

Great Lakes Health System of Western New York

Board Meeting Minutes

March 10, 2010

A regular meeting of the Board of Directors of Great Lakes Health System of Western New York was held at Women and Children's Hospital of Buffalo, 219 Bryant Street, Buffalo, New York on Wednesday, March 10, 2010.

Present: Yogesh Bakhai, M.D.; James Budny, M.D.; Michael Cain, M.D.; Kevin Cichocki; David Dunn, M.D.; Kevin Gibbons, M.D.; Robert Gioia; Mary Gresham Ph.D.; Sharon L. Hanson; James Kaskie; Jody Lomeo; Brenda McDuffie (via teleconference); Judge James McLeod; Sundra Ryce; Irene Snow, M.D.; Edward F. Walsh, Jr. (via teleconference); Robert M. Zak; David Zebro; Anthony Colucci, III; Robert Nolan; Mark Barabas; Joseph Kessler; Mike Sammarco; Betsy Baumler

The meeting was called to order at 7:35AM by the Chair, Robert Gioia.

Chair Remarks

Mr. Gioia thanked Dr. Budny for his dedication and service over the last two years indicating he would be rotating off the Great Lakes Health Board as his term as President of the Kaleida Health Medical/Dental staff will end in April.

Minutes

The following minutes were received and filed as presented:

- Board of Directors' meeting – January 13, 2010
- Finance Committee – December 2, 2009
- Professional Steering Committee – January 11, 2010
- Professional Steering Committee – February 8, 2010
- Strategic and Community Health Planning Meeting – December 7, 2009

Upon motion duly made and seconded, the minutes of the meetings listed above were unanimously received and filed as presented.

Old Business

County Transaction

Mr. Lomeo updated the Board on how the settlement agreement with the County of Erie was progressing. He indicated the Erie County Legislature is scheduled to vote on the proposed agreement on March 31, 2010.

Reserved Powers Opinion Letter

As a follow-up to the request made at the January meeting, Messrs. Colucci and Nolan clarified the Board's role in the settlement agreement process under the reserved powers.

President/CEO Report

Long Term Care

Mr. Kaskie outlined the status of the plans for Great Lakes Health's long term care facilities indicating Kaleida Health would be moving forward with the construction of their new facility on the Buffalo Niagara

Medical Campus in June. He outlined discussions with our Western New York delegation in Albany to further discuss special legislation for urban based long term care facilities. He indicated Assemblyman Mark Schroeder has been a steady supporter of the urban based facilities. Mr. Kaskie also stated that March 31st is the deadline for a final decision on the closure of the Waterfront facility. The Board discussed possible opportunities for the 200 employees at the facility should the facility be closed.

Advocacy

Mr. Kaskie highlighted discussions regarding the State economy at a recent Greater New York Hospital Association meeting indicating that the impact on proposed cuts in 2010 for Kaleida Health are approximately \$21 million and approximately \$14 million for ECMC.

Mr. Kaskie discussed Kaleida's recent update to the Board on the workforce engaged on the GVHI.

Committee Updates

Finance

Mr. Zebro summarized the ECMC financial statements for 2009 indicating finalized statements once the audit is complete and also discussed budget challenges for 2010. Mr. Zebro indicated the Finance Committee had endorsed the engagement of Deloitte Consulting LLP to assist in back office operations.

Governance

Mr. Walsh highlighted a recent meeting of the Governance Review Task Force to discuss a proposal by ACCORD Limited to review our current governance structure and summarized their proposed schedule. **Upon motion made and duly seconded, the Board unanimously approved the engagement of ACCORD Limited as the consultant to review our governance structure.** Mr. Walsh indicated he would like to address all three Boards to outline the goals of the engagement.

Mr. Gioia stated an updated Vision was being drafted and will be distributed at our next meeting.

Professional Steering Committee

Dr. Gibbons updated the Board on the status of the multiple subcommittees. He indicated the Committee has received a report from Acceleron on Orthopedics and will be discussing how to move forward. He also outlined the status on the Cardiac subcommittee who is reviewing the level of cardiac needs at ECMC to sustain trauma, the primary care retreat recently held, and an additional proposed subcommittee on oncology.

Strategic and Community Health Planning

Dr. Cichocki outlined discussions at the recent Strategic and Community Health Planning meeting including several CONs recommended for approval for ECMC and Kaleida Health. Mr. Barabas outlined the proposed CONs presented to the Board for approval for ECMC.

Upon the recommendation of the Strategic and Community Health Planning Committee and upon motion duly made and seconded, the following CONs for ECMC were unanimously approved as presented:

- **Construction of a 390 bed Nursing Home**
- **Replacement of existing MRI and the purchase of an additional MRI**
- **Replacement of dental panoramic radiographic system**

Mr. Barabas updated the Board on the CON for Transplant that was approved earlier by the Board. He indicated the Department of Health has stated all dialysis units must be consolidated at one location which is different than what the CON stated. All parties have agreed all 36 stations will be located at ECMC.

Community Outreach

Ms. Ryce updated the Board on a recent Community Outreach meeting and outlined current initiatives being proposed including a Faith Community Luncheon and the Great Lakes Health radio show which is on WUFO 1080 every Wednesday morning. She indicated the committee would be reaching out to all Board members to be a guest on the show.

Adjournment of Open Session

There being no further business to discuss in open session, **upon motion made and duly seconded, Mr. Gioia adjourned the regular meeting of the Board and called the Board into Executive Session to discuss financial and strategic planning matters and Kaleida Health business.**

Return to Open Session

No voting occurred during Executive Session.

Approval of Kaleida Health CONs

Upon the recommendation of the Strategic and Community Health Planning Committee and upon motion duly made and seconded, the three proposed CONs for Kaleida Health were unanimously approved as presented.

The meeting was adjourned at 9:50 a.m.

Respectfully submitted,

Betsy A. Baumler