under Chapter 286, Florida Statutes.

- (h) Review and make recommendations to the Board with respect to the Annual Quality Plan for Trust Facilities.
- (i) The President of the Medical Staff shall have the opportunity to address the Board through the Joint Conference and Efficiencies Committee and to make presentations to the committee on matter of concern to the Medical Staff or to the Trust in general concerning the delivery of medical services in the Trust Facilities.

c. Strategy and Growth Committee. There shall be a Strategy and Growth Committee. The Strategy and Growth Committee shall:

- (1) Develop and recommend to the Board long range five (5) year plans for the delivery of health care services in the Trust Facilities as required by the Trust Ordinance.

- (2) Annually make recommendations to the Board regarding long-range strategic plans and compliance with plans approved by the Board. The President shall report quarterly to the committee regarding his or her recommendations and compliance with approved strategic plans.
- (3) Establish short term priority planning for specific services, prepare a statement of the problems of achieving short term and strategic programs and an estimate of the financial requirements, assess the financial ability of the community to support the Trust's programs of services, and make recommendations to the Fiscal Committee for said requirements at least annually.
- (4) Determine the facilities required to meet program needs and make appropriate recommendations to the Facilities Subcommittee and the Fiscal Committee for provision of said facilities at least annually.
- (5) Pursuant to Section 395.3035, Florida Statutes, the proceedings and records of the Strategy and Growth Committee are exempt and confidential as it relates to "strategic plans" of the Trust as defined in such statute, as amended from time to time.
- (6) The Strategy and Growth Committee shall act for the Board and be empowered to take final action (subject to subsequent ratification by the Board) upon the determination of the Chairperson whenever emergency action of the Board is required or time sensitive matters

must be addressed. If such action is taken, the resolution or other action shall be submitted for ratification to the Board at its next succeeding televised regular meeting.

Section 3.

Committees Required By the Trust Ordinance.

The Financial Recovery Board shall have such other committees with the composition that are set forth in the Trust Ordinance.

ARTICLE VII

ADMINISTRATION OF THE TRUST

Section 1. Selection of Chief Executive Officer.

The Board shall appoint and employ a chief executive officer of the Trust to be known as the President. The President shall be a full time salaried employee at a salary fixed by the Board in accordance with the Trust Ordinance. The President shall be an administrative officer representing the Board in the management of the Trust and shall have the authority and responsibility necessary for the proper management and operation of the Trust Facilities, including all its activities, programs and departments.

Section 2. Powers and Duties of the President.

The President shall:

- a. Act as the official representative of the Trust in all matters where the Board has not otherwise provided and provide liaison among the Board, the Medical Staff, and Trust Departments.
- b. Carry out policies established by the Board.
- c. Develop, coordinate and supervise all operating policies and procedures for the Trust, organize administrative functions of the hospital, establish formal means of accountability on the part of subordinates, establish such Trust departments as are necessary, provide for and attend or be represented at departmental and interdepartmental meetings.

- d. Develop and submit to the Board for review and approval at the regular meeting in January, policies and procedures regarding outside employment; travel by employees on official business of the Trust, including vendor-paid travel; gifts to employees; and honorariums. The latest policies presented to and adopted by the Board shall remain in force and effect unless the Board revises or amends those policies and procedures by resolution.
- e. Assist the Medical Staff with its organization, in fulfilling its responsibilities and in resolving medical- administrative problems.
- f. Annually, develop and submit to the Board for approval, a plan of organization of the personnel and others involved in the operation of the Trust Facilities.
- g. Develop in conjunction with the Strategy and Growth Committee, and submit to the Board for evaluation and approval, long range plans wherein the service objectives of the Trust are defined in terms of supporting facilities, equipment, personnel and required funding.
- h. Prepare a plan for the achievement of the Trust's specified objectives and make progress reports at least semi-annually.
- i. Prepare, in conjunction with the Fiscal Committee, annual operating and capital funding budgets with appropriate supporting detail as required by the Board; develop performance reports comparing actual operations with approved budgets, and not less frequently than once every three months, submit a variance analysis to the Fiscal Committee and the Board.
- j. Recommend to the Fiscal Committee and the Board a schedule of rates and charges for Trust services and supplies.

- k. Submit to the Board monthly reports on the professional services and financial condition of the Trust and submit such special reports as may be requested by the Board.
- l. Make reports to the Board and to the Medical Staff regarding the overall activities of Trust Facilities and Federal, State, County and municipal developments as affect health care delivery.
- m. When directed and authorized by the Board, have charge and custody of and be responsible for all operating funds of the Trust.
- n. Select, employ, direct, control, pay and discharge employees to the extent such powers have been vested in the Trust, and develop and maintain personnel policies and practices for the Trust Facilities.
- o. Maintain the physical properties of the Trust in a good state of repair and operating condition.
- p. Supervise the business affairs of the Trust to assure that funds are collected and expended in accordance with sound business practices.
- q. Cooperate with the Medical Staff and with all those concerned with the rendering of professional services, in the provision of quality care to the patients, and periodically evaluate such care and submit recommendations for the improvement thereof to the Joint Conference and Efficiencies Committee and the Board.
- r. Attend all meetings of the Board and attend or be represented at all meetings of Board committees.
- s. Designate an individual to act for the President in his or her absence.
- t. Execute with an officer of the Board all contracts of the Trust except as the Board shall otherwise provide. Notwithstanding the

foregoing, the President shall have no authority to execute any contract for the expenditure of Trust funds in an amount requiring Board approval pursuant to the Trust Procurement Policy/Regulations unless there has been final action and is otherwise in compliance with Article V, Section 6 of these Bylaws.

- u. Perform such other duties as may be necessary for the best interests of the Trust or which may be assigned by the Board.

Section 3.

Office of Internal Audit.

The President shall hire an Internal Auditor with the concurrence of the Board who shall report directly to the Chairperson of the Board and shall be responsible for the administration of the Office of Internal Audit. The President is authorized to remove the Internal Auditor, but only after the Chairperson concurs in the removal of the Internal Auditor.

The Office of Internal Audit shall (i) provide internal auditing functions, (ii) act as the central depository for public information relating to public record requests, (iii) review and account for any and all relationships between the Trust and private entities, and (iv) interface and coordinate with and serve as the Trust's liaison to the Miami-Dade County Office of Inspector General. The Office of Internal Audit shall report directly to the Chairperson of the Board. The Office of Internal Audit through the President shall make monthly written reports to the Board at its regular meetings. The written reports shall also be disseminated to the Mayor, Commission, County Manager, the Office of Countywide Healthcare

Planning, the Commission Auditor, and Miami-Dade Office of Inspector General. The President shall develop written policies and procedures for the organization and operation of the Office of Internal Audit and submit the same to the Board for approval.

ARTICLE VIII

MEDICAL STAFF

Section 1.

Organization; Bylaws.

- a. The Board, through the Medical Executive Committee of the Medical Staff, shall provide for the organization and governance of practitioners granted medical staff membership, health professional affiliate membership and clinical privileges in the Trust Facilities.
- b. The organized Medical Staff shall operate and be governed pursuant to bylaws and rules and regulations which shall be proposed and recommended by the Medical Staff to the Joint Conference and Efficiencies Committee, but which shall not become effective until adopted by the Board. Nothing contained in this or any other article of these Bylaws or the Bylaws and Rules and Regulations of the Medical Staff shall limit the authority of the Board to make any and all decisions and to prescribe any and all rules, regulations and bylaws necessary for the proper operation, maintenance control and governance of the Trust Facilities; provided, however, that the Trust may not unilaterally amend the Bylaws and Rules and Regulations of the Medical Staff. The Medical Staff periodically shall review its Bylaws and Rules and Regulations to assure consistency with Trust policies and with applicable legal, accreditation or other requirements.
- c. The Bylaws and Rules and Regulations of the Medical Staff shall:

- (1) Define the duties and responsibilities of the Medical Staff with regard to patient care, teaching and research and set forth procedures by which the Medical Staff shall exercise and account for its authority and responsibilities.
- (2) Provide for the qualifications for appointment and reappointment to the Medical Staff, and Health Professional Affiliate Staff and the procedures to be followed by practitioners requesting such appointment or reappointment as required by law and applicable accreditation standards.
- (3) Establish a procedure for the granting, renewal, modification, or revocation of clinical privileges to members of the Medical Staff or Health Professional Affiliate staff as required by law and applicable accreditation standards.
- (4) Provide a process for review of adverse decisions affecting membership or clinical privileges of the Medical Staff or Health Professional Affiliate staff including the right to be heard throughout the process, when requested by the practitioner. This process shall comply with the requirements of law as well as the Joint Commission on Accreditation of Health Care Organizations. This process shall be reviewed on an annual basis and recommendations

with respect thereto shall be forwarded to the Board through the Joint Conference and Efficiencies Committee.

- (5) Provide a method of election of officers of the Medical Staff and a method of selection of chiefs of clinical services, and shall prescribe powers and duties of such officers and chiefs.
- (6) Provide for Medical Staff committees and the method of appointment thereto.
- (7) Provide for compliance with all applicable laws, regulations and applicable accreditation standards.

Section 2.

Medical Staff Membership and Clinical Privileges.

- a. Membership on the Medical Staff shall be a prerequisite to the exercise of clinical privileges within the Trust Facilities, except as otherwise provided in the Bylaws and Rules and Regulations of the Medical Staff.
- b. Only members of the Medical Staff may admit patients to the Trust Facilities, except as otherwise provided in the Bylaws and Rules and Regulations of the Medical Staff.
- c. Each member of the Medical Staff shall have appropriate authority and responsibility for the care of his or her patients subject to such limitations as are contained in these Bylaws, the Bylaws and Rules and Regulations of the Medical Staff, Trust Policies and Procedures and any limitations to the medical staff member's membership or clinical privileges.

- d. In accordance with the Bylaws of the Medical Staff, the Medical Staff shall make recommendations to the Board, through the Joint Conference and Efficiencies Committee and the Board shall take action regarding Medical Staff and Health Professional Affiliate Staff appointments, reappointments, modifications, resignations, suspensions, termination and leaves of absence as well as take action regarding the granting, renewal, modification, reduction or revocation of clinical privileges.
- e. The number of practitioners granted Medical Staff membership, Health Professional Affiliates Staff membership and clinical privileges shall not be in excess of the needs of the Trust.
- f. All appointments to the Medical Staff and Health Professional Affiliate Staff shall be as set forth in the Bylaws and Rules and Regulations of the Medical Staff and not for a period longer than two (2) years and shall be reviewed by the Board in accordance with the reappointment procedure outlined in the Bylaws of the Medical Staff.
- g. No aspect of Medical Staff membership status, Health Professional Affiliate Staff status or specific clinical privileges shall be unreasonably limited or denied on the basis of gender, race, creed, disability, age, familial status, sexual orientation, color or national origin.

Section 3.

Medical Staff Responsibilities.

- a. The Board shall hold the Medical Staff responsible for providing appropriate healthcare to Trust patients.
- b. The Medical Staff, in accordance with its Bylaws, applicable law and accreditation standards, shall conduct continuing review and

appraisal of the quality of healthcare in the Trust Facilities, and shall report the results thereof to the Board, through the Joint Conference and Efficiencies Committee.

c. The Medical Staff shall participate, along with appropriate administrative and professional staff, in the development of Trust policies regarding:

1. Patients' rights and responsibilities, including the rights and responsibilities of the parents and/or guardians of neonate, child and adolescent patients; and
2. A patient's right to accept or refuse medical treatment and formulate advance directives.

ARTICLE IX

AUXILIARY ORGANIZATIONS

The Board may authorize the establishment of auxiliary organizations for the purpose of assisting the Trust in its objectives. The Bylaws of any such auxiliary organization shall be subject to the approval of the Board and the program of any such organization shall be subject to the approval of the President of the Trust. Each auxiliary organization shall submit annually to the Board a report of its operations and financial affairs.

ARTICLE X

ADOPTION AND AMENDMENTS

These Bylaws may be adopted, altered, amended or repealed and new Bylaws may be adopted by a vote of two-thirds (2/3) of the voting membership of the Board then in office at any duly constituted Board meeting provided that written notice of the proposed alterations, amendments, repeal or new enactments shall have been given to all Members not later than five (5) days in advance of such meeting. At the direction of the Chairperson, the Board shall provide for review of these Bylaws on a periodic basis.

PUBLIC HEALTH TRUST FINANCIAL RECOVERY BOARD

Public Health Trust Financial Recovery Board

Marcos Jose Lapciuc, Chairperson
Darryl K. Sharpton, Vice Chairperson
Joe Arriola, Treasurer
Joaquin del Cueto, Secretary
Michael Bileca
Mojdeh L. Khaghan
Stephen S. Nuell

Date: February 27, 2012
Time: 3:00 p.m. to 5:00 p.m.
Place: Stephen P. Clark Center
Board of County Commission Chambers
Second Floor
111 N. W. First Street
Miami, Florida 33128

ATTENDANCE

PHT Financial Recovery Board

Darryl K. Sharpton
Joe Arriola
Marcos J. Lapciuc
Stephen S. Nuell
Joaquin del Cueto
Mojdeh L. Khaghan

Excused

Michael Bileca

Jackson Health System

Carlos A. Migoya
Carlos Lago
Don S. Steigman
Marilyn Moss

Miami-Dade County Attorney's

Eugene Shy, Jr.
Valda Christian

NEWSCLIPS

Video clips highlighted the most recent medical related events, activities and services within Jackson Health System, and news stories featuring patients who received care at the hospital was shown prior to the Public Health Trust Financial Recovery Board meeting.

CALL TO ORDER

With a quorum being present, the televised meeting of the Public Health Trust Financial Recovery Board (PHT FRB) was called to order by Marcos Jose Lapciuc, Chairperson at 3:07 p.m.

1. **MOMENT OF SILENCE**

Mr. Lapciuc requested everyone to join in a moment of silence.

2. **PLEDGE OF ALLEGIANCE**

Mr. Lapciuc requested everyone to join in the pledge of allegiance.

3. **CHAIRPERSON'S REPORT**

(a) **Agenda Items to be added**

Eugene Shy, Jr., Assistant Miami-Dade County Attorney read into the record the following add-on agenda items:

- (1) Resolution authorizing the President or his designee to negotiate and execute an amendment to the fiscal year 2011-2012 Annual Operating Agreement with Florida International University College of Medicine, in the amount of \$1,086,215 for the provision of Hospitalist Medicine at Jackson Memorial Hospital (*Alex Contreras-Soto, Chief Administrative Officer, Jackson Memorial Hospital*)
- (2) Resolution approving and authorizing amendment to 2011 Annual Operating Agreement by and between the University of Miami and the Public Health Trust and authorizing the President and Chief Executive Officer to execute such amendment (*Donn Szaro, Chief Strategy Officer, Jackson Health System*)
- (3) Resolution authorizing and approving the President and Chief Executive Officer of the Public Health Trust to take such actions as are necessary to extend Trauma Medicine Services to Jackson South Community Hospital and/or Jackson North Medical Center as determined by the Trust Management to be in the best interest of the Trust and community, and urging the County Commission to approve the same (*Carlos A. Migoya, President and Chief Executive Officer, Jackson Health System*)

Mr. Shy stated that there will be an amendment to the add-on agenda item 3 that will be read into the record by Valda Christian, Assistant Miami-Dade County Attorney. Also as a correction to the supporting documents for agenda item 3 (d), Mr. Shy stated that the amended version of the PHIT Financial Recovery Bylaws that was approved at the last meeting will replace what is currently attached.

With respect to add-on agenda item 3, Ms. Christian stated for the record the following amendments to the resolution:

Resolution authorizing and approving the President and Chief Executive Officer of the Public Health Trust to take such actions as are necessary to extend Trauma Medicine Services to Jackson South Community Hospital and/or Jackson North Medical Center as determined by Trust Management to be in the best interest of the Trust and community, including but not limited to such actions necessary for filing of the application for service approval with the Department of Health and urging the County Commission to approve the same

Ms. Christian further stated for the record that the Board would be approving a commitment of hospital, financial, human and physical resources to treat all trauma patients at the level of hospital approval regardless of color, creed, sex, nationality, place of residence or financial class. The Board further would be authorizing and committing to participate in the State Regional Trauma Center and the local system and the local or regional trauma system if one exist as it does in this region.

Mr. Lapciuc requested a motion to add to the agenda add-on agenda items 3 (a) (1) and (2) and (3), as amended.

Mr. Sharpton moved approval;
seconded by Mr. Nuell, and
carried without dissent.

With regards to the add-on agenda item 3, Mr. Lapciuc suggested that the discussion regarding the item and recommended approval be included as part of the President's Report.

- (1) **PHT 2/12 – 014 Resolution authorizing the President or his designee to negotiate and execute an amendment to the fiscal year 2011-2012 Annual Operating Agreement with Florida International University College of Medicine, in the amount of \$1,086,215 for the provision of Hospitalist Medicine at Jackson Memorial Hospital (Alex Contreras-Soto, Chief Administrative Officer, Jackson Memorial Hospital)**

Mr. Lapciuc requested a motion for add-on agenda item (1).

Mr. del Cueto moved approval;
seconded by Mr. Nuell, and
carried without dissent.

- (2) **PHT 2/12 - 015 Resolution approving and authorizing amendment to 2011 Annual Operating Agreement by and between the University of Miami and the Public Health Trust and authorizing the President and Chief Executive Officer to execute such amendment** (*Donn Szaro, Chief Strategy Officer, Jackson Health System*)

Mr. Lapciuc requested a motion for add-on agenda item (2).

Mr. Arriola moved approval;
seconded by Ms. Khaghan,
and carried with one dissent.

Mr. del Cueto was the dissenting voter.

- (d) **PHT 2/12 - 016 Resolution authorizing and approving Chairperson's Report compliance with Section 2-11.40 of the Code of Miami-Dade County, entitled "Sunset Review of the Boards"** (*Marcos Jose Lapciuc, Chairperson, PHT Financial Recovery Board*)

Mr. Lapciuc requested a motion for the item.

Mr. del Cueto moved approval;
seconded by Mr. Sharpton, and
carried without dissent.

- (c) **PHT 2/12 - 017 Resolution approving Public Health Trust Financial Recovery Board Committee Assignments, as of February 27, 2011** (*Marcos Jose Lapciuc, Chairperson, PHT Financial Recovery Board*)

Mr. Lapciuc requested a motion for the item.

Mr. Nuell moved approval;
seconded by Mr. Arriola,
and carried without dissent.

- (b) **Approval of the meeting minutes**

- (1) **January 30, 2012 – Regular Televised Meeting**
(2) **February 13, 2012 – Special Meeting**

Mr. Lapciuc requested a motion approving the meeting minutes of the regular televised meeting and special meeting of the PHT FRB.

The meeting minutes of the regular televised meeting and special meeting of the PHT FRB was approved as presented.

4. PRESIDENT'S REPORT

Carlos A. Migoya, President and Chief Executive Officer, Jackson Health System (JHS) reported that JHS celebrated National Heart Month during the month of February highlighting Cardiovascular Services at Jackson Memorial Hospital. Also during the month of February, JHS launched a special commemoration for Black History Month. Each week an African-American member of the JHS Leadership Team shared personal essays regarding the history and future that JHS has played in the African-American communities. During the month of March JHS will join with the Academy of Nutrition and Dietetics to celebrate National Nutrition Month. With regards to JHS financial information, the month of January showed a loss totaling \$5.1 million which is attributed to long term care centers, physician practices and specialty corrections. The new Director of Corrections Health has created ideas to increase reimbursements and reduce cost for Jackson Memorial Hospital and Miami-Dade County. Also, there is a continued focus on transformation at the Ambulatory Care Center and Primary Clinics. With the leadership of the Management Teams and commitment of the employees JHS outperformed the prior fiscal year by \$16 million during the first four months of fiscal year 2012. Employee productivity continues to excel, and spending on supplies and purchased services are being reduced. Overall the month of January was an example of the ups and downs that JHS will be faced with as it moves forward during the transformation process. With regards to global reputation, JHS was listed among the "Integrated Health System's To Know" by Beckford's Hospital Review, was ranked among the best hospitals in South Florida and U.S. News & World Report ranked both long term facilities with a 5 star among a list of top nursing homes. Governor Rick Scott appointed Magdalena H. Averhoff, M.D. to the State Board of Medicine. Dr. Averhoff also serves as the Associate Chief Medical Officer at Jackson South Community Hospital. Also, Jackson South Community Hospital was licensed to operate as a Level I Adult Cardiovascular Service Provider. As it relates to the relationship that JHS have with the University of Miami Health System (UMHS), Mr. Migoya stated that nothing could be more far from the truth regarding some of the misrepresentations in the community that JHS will replace UMHS physicians with Florida International University College of Medicine (FIUCOM) physicians. Mr. Migoya reminded everyone that the UMHS physicians helped make JHS the world class institution that it is today. He explained the relationship that JHS have with UMHS, its focus, the Annual Operating Agreement model and how both institutions are moving forward towards a more transparent and equitable agreement than that of the past.

Ryder Trauma Center

As part of the President's Report, Mr. Migoya spoke about the Ryder Trauma Center (Trauma Center) and the actions necessary to extend Trauma Medicine Services to Jackson South Community Hospital and Jackson North Medical Center. He stated that the Trauma Center is one of the community's most treasured resources. When every other hospital in Miami-Dade County abandoned trauma services in the 1980's and shifted the entire burden to Jackson Memorial Hospital public and private leaders came together to build an institution that stands among the nation's best. By attracting the best staff, technology and research available the Trauma Center provides unmatched excellence that's never more than a few minutes away by helicopter. He spoke about telemedicine which allow JHS teams to participate in Trauma operations in Haiti, Iraq, Afghanistan, and elsewhere. It is the only center where the U.S. Army trains its surgical teams to respond to battle field injuries. Unfortunately this one of a kind resource is being threatened by other hospitals that are once again looking for profits in the trauma business.

Unlike the Trauma Center where seasoned experts in trauma neurosurgery, trauma orthopedics, and other specialties are always on site, level II facilities merely rely on on-call doctors who may be as far as half an hour away and could have minimal experience with trauma. But because they are in suburban neighborhoods JHS is seeing early evidence that they are claiming many of the insured patients who have historically helped subsidize the Trauma Center's cost of treating everyone. The financial and operational impact could threaten the Trauma Center's ability to attract and retain the staffing programs that made it a global model. Moreover, if the private hospital's, again find that trauma isn't profitable and decide to close the programs taxpayers will again be called upon to rebuild the system and pick up the slack. Mr. Migoya stated that with the strength of the Trauma Center's existing program and staff JHS is uniquely positioned to serve suburban communities with the unmatched excellence that has made it a worldwide center of trauma excellence.

Mr. Migoya presented the following resolution requesting authorization to extend Trauma Medicine Services to Jackson South Community Hospital and Jackson North Medical Center:

Add-on Agenda Item, as Amended

- (3) PHT 2/12 – 013 Resolution authorizing and approving the President and Chief Executive Officer of the Public Health Trust to take such actions as are necessary to extend Trauma Medicine Services to Jackson South Community Hospital and/or Jackson North Medical Center as determined by the Trust Management to be in the best interest of the Trust and the community, including but not limited to actions necessary for the filing of the application for service approval with the Department of Health and urging the County Commission to approve the same *(Carlos A. Migoya, President and Chief Executive Officer, Jackson Health System)*

Mr. Sharpton questioned the timing of the item.

Mr. Migoya reminded everyone that in the fall of 2010 letters of intent was sent to the Department of Health for JSCH and JNMC regarding the matter. He stated that there are legislative agendas that could short cut the approval process for Trauma Centers at other hospital locations and explained the need to move forward in preparation should the Legislature change the methodology in which the approval of the Trauma Centers are done.

Mr. Nuell questioned if it is the intent of the request for authorization to extend Trauma Medicine Services to JSCH and JNMC or to take necessary steps to prepare to move forward.

Mr. Migoya stated that with the approval of the PHT FRB it is the intent to take the actions necessary to extend Trauma Medicine Services to JSCH and JNMC. He further stated that work has been done regarding capital commitments and in the process of working through the financial projections. The PHT FRB will be kept informed as the process continues to extend Trauma Medicine Services to JSCH and JNMC.

Mr. Nuell questioned which committee would review the issues regarding the extension of Trauma Medicine Services.

Mr. Lapciuc stated that the issues regarding the extension of Trauma Medicine Services would be reviewed by the Facilities Subcommittee and Fiscal Committee. Also if it becomes necessary, a special PHT FRB meeting would be scheduled.

Due to the operational, application, staffing professional, and business market issues, Mr. Nuell questioned if one or more board members would oversee the helipad projects for JSCH and JNMC.

Mr. Migoya stated that a board member(s) are welcome to oversee the helipad project at JSCH and JNMC. He reminded everyone regarding the Sunshine Law when there is more than one board member present.

Mr. Lapciuc stated that he and Mr. Migoya will meet and together appoint a board member to oversee the helipad project at JSCH and JNMC and report back to the appropriate committee(s) and full board.

Mr. Lapciuc questioned if the Miami-Dade County legislative representatives have been informed regarding the proposed increase of Trauma Centers in Miami-Dade County.

Mr. Migoya stated that there has been constant communication with members of the Miami-Dade County Delegation. Member's of the Miami-Dade County Delegation considers the matter important and is working diligently with the JHS Management Team. Mr. Migoya stated that he has been in conversation with members of the Florida Hospital Association and have expressed their full support for JHS.

After discussion, Mr. Lapciuc requested a motion for the item, as amended.

Mr. del Cueto moved approval;
seconded by Mr. Arriola, and
carried with no dissent.

Mr. Migoya stated that he is on the process of speaking with members of the Board of County Commissioners (BCC) regarding the request to extend Trauma Medicine Services to Jackson South Community Hospital and Jackson North Medical Center prior to requesting approval by the BCC.

On behalf of the JHS Management Team and University of Miami Team, Mr. Migoya expressed thanks to the PHT FRB for their responsiveness and approval to move forward.

5. **REPORT OF VICE PRESIDENT FOR UNIVERSITY OF MIAMI HEALTH SYSTEM**

Pascal J. Goldschmidt, M.D., Dean, Miller School of Medicine & Sr. Vice President for Medical Affairs, University of Miami Health System (UMHS), requested everyone to join in a moment of silence for the passing of Jeffrey S. Augenstein, M.D. Dr. Augenstein had led the Trauma Center for several years and was an extraordinary individual who had done much for so many people.

Dean Goldschmidt emphasized UMHS support for Mr. Migoya's plea to do everything that can be done to prevent the development of Trauma Centers in the region which would jeopardize the opportunity to maintain the Ryder Trauma Center.

Dean Goldschmidt reported that the 2011 Annual Operating Agreement (AOA) has been extended, have reached an agreement for the 2012 AOA minus the annualized reduction totaling \$16.5 million and working on creating an AOA model that will include revenue enhancements, a cost reduction plan, and MOU. The new AOA model will be better understood and provide greater transparency.

Dean Goldschmidt thanked Mr. Migoya for addressing some of the misrepresentations in the community that JHS will replace UMHS physicians with Florida International University College of Medicine (FIUCOM) physicians. He stated that the reality is two groups of academic physicians compliment each other which is for the betterment of care that is provided to the community which all three institutions (JHS, UMHS and FIUCOM) are proud of.

6. **REPORT OF VICE PRESIDENT FOR FIU COLLEGE OF MEDICINE**

In the absence of John A. Rock, M.D., Dean, Florida International University College of Medicine (FIUCOM), Fernando Valverde, M.D. stated that he echoed Dean Goldschmidt Mr. Migoya's comments regarding the misrepresentations in the community that JHS will replace UMHS physicians with FIUCOM physicians. He further stated that there is not attempt whatsoever to replace anybody much less at UMHS or JHS. He reported that three years ago FIUCOM began with 40 medical students, in August 2012 FIUCOM will have 120 medical students, which represents 80% from South Florida. He stated that FIUCOM will educate the next generation of physicians in the most meaningful and most competent way. With regards to the development of additional Trauma Centers in the region, Dr. Valverde stated that FIUCOM fully supports JHS position and is available in any means possible to assist JHS meet its goal.

7. **PENSION PLAN COMMITTEE**

(1) **Review of the Pension Plan Committee Meeting Minutes, as of January 31, 2012**

Darryl K. Sharpton, Chairman, Pension Plan Committee reported that the Committee met on January 31, 2012. A summary of the meeting minutes in the agenda packet reflected the items discussed and resolutions approved and forwarded to the full board for its consideration and approval.

(2) Resolutions recommended to be approved

- (a) PHT 2/12 – 018 Resolution approving the Public Health Trust Defined Benefit Retirement Plan Actuary's Report for the plan year ending December 31, 2012 (Mark T. Knight, Executive Vice President and Chief Financial Officer, Jackson Health System)

Mr. Lapciuc requested a motion for the item.

Mr. Nuell moved approval;
seconded by Ms. Khaghan,
and carried without dissent.

- (b) PHT 2/12 – 019 Resolution approving the replacement of Atalanta Sosnoff Capital, LLC with Sands Capital Management, LLC (Mark T. Knight, Executive Vice President and Chief Financial Officer, Jackson Health System)

Mr. Lapciuc requested a motion for the item.

Mr. Nuell moved approval;
seconded by Mr. del Cueto,
and carried without dissent.

7. FISCAL COMMITTEE

(1) Subcommittee Reports

- a. Purchasing Subcommittee
Joaquin del Cueto, Chairperson, Purchasing Subcommittee reported that the Subcommittee met on February 13, 2012. He presented a summary of the February 2012 Purchasing Report which was presented for approval by the Fiscal Committee. The Subcommittee received routine report information.
- b. Facilities Subcommittee
Darryl K. Sharpton, Chairperson, reported that the Subcommittee met on February 13, 2012. There were no action items to report. The Subcommittee received routine report information. Mr. Sharpton requested going forward that the Facilities Subcommittee agenda include periodic reports regarding facility benchmarking that would show certain operating stats on a per square foot basis and a report regarding vision planning until a Strategic Plan is completed. Mr. Sharpton stated that he has made a request to the President to converse with staff in the vision planning process. He also requested the President to consider engaging the existing consultant to facilitate in a discussion with the Subcommittee or PHT FRB regarding facility investments that other public hospitals across the country are making and to help assure that JHS is at least thinking about ways to fund facility investments.

c. Audit and Compliance Subcommittee

Mojdeh L. Khaghan, Chairperson, Audit and Compliance Subcommittee reported that the Subcommittee met on February 13, 2012. The Subcommittee was presented with routine monthly reports regarding the Internal Audit Plan and Corporate Compliance Audit Plan. There were no action items to present.

(2) Review of the Fiscal Committee Meeting Minutes, as of February 13, 2012

The Fiscal Committee met on February 13, 2012. The Committee was presented with its regular monthly reports and financial statements report. A summary of the meeting minutes in the agenda packet reflected the items discussed and resolutions recommended for approval.

(3) Review of the Financial Statements, as of January 31, 2012

Mark T. Knight, Chief Financial Officer, Jackson Health System presented a summary of JHS financial activity, as of January 31, 2012. He reported the following:

From a volume perspective, the month of January was a tough month, admissions were down 9% compared to budget and 8% versus prior year, patient days were down by a higher percentage, there was reduction in length of stay and year to date showed 6% under in prior year which has both positive and negative implications, impact on net revenue was fairly significant, overall loss for the month totaled \$5.1 million versus a year to date loss totaling \$24 million. Day's cash on hand was approximately 14. It is anticipated that in the month of February days cash on hand will be 13 or lower. During the month of January cash collections were strong ending at \$76 million from a goal of \$80 million, there was an increase of six days in accounts receivables, there was a reduction in volume with a positive and negative impact and average length of stay showed a decrease, outpatient visits were strong in the month of January but continue to lag behind on a year-to-date basis, Emergency Department admissions remained high, and overall FTE's totaled approximately 9,800. Mr. Knight reported that overall JHS has continued to perform strongly during the fiscal year. As part of the transition initiative Corrections Health, Nursing Homes, Primary Care Services and Physicians Practices are undergoing a major review and assessment.

Mr. Knight reported that AFSCME negotiations are ongoing. He remains cautiously optimistic that a conceptual agreement will be reached by the end of the week.

Relative to the external audit, Mr. Knight reported that the 2011 external audit has been completed. It is anticipated that the results of the external audit will be presented at the March 15, 2012 Fiscal Committee meeting for approval. Plans are to distribute the audited financial statements in the upcoming week to the PHT FRB members. Mr. Knight will schedule to meet individually with PHT FRB members to review the results of the external audit.

Mr. Arriola requested Fernando Martinez, Chief Information Officer, Jackson Health System to present an update regarding the progress the Information Technology Division has made regarding improved reporting and updates.

Mr. Martinez stated that a set of internal controls have been developed to query all purchase orders and provide by areas and individuals responsible the utilizations numbers for existing purchase orders. The internal controls are a proactive way of further examining purchase orders and better oversight.

Mr. Sharpton questioned the status of implementing a reporting system that will provide information to assist with business decisions in terms of profitability by business line and function.

Mr. Knight stated that a big component of providing information to assist with business decisions in terms of profitability by business line and function has to do with the cost accounting system. He further stated that Brian Dean, Vice President, Finance Division, Jackson Health System will present an overview of cost accounting at the next Fiscal Committee meeting. Also, Mr. Knight stated that proposals are being reviewed to take the cost accounting from where it is today to a line item cost on an itemized bill for a patient to be able to better identify what the actual costs per payor are and move towards a more information per capitation arrangement. He reminded everyone that in the fall of last year JHS implemented a budget software system known as Axiom which is an interrelated data base that allows for forecast, model and import and export information from the Lawson system. The new budget system will allow for higher efficiency, will be able to download all of the payroll information to the employee level and better project out what the costs will be. The new budget system will help to develop a shorter budget timetable. With regards to an update regarding the cost accounting tool, Mr. Knight stated that Phase I has been completed, and it is anticipated that phase II will be completed in 9 to 12 months. The cost accounting tool will provide line item level costing that will allow for a capitation type of arrangement for managed care contracting negotiations.

Mr. Migoya stated that the budget process for the coming year has begun and he has reinforced the qualifications and skills the CFO's in every business line will need to have as the process continues to successfully complete the fiscal year 2013 budget. He reminded everyone that it is not just a cost accounting system that provides for a successful budget but the entire budget process is extremely important going forward and to avoid surprises.

Mr. Nuell requested that if the implementation process of the cost accounting tool will go beyond December 2012 that the board members be informed well in advance of December.

(4) Resolutions recommended to be approved

- (a) PHT 2/12 – 020 Resolution directing the President to seek from the Board of County Commissioners delegation of authority to the PHT President or his designee, to consent to leases at Northpark Professional Building on behalf of the ground lessor, Miami-Dade County, and ratifying those consents and amendments previously approved by Jackson North Medical Center Administration (*Madeline Valdes, Corporate Director, Property Management Department, Jackson Health System*)
- (b) PHT 2/12 – 021 Resolution authorizing and approving Award of Bids and Proposals, Waiver of Bids, and other Purchasing Actions as recommended from the Fiscal Affairs, Purchasing and Budget Committee for February 2012, based on the Procurement Policy, Resolution No. PHT 12/05-231 (*Rosa Costanzo, Vice President and Chief Procurement Officer, Strategic Sourcing Division*)

Mr. Lapciuc requested a motion for agenda items 7 (4) (a) and (b).

Mr. Sharpton moved approval;
seconded by Mr. Nuell, and
carried without dissent.

9. JOINT CONFERENCE & EFFICIENCIES COMMITTEE REPORT

(1) Review of Joint Conference & Efficiencies Committee Meeting Minutes, as of February 13, 2012

Stephen S. Nuell, Chairperson, Joint Conference & Efficiencies Committee reported that the Committee met on February 13, 2012. A summary of the meeting minutes in the agenda packet reflected the items discussed and resolution recommended for approval.

(2) Resolution recommended to be approved:

- (a) PHT 2/12 – 022 Resolution approving the Medical Staff and Health Professional Affiliate Staff Membership and Clinical Privileges; approving Initial Appointments, Reappointments and Clinical Privileges and Activities; approving Modifications to Medical Staff Membership Category and Clinical Privileges; accepting Resignations and Leaves of Absence – February 2012 (*Kevin Andrews, Vice President, Quality & Patient Safety*)

Mr. Lapciuc requested a motion for agenda item 9 (2) (1).

Mr. Arriola moved approval;
seconded by Mr. Sharpton,
and carried without dissent.

10. STRATEGY & GROWTH COMMITTEE REPORT

(1) Review of the Strategy & Growth Committee Meeting Minutes, as of February 13, 2012

Marcos Jose Lapciuc, Chairperson, Strategy & Growth Committee reported that the Committee met on February 13, 2012. A summary of the meeting minutes in the agenda packet reflected the items discussed.

Mr. Lapciuc mentioned that the PHT FRB members have requested a Strategic Retreat. He requested that Mr. Migoya begin planning the retreat after the AOA process with UMHS becomes clearer and more into focus with the budget.

Mr. Migoya stated that plans for a joint meeting between the PHT Financial Recovery Board and Miami-Dade County Board of County Commissioners will begin for a meeting in June of this year.

11. MIAMI-DADE COUNTY ATTORNEY REPORT

There was no Miami-Dade County report.

OTHER DISCUSSION

• **Av-Med Update**

Mr. Nuell raised concerns regarding the performance of Av-Med and employee satisfaction with Av-Med services.

After detail discussion regarding the concerns raised by Mr. Nuell, Mr. Lapciuc requested that at the April meeting of the Fiscal Committee a full quarterly report be presented regarding Av-Med performance and a JMH Health Plan update. He suggested that if a board member would like information regarding Av-Med performance prior to the report in the month of April to contact a member(s) of the appropriate staff.

• **Corrections Health**

Mr. Lapciuc requested that at the appropriate committee meeting in the month of March that an update report is presented regarding Corrections Health.

ADJOURNMENT

The televised Public Health Trust Financial Recovery Board meeting adjourned at 4:50 p.m.

**Transcribed by Ivenette Cobb
Executive Assistant
Public Health Trust Financial Recovery Board**