

Western New York Health System, Inc. (WNYHS)
Board Meeting Minutes
May 14, 2008

Present: David Dunn, M.D., Evan Evans, M.D., James T. Evans, M.D. (via teleconference), Robert Gioia, Mary Gresham Ph.D. (via teleconference), James Kaskie, Brenda McDuffie, Judge James McLeod, John Simpson, Ph.D., Irene Snow, M.D., Edward F. Walsh, Jr. (via teleconference), Robert M. Zak, David Zebro, Robert Wild, Betsy Baumler.

Absent: Kevin Cichocki, D.C., Sharon L. Hanson, Jody Lomeo, Sundra Ryce,

The meeting was called to order at 8:35 AM by the Chair, Robert Gioia.

Minutes

The minutes of the April 2, 2008 Board of Directors' meeting and April 10, 2008 Board teleconference were presented for approval. Upon motion duly made and seconded, the minutes of the April 2, 2008 Board of Directors' meeting and April 10, 2008 Board teleconference were unanimously approved as presented.

Certificate of Need Applications

Mr. Kaskie distributed summaries of two Certificate of Need (CON) applications for the Board's approval.

Mr. Kaskie highlighted the first CON application for the integration of Buffalo General Hospital and Millard Fillmore Gates Hospital as endorsed by the WNYHS Board of Directors on October 3, 2007. Upon motion made and duly seconded, the Board recommended to the New York State Department of Health the CON application for the integration of Buffalo General Hospital and Millard Fillmore Gates. Dr. James Evans abstained from voting as he had not had the opportunity to review the summary.

Mr. Kaskie then highlighted the CON application for the Global Vascular Institute on the Buffalo Niagara Medical Campus as recommended by the PricewaterhouseCoopers report. Upon motion made and duly seconded, the Board recommended to the New York State Department of Health the CON application for the Global Vascular Institute. Dr. James Evans abstained from voting as he had not had the opportunity to review the summary.

It was requested that once Dr. Evans has an opportunity to review the CON summaries, he indicate whether he would be in agreement with the CONs approved by the Board.

PriceWaterhouseCoopers Final Report

Ms. Filault outlined the final version of the PricewaterhouseCoopers report distributed to the Board and highlighted the background of their decision to recommend the Global Vascular Institute be located on the Buffalo Niagara Medical Campus (BNMC). The Board discussed concern regarding the parking situation at the BNMC and requested a future meeting of the WNYHS Board be conducted on the campus. The Board then discussed distributing the final report to key physicians and community leaders.

Chairman's Report

Mr. Gioia outlined a recent visit to the Department of Health and outlined a packet distributed to the Western New York delegation including a draft of the "Joint Statement of Kaleida Health, Inc., ECMCC, WNYHS, Inc. SUNY and the County of Erie" document given to him by Senator Dale Volker. Several Board members expressed concern over various conditions described.

Mr. Gioia addressed the need to appoint a new chair of the Strategic and Community Health Committee. With Dr. Cichocki currently not participating in meetings, it was decided Mr. Gioia would serve as acting Chair of the committee in the interim. Mr. Gioia requested that Mr. Walsh call another meeting of the Governance Committee to reassess the Board's committee structure.

Lawsuit

Mr. Wild outlined the lawsuit recently filed by Erie County Medical Center Corporation (ECMCC) and the County of Erie against the Department of Health.

D & O Insurance

Mr. Kaskie indicated the Kaleida Health Board had agreed to add the community members of the WNYHS Board to their policy until such time WNYHS is able to provide the indemnification directly.

Stand Advertising

Ms. Janet Stanek presented options for the branding of WNYHS. After reviewing several suggestions, the Board decided the preferred name would be Great Lakes Health. Mr. Gioia asked Mr. Wild to check into the name and legally reserve the name as soon as possible. Ms. Stanek then outlined the timeline for launching the new branding.

Public Relations Update

Mr. James Gillan updated the Board on the public relations strategy for the next several weeks indicating we would continue to focus our efforts on the decision makers. Board members suggested an approach to put at ease many members of the community due to the misinformation being distributed and continue to keep the physician community involved.

Community Health Center

Mr. Kaskie updated the Board on recent actions by the Community Health Center regarding their relocation from the Grider Street Campus.

Affiliation Agreement

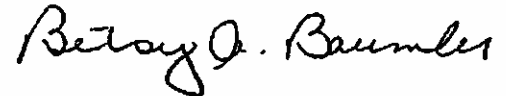
Dr. Dunn updated the Board on discussions with ECMCC regarding an extension of the affiliation agreement with the University at Buffalo indicating ECMCC had been informed that if the extension agreement was not signed, without conditions, by week end, he would begin an orderly transition of the residency programs from ECMCC to the Catholic Health System or Kaleida Health. He stated this was necessary, as the medical school would be cited if this agreement is not in place or an orderly withdrawal has not begun. The Board requested an update on the situation at the next Board meeting.

Next Meeting

Mr. Gioia stated the next meeting of the WNYHS Board of Directors would be held on Wednesday, June 4, 2008 at WNED.

The meeting was adjourned at 10:30 AM.

Respectfully submitted,



Betsy A. Baumler