



**BOARD OF COMMISSIONERS  
ANNUAL MEETING  
September 24, 2019  
4:00PM**

**Meeting Location  
1515 N Flagler Drive, Suite 101  
West Palm Beach, FL 33401**

*If a person decides to appeal any decision made by the board, with respect to any matter at such meeting or hearing, he will need a record of the proceedings, and that, for such purpose, he may need to ensure that a verbatim record of the proceedings made, which record includes the testimony and evidence upon which the appeal is to be based.*



**DISTRICT BOARD ANNUAL MEETING AGENDA**  
**September 24, 2019 at 4:00 PM**  
**1515 N Flagler Drive, Suite 101**  
**West Palm Beach, FL 33401**

**1. Call to Order – Brian Lohmann, Chair**

- A. Roll Call
- B. Invocation
- C. Pledge of Allegiance
- D. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

**2. Agenda Approval**

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

**3. Awards, Introductions and Presentations**

- A. Recognition of Brian Lohmann. (Darcy Davis)

**4. Disclosure of Voting Conflict**

**5. Public Comment**

**6. Election of Officers**

- A. Chair
- B. Vice Chair
- C. Secretary

**7. Meeting Minutes**

- A. Staff recommends a MOTION TO APPROVE:  
Joint Board Meeting Minutes of July 30, 2019. [Pages 1-6]

**8. Committee Reports**

- 8.1 Finance and Audit Committee Report – (No Report)
- 8.2 Good Health Foundation Committee Report – (Commissioner Sabin)

**8. Committee Reports (Continued)**

8.3 Quality, Patient Safety and Compliance Committee – (No Report)

8.4 Lakeside Health Advisory Board Report – (No Report)

8.5 C.L. Brumback Primary Care Clinics Board Report – (No Report)

**9. Consent Agenda – Motion to Approve Consent Agenda Items**

**A. ADMINISTRATION**

**9A-1 RECEIVE AND FILE:**

September 2019 Internet Posting of District Public Meeting.

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=293&m=0|0&DisplayType=C>

**9A-2 RECEIVE AND FILE:**

Health Care District Board Attendance. [Page 7]

**9A-3 RECEIVE AND FILE:**

Proposed Meeting Schedule for 2020 Board Meetings. (Darcy Davis) [Pages 8-9]

**9A-4 Staff Recommends a MOTION TO APPROVE:**

Medical Staff Appointment(s) for Lakeside Medical Center. (Belma Andric)  
[Pages 10-12]

**9A-5 Staff Recommends a MOTION TO APPROVE:**

Amendment to the Health Care District Bylaws. (Valerie Shahriari) [Pages 13-42]

**9A-6 Staff Recommends a MOTION TO APPROVE:**

Amendment to the Quality, Patient Safety & Compliance Committee Charter  
(Valerie Shahriari) [Pages 43-52]

**9A-7 Staff Recommends a MOTION TO APPROVE:**

Amendment to the Finance & Audit Committee Charter.  
(Valerie Shahriari) [Pages 53-60]

**10. Regular Agenda**

**A. ADMINISTRATION**

**10A-1 Staff Recommends a MOTION TO APPROVE:**

Board Member Standing Committee Service. (Tom Cleare) [Pages 61-62]

**10A-2 Staff Recommends a MOTION TO APPROVE:**

Fiscal Year 2019 Healey Center Budget Amendment. (Mina Bayik) [Pages 63-66]

- 11. CEO Comments**
- 12. HCD Board Member Comments**
- 13. Establishment of Upcoming Board Meetings**

**December 10, 2019**

- 2:00PM Health Care District Board Meeting
- 14. Motion to Adjourn**





**HEALTH CARE DISTRICT OF  
PALM BEACH COUNTY  
BOARD OF COMMISSIONERS & FINANCE AND AUDIT COMMITTEE  
JOINT MEETING  
SUMMARY MINUTES  
July 30, 2019 at 2:00 p.m.  
600 Okeechobee Blvd.  
West Palm Beach, FL 33401**

**1. Call to Order**

Brian Lohmann called the meeting to order.

**A. Roll Call**

Health Care District Board members present included: Brian Lohmann, Chair; Nancy Banner, Vice Chair; Sean O'Bannon, Secretary; Cory Neering, Ed Sabin, Dr. Alonso, and Les Daniels.

Finance & Audit Committee members present included: Joseph Bergeron, Michael Burke, Richard Sartory, Mark Marciano and Joseph Gibbons.

Staff present included: Darcy Davis, Chief Executive Officer; Dr. Belma Andric, Chief Medical Officer; Dr. Tom Cleare, VP of Strategy; Karen Harris, VP of Field Operations; Steven Hurwitz, VP of Human Resources and Communications; Deborah Hall, Chief Compliance & Privacy Officer and Valerie Shahriari, General Counsel.

Recording/Transcribing Secretary: Heidi Bromley

**B. Invocation**

Ms. Davis led the invocation.

**C. Pledge of Allegiance**

The Pledge of Allegiance was recited.

**D. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.**

## **2. Agenda Approval**

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

**CONCLUSION/ACTION:** Commissioner O'Bannon made a motion to approve the agenda. The motion was duly seconded by Commissioner Banner. There being no opposition, the motion passed unanimously.

## **3. Awards, Introductions and Presentations**

- A. Recognition of Joan Roude.

Chair Lohmann stated that the Health Care District is fortunate to have many experienced professionals volunteer their time and talent to help guide our committees and Boards. Today I have the honor of recognizing a member of our governance who has volunteered with distinction for 14 years. Joan Roude began serving on the Health Care District's Finance Committee back in 2005. During her two terms on the Finance Committee, the Health Care District served a growing number of residents while reducing property taxes. Joan helped guide construction of our rural, teaching hospital and the new Healey Center. I was proud to have served alongside her. Most recently, she served as a member of the C. L. Brumback Primary Care Clinics Board. We recognize Joan for her guidance, leadership and commitment to this public agency's fiduciary health. She has taken great pride in all of the District's achievements...from the day Lakeside Medical Center opened its doors ten years ago this October to the ribbon-cutting event for the Healey Center in Riviera Beach. Thank you, Joan for being such a great asset to this health care system and a true advocate for patients and the taxpayers.

- B. 2019/2020 Budget.

Ms. Davis presented the 2019-2020 Budget to the Board and Finance & Audit Committee.

## **4. Disclosure of Voting Conflict**

Dr. Alonso stated that she would like to abstain from agenda item 9A-4; the Department of Health Master Agreement.

## **5. Public Comment**

Public comment was made by Maggie Gill.

Public comment was made by Don Chester.

6. **Meeting Minutes**

A. **Staff Recommends a MOTION TO APPROVE:**

Board Meeting Minutes of May 28, 2019.

**CONCLUSION/ACTION:** Commissioner Alonso made a motion to approve the Board Meeting Minutes of May 28, 2019 as presented. The motion was duly seconded by Commissioner Banner. There being no objection, the motion passed unanimously.

7. **Committee Reports**

7.1 Finance and Audit Committee Report – (No Report)

7.2 Good Health Foundation Committee Report – (Immediately Following Joint Meeting)

7.3 Quality, Patient Safety and Compliance Committee – (No Report)

7.4 Lakeside Health Advisory Board Report – (No Report)

7.5 C.L. Brumback Primary Care Clinics Board Report – (Commissioner Neering)

Commissioner Neering stated that the last meeting was held on June 26, 2019. We are in direct communication with and actively planning the AHCA inspection in the next few weeks at the Belle Glade Clinic.

8. **Consent Agenda – Motion to Approve Consent Agenda Items**

**CONCLUSION/ACTION:** Commissioner Alonso made a motion to approve the Consent Agenda items as presented. The motion was duly seconded by Commissioner O'Bannon. There being no objection, the motion passed unanimously.

A. **ADMINISTRATION**

8A-1 **RECEIVE AND FILE:**

July 2019 Internet Posting of District Public Meeting.

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=256&m=0|0&DisplayType=C>

8A-2 **RECEIVE AND FILE**

Health Care District Board Attendance.

8A-3 **Staff Recommends a MOTION TO APPROVE:**

Medical Staff Appointment(s) for Lakeside Medical Center.



- 8A-4 **Staff Recommends a MOTION TO APPROVE:**  
Initial Credentialing and Privileging of Healey Center Practitioner(s).
- 8A-5 **Staff Recommends a MOTION TO APPROVE:**  
Mediated Settlement Agreement and General Release.
- 8A-6 **RECEIVE AND FILE:**  
Lakeside Medical Center Confidential Public Records Request Quarterly Report.
- 8A-7 **Staff Recommends a MOTION TO APPROVE:**  
Procurement Controls Audit – Health Care District.
- 8A-8 **Staff Recommends a MOTION TO APPROVE:**  
Internal Audit Plan 2019-2020 Status Update and Follow-Up of Management Action Plan Items for Completed Internal Audits.
- 8A-9 **Staff Recommends a MOTION TO APPROVE:**  
Lakeside Medical Center Pharmacy Clean Room Renovation Costs.
- 8A-10 **Staff Recommends a MOTION TO APPROVE:**  
Healthy Palm Beaches Certificate of Authority.

**9. Regular Agenda**

**A. ADMINISTRATION**

- 9A-1 **RECEIVE AND FILE:**  
Health Care District Financial Statements June 2019.

Ms. Bayik presented the Health Care District Financial Statements for June 2019.

**CONCLUSION/ACTION: Received and filed.**

- 9A-2 **Staff Recommends a MOTION TO APPROVE:**  
Tentative Millage Rate.

Ms. Davis stated that the District tax rate in 2019 was 0.7261 mills. Staff is recommending the 2020 proposed tentative millage rate be set at 0.6898, which is 5% under the 2019 tax rate and 0.43% under the rolled-back rate of 0.6928. The rolled-back rate is the tax rate which generates the same amount of tax revenue as the previous year, excluding new construction. The proposed tentative millage rate represents the tax rate the Board cannot exceed when it sets the final rate at the September TRIM hearings. Staff recommends the Board set a proposed tentative millage rate of 0.6898 mills.

**CONCLUSION/ACTION:** Commissioner Daniels made a motion to reject the recommendation by staff and propose a revised motion to set the Tentative Millage Rate at 0.7261. The motion was duly seconded by Commissioner Neering. There being no objection, the motion passed unanimously.

**9A-3 Staff Recommends a MOTION TO APPROVE:**  
Board and Committee Meeting Calendar.

Dr. Cleare stated that in 2017, the District Board changed its meeting schedule to every other month resulting in 7 meetings per year (2 meetings each September for the required 2 TRIM hearings). Since implementing the change to 7 meetings per year the RFP and RFQ policy and procedure has changed significantly reducing the number of RFPs and RFQs. As a result, this agenda item presents a recommendation to change the Board meeting schedule to quarterly, with 2 meetings each September, for a total of 5 meetings per year. The Finance and Audit Committee meeting schedule would also change to quarterly, with 4 meetings each year on the same day as the Board meetings. The Quality, Patient Safety, and Compliance Committee meeting schedule would continue with its existing quarterly meeting schedule. Staff recommends the Board approve the revised Board and Committee Meeting Calendar.

**CONCLUSION/ACTION:** Commissioner Alonso made a motion to approve the Board and Committee Meeting Calendar. The motion was duly seconded by Commissioner Daniels. There being no objection, the motion passed unanimously.

**9A-4 Staff Recommends a MOTION TO APPROVE:**  
Department of Health Master Agreement.

Dr. Cleare stated that For the period 7/1/2019 – 6/30/2020, the District and DOH have drafted a new Master Agreement to reflect the new subsidy methodology and to remove some outdated terms from the prior Master Agreement and Amendments. The new Master Agreement will address funding for the preventive and specialty services through a subsidy methodology. The subsidy amount was derived from the budget-based funding required to provide the services. The contracted amount represent 14.68%, or \$8,507,947 of the State/County Contract, which is the County Health Department's (CHD) Authorized Annual Budget. The expenses for the space utilized by the District's Primary Care Clinics, Eligibility Department, and Pharmacy locations will continue to be paid at a rate of \$20.00 per square foot for a total of \$829,920 annually. Staff recommends the Board approve the Department of Health Master Agreement.

**CONCLUSION/ACTION:** Commissioner Sabin made a motion to approve the Department of Health Master Agreement. The motion was duly seconded by Commissioner Daniels. There being no objection, the motion passed unanimously.

10. **CEO Comments**
11. **Finance & Audit Committee Member Comments**
12. **HCD Board Member Comments**
13. **Establishment of Upcoming Board Meetings**

**September 10, 2019**

- 4:00PM, Health Care District Board Meeting
- 5:15PM, Truth In Millage (TRIM) Meeting

**September 24, 2019**

- 4:00PM, Health Care District Board Meeting
- 5:15PM, Truth In Millage (TRIM) Meeting

**November 26, 2019**

- 2:00PM, Joint Meeting with Lakeside Health Advisory Board

14. **Motion to Adjourn**

There being no further business, the meeting was adjourned.

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Sean O'Bannon, Secretary

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Date

**HEALTH CARE DISTRICT OF  
PALM BEACH COUNTY  
BOARD OF COMMISSIONERS**

**Attendance Tracking  
2019 Board Meetings**

	<b>1/29/19</b>	<b>3/26/19</b>	<b>5/28/19</b>	<b>7/30/19</b>	<b>9/10/19</b>	<b>9/24/19</b>	<b>12/10/19</b>
Brian Lohmann	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>			
Nancy Banner	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>		
Alina Alonso	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>		
Leslie Daniels		<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>		
Sean O'Bannon	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>		
Cory Neering	<b>x</b>		<b>x</b>	<b>x</b>	<b>x</b>		
Ed Sabin	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>	<b>x</b>		

# **HEALTH CARE DISTRICT BOARD**

**September 24, 2019**

**1. Description: Proposed Schedule for 2020 Board Meetings**

**2. Summary:**

This agenda item provides the Board with the proposed schedule for 2020 Board Meetings.

**3. Substantive Analysis:**

In September, the Health Care District will convene two (2) Truth In Millage (TRIM) meetings. The actual dates will be determined once other taxing authorities establish their TRIM dates.

**March 10, 2020**

- 2:00PM, Health Care District Board Meeting

**March 11, 2020**

- 9:00AM, Health Care District Strategic Planning

**June 9, 2020**

- 2:00PM, Joint Meeting with the Finance & Audit Committee

**(1<sup>st</sup>) September Meeting (Date TBD)**

- 4:00PM, Joint Meeting with the Finance & Audit Committee
- 5:15PM, Truth In Millage (TRIM) Meeting

**(2<sup>nd</sup>) September Meeting (Date TBD)**

- 4:00PM, Health Care District Board Annual Meeting (Officer Elections)
- 5:15PM, Truth In Millage (TRIM) Meeting

**December 8, 2020**

- 2:00PM, Health Care District Board Meeting



# HEALTH CARE DISTRICT BOARD

September 24, 2019

## 4. Fiscal Analysis & Economic Impact Statement:

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

N/A

Joel Snook, CPA  
VP & Chief Financial Officer

## 5. Reviewed/Approved by Committee:

N/A

Committee Name

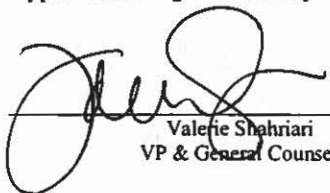
N/A

Date Approved

## 6. Recommendation:

Staff recommends the Board receive and file the Schedule for 2020 Board Meetings.

Approved for Legal sufficiency:

  
Valerie Shahriari  
VP & General Counsel

  
Darcy J. Davis  
Chief Executive Officer

**HEALTH CARE DISTRICT BOARD**  
**September 24, 2019**

**1. Description: Medical Staff Appointment(s) for Lakeside Medical Center**

**2. Summary:**

The agenda item represents the practitioner(s) recommended for Medical Staff appointment by the Medical Executive Committee of Lakeside Medical Center.

**3. Substantive Analysis:**

The practitioner(s) listed below satisfactorily completed the credentialing and privileging process and met the standards set forth within the approved Medical Staff Bylaws. The credentialing and privileging process ensures that all Medical Staff meet specific criteria and standards of professional qualifications; this criterion includes, but is not limited to:

- Current licensure
- Relevant education, training and experience
- Current clinical and professional competence
- Health fitness and ability to perform requested privileges
- Malpractice history and liability insurance coverage
- Immunization status; and
- Applicable life support training

Last Name	First Name	Degree	Specialty	Appointment	Privileges
Albrektson	Joshua	MD	Radiology	Initial Appointment	Provisional
Alkhairy	Tahir	MD	Radiology	Initial Appointment	Provisional
Bennett	Johnica	APRN	Nurse Practitioner	Initial Appointment	Provisional
Caverly	Jeffrey	MD	Radiology	Initial Appointment	Provisional
Chatham	James	MD	Radiology	Initial Appointment	Provisional
Gupta	Supriya	MD	Radiology	Initial Appointment	Provisional
Harding	Patricia	MD	Obstetrics and Gynecology	Initial Appointment	Provisional
Kuehn	Nicolaus	MD	Radiology	Initial Appointment	Provisional
Kurapati	Surender	MD	Radiology	Initial Appointment	Provisional
Lanthiez	Pierre	MD	Radiology	Initial Appointment	Provisional
Lucas	Daniel	MD	Radiology	Initial Appointment	Provisional
Massrour	Kamiar	MD	Radiology	Initial Appointment	Provisional
Nigam	Vinod	MD	Radiology	Initial Appointment	Provisional
Patel	Atul	MD	Radiology	Initial Appointment	Provisional
Qureshi	Huma	MD	Radiology	Initial Appointment	Provisional

# HEALTH CARE DISTRICT BOARD

September 24, 2019

Reed	Peilini	MD	Radiology	Initial Appointment	Provisional
Reuter	Robert	MD	Radiology	Initial Appointment	Provisional
Shafaie	Farid	MD	Radiology	Initial Appointment	Provisional
Shirley	Lauren	PA	Physician Assistant	Initial Appointment	Provisional
Vincent	Alix	MD	Radiology	Initial Appointment	Provisional
Wells	David	MD	Radiology	Initial Appointment	Provisional
Wilkinson	Hugh	MD	Obstetrics and Gynecology	Initial Appointment	Provisional
Abbas	Rahat	MD	Internal Medicine	Reappointment	Active
Kulatunga	Sudhira	MD	Pediatrics/Neonatology	Reappointment	Active
Oshier	Joseph	MD	Pediatrics/Neonatology	Reappointment	Active
Panchal	Rishi	DO	Cardiology	Reappointment	Active
Putkowski	Jacob	PA	Physician Assistant	Reappointment	Allied Health Professional
Rios	Luis	MD	Pediatrics/Neonatology	Reappointment	Active

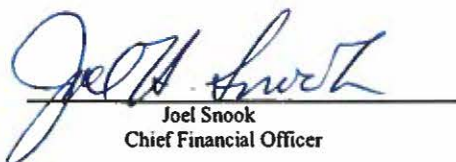
Primary source and secondary source verifications were performed for credentialing and privileging elements in accordance with regulatory requirements. A nationally accredited Credentials Verification Organization (CVO) was utilized to verify the elements requiring primary source verification.

Lakeside Medical Center utilized internal Credentialing staff and the Medical Executive Committee to support the credentialing and privileging process. The Medical Executive Committee is comprised of a multi-specialty panel of practitioners with current privileges at Lakeside Medical Center.

## 4. Fiscal Analysis & Economic Impact Statement:

	Amount	Budget
Capital Requirements		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Annual Net Revenue		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Annual Expenditures		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

  
Joel Snook  
Chief Financial Officer

**HEALTH CARE DISTRICT BOARD**  
**September 24, 2019**

**5. Reviewed/Approved by Committee:**

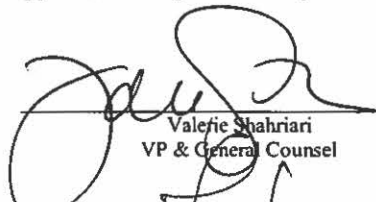
Lakeside Medical Center  
Medical Executive Committee  
\_\_\_\_\_  
Committee Name


September 12, 2019  
\_\_\_\_\_  
Date Approved

**6. Recommendation:**

Staff recommends the Board approve the Medical Staff Appointment(s) for Lakeside Medical Center.

Approved for Legal sufficiency:

  
\_\_\_\_\_  
Valerie Shahriari  
VP & General Counsel

  
\_\_\_\_\_  
Belma Andric, MD, MPH  
Chief Medical Officer

  
\_\_\_\_\_  
Darryl J. Davis  
Chief Executive Officer



# HEALTH CARE DISTRICT BOARD MEETING

September 24, 2019

**1. Amendment to the Health Care District Bylaws**

**2. Summary:**

This item presents a proposed amendment to the Health Care District Bylaws.

**3. Substantive Analysis:**

The charter was last updated on May 28, 2019. The District proposes amending the Section 4.3 titled, Regular Meetings. The new language specifies that, regular meetings of the Board shall be conducted quarterly. Attached for your review is the following document:

- Updated version of the bylaws showing the proposed amendment; and,
- A clean version of the bylaws to be adopted.

**4. Fiscal Analysis & Economic Impact Statement:**

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

  
Joel Snook, CPA  
VP & Chief Financial Officer

**5. Reviewed/Approved by Committee:**

N/A

Committee Name

N/A

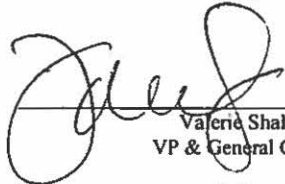
Date Approved

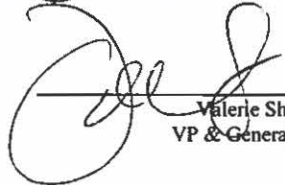
**6. Recommendation:**

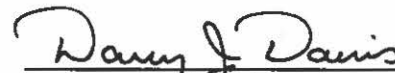
Staff recommends the Board approve the amendment to the Health Care District Bylaws.

**HEALTH CARE DISTRICT BOARD MEETING**  
**September 24, 2019**

Approved for Legal sufficiency:

  
\_\_\_\_\_  
Valerie Shahriari  
VP & General Counsel

  
\_\_\_\_\_  
Valerie Shahriari  
VP & General Counsel

  
\_\_\_\_\_  
Darryl J. Davis  
Chief Executive Officer



# Bylaws of The Health Care District of Palm Beach County

Version Dated: ~~May 28, 2019~~September 24, 2019

**BYLAWS  
OF THE  
HEALTH CARE DISTRICT  
OF PALM BEACH COUNTY**

	<b><u>Table of Contents</u></b>	<b><u>Page</u></b>
<b>Section 1</b>	<b>Statutory Authority</b>	<b>1</b>
<b>Section 2</b>	<b>Governing Board</b>	<b>1</b>
<b>Section 3</b>	<b>Officers</b>	<b>4</b>
<b>Section 4</b>	<b>Meetings</b>	<b>5</b>
<b>Section 5</b>	<b>Conflicts of Interest</b>	<b>7</b>
<b>Section 6</b>	<b>Chief Executive Officer</b>	<b>8</b>
<b>Section 7</b>	<b>Committees</b>	<b>8</b>
<b>Section 8</b>	<b>Subsidiary Boards</b>	<b>10</b>
<b>Section 9</b>	<b>Subsidiary and Affiliated Entities</b>	<b>10</b>
<b>Section 10</b>	<b>Miscellaneous</b>	<b>11</b>



# **BYLAWS OF THE HEALTH CARE DISTRICT PALM BEACH COUNTY**

## **Section 1 – Statutory Authority, Purpose, Mission and Vision**

- 1.1 **Statutory Authority.** These Amended and Restated Bylaws of the Health Care District of Palm Beach County (the “District”) have been adopted as the Bylaws of the District (the “Bylaws”) by the District’s governing board pursuant to the authority conferred upon the governing board by the Florida Legislature in 1987 (Chapter 87-450, Laws of Florida), as amended and codified by Chapters 88-460, 91-344, 92-340, 93-382, 96-509, 2000-489 and 2003-326 Laws of Florida (the “Health Care Act”).
- 1.2 **Health Care District of Palm Beach County.** The term “District,” as used in these Bylaws, means the Health Care District of Palm Beach County and all affiliated entities.
- 1.3 **Purpose.** The purpose of the District as set forth in the Health Care Act is to be a source of funding for indigent and medically needy residents of Palm Beach County and to maximize the health and well-being of Palm Beach County residents by providing comprehensive planning, funding and coordination of health care services.
- 1.3 **Mission.** The mission of the District is to be the health care safety net for Palm Beach County.
- 1.4 **Vision.** The vision of the District is to meet changes in health care to keep the District’s community healthy.

## **Section 2 – Governing Board and Board Members**

- 2.1 **Governing Board.** The District’s Governing Board shall be known as the Board of the Health Care District of Palm Beach County (“Board”).
- 2.2 **Qualifications.** As set forth in the Health Care Act, a Board member or the spouse of a Board member may not, at the time of appointment or for 1 year prior to appointment or during the term of the District Board member:
  - a. Have any financial interest, other than ownership of shares in a mutual fund, pension plan, or profit-sharing plan, in any entity which, either directly or indirectly, receives funds from the District.
  - b. Be employed, retained by, or engaged in any activity with any entity which, either directly or indirectly, receives funds from the District, except for the director of the Palm Beach County Public Health Department.

- c. Serve on the board of directors or board of trustees of any entity, which either directly or indirectly, receives funds from the District.
- 2.3 **General Powers.** Consistent with the purpose set forth herein, the Board is vested with the authority to provide for the comprehensive planning, funding and coordination of health care services for the residents of Palm Beach County. For that purpose, the Board shall have and may utilize all enumerated general powers as set forth in the Health Care Act.
- 2.4 **Role.** The Board's general powers and responsibilities as set forth in the Health Care Act and herein shall be exercised as a whole body and not through the actions of any one member. The Board shall rely on the Chief Executive Officer to manage the District's daily operations and the Board shall not interfere with said management. For the purposes of information and inquiry, individual Board members may directly ask questions or request information from District officers.
- 2.5 **Responsibilities.** The governance and business of the District is conducted by the Board with due attention to the District's purpose, mission and vision. Responsibilities of the Board include, but are not necessarily limited to:
- a. Plan, set policy and oversee the provision of health care services, programs and facilities with and without other public and/or private health care providers for all residents and users in Palm Beach County;
  - b. Oversee and approve agreements, leases, contracts, deeds, notes and other instruments for the acquisition, establishment, construction, operations and/or maintenance of such health care services, programs and facilities as shall be necessary for the health care needs of the residents and users in Palm Beach County;
  - d. Accountable for monitoring and oversight of the quality of all health care services provide by the District;
  - e. Oversee the compliance and ethics program and review matters related to compliance with federal and state laws and federal health care program requirements;
  - d. Oversee the engagement of professional service providers and consultants as may be necessary in its judgment to assist the Board in accomplishing the District's mission;
  - e. Annually determine and approve a District budget and millage in accordance with Florida law and the Health Care Act;
  - f. Promulgate and adopt general policies for the operation of the District;
  - g. Review and approve the mission and vision statement of the District;

- h. Approve and oversee the District's strategic plan and maintain strategic oversight of implementation;
- i. Serve on or act as the Board of Directors for any subsidiary or affiliated entity established by the District;
- j. Establish and support affiliate entities to assist the District in fulfilling its mission;
- k. Review the bylaws, charters or policies of any subsidiary entity subject to Board approval;
- l. Appoint and/or remove and credential medical staff members and grant, limit or deny specific clinical privileges upon recommendations from the appropriate committee;
- m. Retain fiduciary responsibility and authority for all aspects of operations of its subsidiary entities including approving the budgets for each;
- n. Address such other responsibilities as may be contemplated and/or determined by the Health Care Act, applicable law and/or the Board.

All of the foregoing responsibilities are hereby found and declared to be a public purpose and necessary for the preservation of the public health, for the public good, and for the welfare of the residents of Palm Beach County.

**2.6 *Fiduciary Duties.*** The Board shall exercise all of its powers and responsibilities as set forth in applicable law, the Health Care Act and these Bylaws with the following fiduciary duties:

- a. Care: which refers to the obligation of Board members to exercise proper diligence of care in their decision making process;
- b. Loyalty: which requires Board members to discharge their obligations unselfishly, in a manner designed to benefit only the organization and not the Board member personally; and
- c. Obedience: which requires that Board members be faithful to the underlying purpose, mission and goals of the District as set forth in the Health Care Act, these Bylaws and District policies.

**2.7 *Compensation; Reimbursement of Expenses.*** No Board member shall be entitled to receive from the District compensation for service on the Board or any committee of the Board. Members of the Board shall be entitled to receive from the District reimbursement for the actual expenses, including travel expenses, incurred by such member consistent with District policies and procedures.



### Section 3 – Officers

- 3.1 **Officers.** The Board Officers shall consist of a Chair, Vice Chair, and Secretary. The Board Officers shall be elected at the annual meeting and shall hold office for a one (1) year term. Officers may not hold the same office for more than three (3) full terms. Vacancy in office shall be filled by special Board election as soon as reasonably possible. Any Board Officer can be recalled from office by a vote of four (4) members of the Board.
- 3.2 **Chair.** Recognizing the Chair's responsibility to maintain the integrity of corporate governance, the Board Chair has primary responsibility to:
- a. Preside over and conduct all meetings of the Board;
  - b. Set a high standard of Board conduct by modeling rules of conduct as set forth in these Bylaws;
  - c. Serve as an ex-officio member of all committees of the Board;
  - d. Establish ad hoc committees, the term of which may not exceed the term of the Chair;
  - e. Propose mission based goals;
  - f. Build cohesion among and between the Board and Chief Executive Officer and to apportion responsibilities;
  - g. Encourage effective Board self-evaluation;
  - h. Facilitate the Chief Executive Officer's performance evaluation and compensation process;
  - i. Represent and execute the will of the majority of the Board; and
  - j. Perform all of the duties usually pertaining to the office of Chair.
- 3.3 **Vice-Chair.** The Vice Chair shall assume the duties of the Chair in the absence of the Chair.
- 3.4 **Secretary.** The Secretary of the Board shall:
- a. Ensure that the minutes of the meeting are accurate;
  - b. Assume the duties of the Chair in the absence of the Chair and Vice Chair;
  - c. Certify, by signature, upon receipt and approval by the Board of meeting

minutes;

- d. Certify other official papers of the Board as required; and
- e. Perform all other duties usually pertaining to the office of Secretary.

#### **Section 4 - Meetings**

- 4.1 **Meetings.** The Meetings of the Board shall be the Annual, Regular and Special meetings. The Board may also conduct joint meetings with its subsidiary and affiliated boards and entities and standing committees. All meetings or portions thereof shall be open to the public unless otherwise provided for by law.
- 4.2 **Annual Meeting.** The Regular Board meeting in September of each year shall constitute the annual meeting of the Board. Officers of the Board shall be elected and the newly elected Officers shall take office at the next Regular meeting. The Chief Executive Officer may cancel and/or reschedule the Annual meeting, upon proper notice to Board members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.
- 4.3 **Regular Meetings.** Regular meetings of the Board shall be conducted ~~monthly~~quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Board members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.
- 4.4 **Special Meetings.** The Board may convene Special Meetings. Such Special Meetings shall include but not be limited to:
  - a. **Emergency Meetings.** If a bona fide emergency situation exists, an Emergency meeting of the Board may be called by the Chair, Vice Chair or Chief Executive Officer. An Emergency meeting shall be noticed as time reasonably permits under the situation. All actions taken at an Emergency meeting shall be ratified by the Board at the next Regular meeting. The annual budget and millage shall not be approved at an Emergency meeting.
  - b. **Attorney-Client Meetings.** The Board may conduct closed Attorney-Client meetings pursuant to section 286.011, Florida Statutes, which includes, but is not limited to, to discuss pending litigation when the District and/or one or more of its subsidiary entities is presently a party before a court or administrative agency. The Attorney-Client meeting must be requested in a public meeting of the Board, publicly noticed and conducted consistent with the requirements of section 286.011, Florida Statutes. The Attorney-Client meeting may be combined with other meetings of the Board or held separately. No official business shall be transacted at the Attorney-Client meetings.



- c. **Workshop Meetings.** The Chair, Vice Chair or Chief Executive Officer may call for a Workshop meeting. Public notice of each Workshop meeting shall be given as required by law. No official business shall be transacted at the Workshop meetings.
  - d. **Risk Management Meetings.** At the request of the Chair, Vice Chair or Chief Executive Officer, the Board may conduct closed Risk Management meetings as authorized by law to evaluate claims or offers to compromise claims made against the District and/or one or more of its subsidiary entities. Public notice of each Risk Management meeting shall be given as required by law. No official Board business shall be transacted at the Risk Management meetings.
  - e. **Other Special Meetings.** The Chair, Vice Chair or Chief Executive Officer may call such other Special meetings authorized by and in a manner consistent with law.
- 4.5 **Attendance.** Regular attendance shall be expected for all Board members. If a member misses more than twenty-five percent (25%) of the Regular Board meetings during a twelve (12) month period, the Chair shall advise the appropriate appointing authority.
- 4.6 **Quorum and Procedure.** The presence of a majority of the appointed members of the Board shall be necessary at any meeting to constitute a quorum or to transact business. A quorum is not required for any Special meeting where official business is not to be transacted.
- The Board shall promulgate rules of order for the conduct of all Board meetings. All procedural matters not addressed in said rules of order, or by these Bylaws, shall be governed by the latest edition of "Roberts Rules of Order."
- 4.7 **Voting.** Actions of the Board require a simple majority of the members present at a given meeting. Each Board member shall have one vote. Except as provided herein for attendance and voting by telephonic or electronic communication, members must be present to vote at a meeting and members may not vote by secret ballot or by proxy or designee. Unless otherwise required by law, matters requiring an affirmative vote of at least four (4) Board members include:
- a. Revisions and/or modification to these Bylaws;
  - b. Engagement or termination of the Chief Executive Officer; and,
  - c. Issuance of General Obligation and/or Revenue Bonds.
- 4.8 **Meeting Minutes.** Minutes of each meeting shall be accurately taken, preserved, and provided to members timely at a regular meeting.
- 4.9 **Agenda and Order of Business for Meetings.** There shall be an agenda for every meeting of the Board. However, the Board is not prohibited from discussing and/or taking action

on an item or matter not specified in the agenda. If an item is added to the agenda after public comment has occurred, public comment should be allowed for the added item if the Board is to take official action on the item and public comment has not previously occurred on the item.

4.10 ***Attendance and Voting by Telephonic or Electronic Communication.*** If a quorum of the Board is physically present at a Board meeting and at the time of a Board vote, other members of the Board may participate and vote by telephonic or electronic communication provided that such members are:

- a. Physically outside the borders of Palm Beach County; or
- b. Unable to attend the meeting due to illness of the Board member; or
- c. Unable to attend the meeting due to some unforeseen circumstance beyond the Board member's control.

If a quorum is not required for any Special meeting where official business is not to be transacted, a Board member may participate by telephonic or electronic communication without a quorum being physically present at the Special meeting.

The District shall ensure that any telephonic or electronic communication utilized to permit board members to participate and/or vote in a Board meeting is properly amplified or displayed so that all attending the meeting can hear and/or see the board member's comments and/or vote and so that the board member can hear and/or see all other board members' comments and/or votes and the comments of other participants in the meeting.

No more than two (2) Board members may participate in a Board meeting by telephonic or electronic communication.

No Board member may participate by telephonic or electronic communication in the statutorily required public hearings for the adoption of the annual budget or the setting of the annual millage rate.

## **Section 5 - Conflicts of Interest**

5.1 ***General.*** Board members shall not enter into contracts or agreements that would be or give the appearance of being a conflict of interest.

5.2 ***Conflict of Interest.*** Members of the Board are subject to Florida law pertaining to avoidance of conflicts of interest in holding public office, including but not limited to, Part III of Chapter 112, Florida Statutes, the Code of Ethics for Public Officers and Employees, as well as any and all other applicable standards as set forth by applicable regulatory and accreditation agencies.

5.3 ***Prohibited Financial Interests.*** No Board member, administrator, employee or

representative of the District, nor any person, organization or agency shall, directly or indirectly, be paid or receive any commission, bonus, kickback, rebate or gratuity or engage in any fee-splitting arrangement in any form whatsoever for the referral of any patient to the District.

#### **Section 6 - Chief Executive Officer**

6.1 **Chief Executive Officer.** The Board shall select, appoint and employ a competent Chief Executive Officer. The authority and duties of the Chief Executive Officer shall be:

- a. Achieving those goals and objectives, and implementing policies and programs established by the Board;
- b. Ensuring that a comprehensive plan for the efficient delivery of health care services in Palm Beach County is developed and implemented;
- c. Establish a corporate office in Palm Beach County, Florida, and take such measures as are necessary to establish and assure the efficient operation of such facilities;
- d. Prepare and submit an annual budget and proposed millage;
- e. Select, appoint, employ, discipline and discharge all employees authorized by the budget; provided that, the foregoing shall not restrain those employees who owe a fiduciary duty to the Board;
- f. Supervise all business activities of the District and serve as the Chief Executive Officer or executive director of any District subsidiary entity as set forth in the entity's bylaws;
- g. Attend meetings of the Board and its committees;
- h. Make purchases and resolve legal claims as set forth by policy; and
- i. Perform any and all other duties that may be necessary to serve the best interests of the District.

#### **Section 7 – Committees**

7.1 **Committees.** The Board and/or Chair may designate standing or ad hoc committees necessary to promote oversight of District operations. Except as stated herein, District committees shall be advisory only and shall have no power or authority to act on behalf of the Board or of the District.

7.2 **Standing Committees.** Standing committees shall have the power to act only as stated in these Bylaws, the committee's Board approved charter or bylaws or as conferred by the Board. The standing committees of the Board are:



- a. ***Finance and Audit.*** The Finance and Audit committee is responsible for reviewing the short, intermediate, and long range financial plans of the District, which includes reviewing the District's financial statements, the proposed annual budget, amendments to the annual budget, investments, grant compliance, insurance, building construction contracts and leases, revenue cycle oversight, physician compensation and benefits (FMV reports) and employee compensation and benefits. The Finance and Audit committee also reviews competitive purchasing solicitations which are anticipated to exceed \$100,000 in anticipated cost to the District. The Finance and Audit committee is also responsible for the oversight of the internal audit function and the external financial audit.
- b. ***Quality, Patient Safety and Compliance.*** The Quality, Patient Safety and Compliance committee shall assist the Board with accountability for monitoring and oversight of the quality, patient safety, compliance and privacy program, corporate ethics and risk management activities of the District and its affiliated entities and promote an organizational "Culture of Quality". This includes assisting in the oversight of provider credentialing and peer review.

7.3 ***Ad Hoc Committees.*** The Board or Chair may designate ad hoc committees as necessary to assist with short term decisions facing the organization. The ad hoc committees may include, but are not limited to:

- a. ***Governance and Board Development Committee.*** The Governance and Board Development committee may review and recommend revisions to the Bylaws as appropriate, and to recommend the enactment of policies responsive to decisions made by the Board which have a significant and on-going impact on the operations of the District.
- b. ***Chief Executive Evaluation and Compensation.*** The Chief Executive Officer Evaluation and Compensation committee may be responsible for performing an annual performance evaluation of the Chief Executive Officer and recommending to the Board a base pay, incentives and benefits package for the Chief Executive Officer.
- c. ***Nominating Committee.*** The Nominating Committee may be responsible for identifying qualified individuals to serve on subsidiary boards and committees.

7.4 ***General Composition.*** A minimum of two (2) Board members shall be appointed to each standing committee of the Board, one of which will chair the committee. The remainder of the standing committee shall have at least five (5) but no more than nine (9) members. The District Board shall appoint standing committee members to a four (4) year term, commencing on the date of appointment, with standing committee membership limited to two (2) full terms unless otherwise recommended by the standing committee and approved by the Board. The compositions of each standing committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for that respective

committee. Membership on ad hoc committees shall be established by the Board or the Chair.

- 7.5 ***Attendance.*** Regular attendance shall be expected for all committee members. If a member misses more than twenty-five percent (25%) of the regular committee meetings during a twelve (12) month period, the committee shall advise the Board which may remove the committee member and appoint a new member.
- 7.6 ***Standing Committee Charters.*** Each standing committee shall create a written charter detailing the standing committee's responsibilities as summarized in these bylaws and addressing all matters related to the administration of the standing committee. Each standing committee shall have the authority to amend its charter from time to time with each approved charter being provided to the Board for informational purposes.

### **Section 8 – Subsidiary Boards**

- 8.1 ***Subsidiary Boards.*** The Board may create subsidiary boards to assist the District in fulfilling its mission. The Board shall appoint board members to the subsidiary boards as set forth in each subsidiary board's bylaws. Except as approved by the Board, District subsidiary boards shall be advisory only and shall have no power or authority to act on behalf of the Board or of the District.
- 8.2 ***General Composition and Attendance.*** The general composition and attendance requirements for the District's subsidiary boards shall be set forth in the subsidiary board's bylaws or charters.
- 8.3 ***Existing Subsidiary Boards.*** The existing subsidiary board is Lakeside Health Advisory. Lakeside Health Advisory Board shall review and monitor the District's delivery of health care services in the Glades community; serve as health care advocates for the Glades community; and, make recommendations regarding the services provided at Lakeside Medical Center and recommendations for health care initiatives in the Glades community.

### **Section 9 – Subsidiary and Affiliated Entities**

- 9.1 ***Subsidiary and Affiliated Entities.*** The Board may create subsidiary and affiliated entities to assist the District in fulfilling its mission. The Board shall appoint board members to the subsidiary and affiliated entities as set forth in each entity's bylaws.
- 9.2 ***General Composition and Attendance.*** The general composition and attendance requirements for the District's subsidiary and affiliated entities shall be set forth in the entities' bylaws.
- 9.3 ***Existing Subsidiary and Affiliated Entities.*** The existing subsidiary and affiliated entities are:

- a. ***District Clinic Holdings.*** District Clinic Holdings, Inc., is an affiliate entity of the District. District Clinic Holdings is responsible for the governance, management and oversight of the C.L. Brumback Primary & Dental Care clinics including, without limitation, credentialing of all clinic providers. The District Clinic Holdings' board is vested with all power and authority as directed by federal and state regulations with regards to its responsibilities.
- b. ***Healthy Palm Beaches.*** Healthy Palm Beaches, Inc., is a subsidiary entity of the District. Healthy Palm Beaches is responsible for the governance, management and oversight of the District's Health Maintenance Organization. The Healthy Palm Beaches' board is vested with all power and authority as directed by federal and state regulations with regards to its responsibilities.
- c. ***Good Health Foundation.*** The Good Health Foundation, Inc., is a subsidiary entity of the District. The Good Health Foundation is responsible for the governance, management and oversight of donations to support the District's mission. The Good Health Foundation's board is vested with all power and authority consistent with general law with regards to its responsibilities.

#### **Section 10 - Miscellaneous**

- 10.1 ***Amendments.*** These Bylaws may be amended, repealed, or changed at any Regular or Special meeting of the Board by the affirmative vote of four (4) members of the Board, provided that notice containing the general effect and intent of the proposed amendments has been given to all members of the Board at least ten (10) days prior to such meeting, which notice may be waived by vote to approve an amendment, repeal or change to these Bylaws.
- 10.2 ***Subject to Law and Health Care Act.*** All powers, authority and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the provisions of the Health Care Act and applicable laws.
- 10.3 ***Construction.*** These Bylaws shall be construed to conform with, and when necessary, shall be amended to conform to the provisions of the Health Care Act.

### **CERTIFICATE**

This is to certify that I am the Secretary of the Board of the Health Care District of Palm Beach County and the foregoing Amended and Restated Bylaws were duly adopted by said District Board at a meeting held on the ~~28~~<sup>4</sup>~~th~~ day of ~~May~~September, 2019.

By: \_\_\_\_\_  
Sean O'Bannon  
Secretary



# **Bylaws of The Health Care District of Palm Beach County**

**Version Dated: September 24, 2019**



**BYLAWS  
OF THE  
HEALTH CARE DISTRICT  
OF PALM BEACH COUNTY**

	<b><u>Table of Contents</u></b>	<b><u>Page</u></b>
<b>Section 1</b>	<b>Statutory Authority</b>	<b>1</b>
<b>Section 2</b>	<b>Governing Board</b>	<b>1</b>
<b>Section 3</b>	<b>Officers</b>	<b>4</b>
<b>Section 4</b>	<b>Meetings</b>	<b>5</b>
<b>Section 5</b>	<b>Conflicts of Interest</b>	<b>7</b>
<b>Section 6</b>	<b>Chief Executive Officer</b>	<b>8</b>
<b>Section 7</b>	<b>Committees</b>	<b>8</b>
<b>Section 8</b>	<b>Subsidiary Boards</b>	<b>10</b>
<b>Section 9</b>	<b>Subsidiary and Affiliated Entities</b>	<b>10</b>
<b>Section 10</b>	<b>Miscellaneous</b>	<b>11</b>

# **BYLAWS OF THE HEALTH CARE DISTRICT PALM BEACH COUNTY**

## **Section 1 – Statutory Authority, Purpose, Mission and Vision**

- 1.1 **Statutory Authority.** These Amended and Restated Bylaws of the Health Care District of Palm Beach County (the “District”) have been adopted as the Bylaws of the District (the “Bylaws”) by the District’s governing board pursuant to the authority conferred upon the governing board by the Florida Legislature in 1987 (Chapter 87-450, Laws of Florida), as amended and codified by Chapters 88-460, 91-344, 92-340, 93-382, 96-509, 2000-489 and 2003-326 Laws of Florida (the “Health Care Act”).
- 1.2 **Health Care District of Palm Beach County.** The term “District,” as used in these Bylaws, means the Health Care District of Palm Beach County and all affiliated entities.
- 1.3 **Purpose.** The purpose of the District as set forth in the Health Care Act is to be a source of funding for indigent and medically needy residents of Palm Beach County and to maximize the health and well-being of Palm Beach County residents by providing comprehensive planning, funding and coordination of health care services.
- 1.3 **Mission.** The mission of the District is to be the health care safety net for Palm Beach County.
- 1.4 **Vision.** The vision of the District is to meet changes in health care to keep the District’s community healthy.

## **Section 2 – Governing Board and Board Members**

- 2.1 **Governing Board.** The District’s Governing Board shall be known as the Board of the Health Care District of Palm Beach County (“Board”).
- 2.2 **Qualifications.** As set forth in the Health Care Act, a Board member or the spouse of a Board member may not, at the time of appointment or for 1 year prior to appointment or during the term of the District Board member:
  - a. Have any financial interest, other than ownership of shares in a mutual fund, pension plan, or profit-sharing plan, in any entity which, either directly or indirectly, receives funds from the District.
  - b. Be employed, retained by, or engaged in any activity with any entity which, either directly or indirectly, receives funds from the District, except for the director of the Palm Beach County Public Health Department.

- c. Serve on the board of directors or board of trustees of any entity, which either directly or indirectly, receives funds from the District.

2.3 **General Powers.** Consistent with the purpose set forth herein, the Board is vested with the authority to provide for the comprehensive planning, funding and coordination of health care services for the residents of Palm Beach County. For that purpose, the Board shall have and may utilize all enumerated general powers as set forth in the Health Care Act.

2.4 **Role.** The Board's general powers and responsibilities as set forth in the Health Care Act and herein shall be exercised as a whole body and not through the actions of any one member. The Board shall rely on the Chief Executive Officer to manage the District's daily operations and the Board shall not interfere with said management. For the purposes of information and inquiry, individual Board members may directly ask questions or request information from District officers.

2.5 **Responsibilities.** The governance and business of the District is conducted by the Board with due attention to the District's purpose, mission and vision. Responsibilities of the Board include, but are not necessarily limited to:

- a. Plan, set policy and oversee the provision of health care services, programs and facilities with and without other public and/or private health care providers for all residents and users in Palm Beach County;
- b. Oversee and approve agreements, leases, contracts, deeds, notes and other instruments for the acquisition, establishment, construction, operations and/or maintenance of such health care services, programs and facilities as shall be necessary for the health care needs of the residents and users in Palm Beach County;
- d. Accountable for monitoring and oversight of the quality of all health care services provide by the District;
- e. Oversee the compliance and ethics program and review matters related to compliance with federal and state laws and federal health care program requirements;
- d. Oversee the engagement of professional service providers and consultants as may be necessary in its judgment to assist the Board in accomplishing the District's mission;
- e. Annually determine and approve a District budget and millage in accordance with Florida law and the Health Care Act;
- f. Promulgate and adopt general policies for the operation of the District;
- g. Review and approve the mission and vision statement of the District;

- h. Approve and oversee the District's strategic plan and maintain strategic oversight of implementation;
- i. Serve on or act as the Board of Directors for any subsidiary or affiliated entity established by the District;
- j. Establish and support affiliate entities to assist the District in fulfilling its mission;
- k. Review the bylaws, charters or policies of any subsidiary entity subject to Board approval;
- l. Appoint and/or remove and credential medical staff members and grant, limit or deny specific clinical privileges upon recommendations from the appropriate committee;
- m. Retain fiduciary responsibility and authority for all aspects of operations of its subsidiary entities including approving the budgets for each;
- n. Address such other responsibilities as may be contemplated and/or determined by the Health Care Act, applicable law and/or the Board.

All of the foregoing responsibilities are hereby found and declared to be a public purpose and necessary for the preservation of the public health, for the public good, and for the welfare of the residents of Palm Beach County.

**2.6 *Fiduciary Duties.*** The Board shall exercise all of its powers and responsibilities as set forth in applicable law, the Health Care Act and these Bylaws with the following fiduciary duties:

- a. Care: which refers to the obligation of Board members to exercise proper diligence of care in their decision making process;
- b. Loyalty: which requires Board members to discharge their obligations unselfishly, in a manner designed to benefit only the organization and not the Board member personally; and
- c. Obedience: which requires that Board members be faithful to the underlying purpose, mission and goals of the District as set forth in the Health Care Act, these Bylaws and District policies.

**2.7 *Compensation; Reimbursement of Expenses.*** No Board member shall be entitled to receive from the District compensation for service on the Board or any committee of the Board. Members of the Board shall be entitled to receive from the District reimbursement for the actual expenses, including travel expenses, incurred by such member consistent with District policies and procedures.



### Section 3 – Officers

- 3.1 **Officers.** The Board Officers shall consist of a Chair, Vice Chair, and Secretary. The Board Officers shall be elected at the annual meeting and shall hold office for a one (1) year term. Officers may not hold the same office for more than three (3) full terms. Vacancy in office shall be filled by special Board election as soon as reasonably possible. Any Board Officer can be recalled from office by a vote of four (4) members of the Board.
- 3.2 **Chair.** Recognizing the Chair's responsibility to maintain the integrity of corporate governance, the Board Chair has primary responsibility to:
- a. Preside over and conduct all meetings of the Board;
  - b. Set a high standard of Board conduct by modeling rules of conduct as set forth in these Bylaws;
  - c. Serve as an ex-officio member of all committees of the Board;
  - d. Establish ad hoc committees, the term of which may not exceed the term of the Chair;
  - e. Propose mission based goals;
  - f. Build cohesion among and between the Board and Chief Executive Officer and to apportion responsibilities;
  - g. Encourage effective Board self-evaluation;
  - h. Facilitate the Chief Executive Officer's performance evaluation and compensation process;
  - i. Represent and execute the will of the majority of the Board; and
  - j. Perform all of the duties usually pertaining to the office of Chair.
- 3.3 **Vice-Chair.** The Vice Chair shall assume the duties of the Chair in the absence of the Chair.
- 3.4 **Secretary.** The Secretary of the Board shall:
- a. Ensure that the minutes of the meeting are accurate;
  - b. Assume the duties of the Chair in the absence of the Chair and Vice Chair;
  - c. Certify, by signature, upon receipt and approval by the Board of meeting



minutes;

- d. Certify other official papers of the Board as required; and
- e. Perform all other duties usually pertaining to the office of Secretary.

#### **Section 4 - Meetings**

- 4.1 **Meetings.** The Meetings of the Board shall be the Annual, Regular and Special meetings. The Board may also conduct joint meetings with its subsidiary and affiliated boards and entities and standing committees. All meetings or portions thereof shall be open to the public unless otherwise provided for by law.
- 4.2 **Annual Meeting.** The Regular Board meeting in September of each year shall constitute the annual meeting of the Board. Officers of the Board shall be elected and the newly elected Officers shall take office at the next Regular meeting. The Chief Executive Officer may cancel and/or reschedule the Annual meeting, upon proper notice to Board members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.
- 4.3 **Regular Meetings.** Regular meetings of the Board shall be conducted quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Board members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.
- 4.4 **Special Meetings.** The Board may convene Special Meetings. Such Special Meetings shall include but not be limited to:
  - a. **Emergency Meetings.** If a bona fide emergency situation exists, an Emergency meeting of the Board may be called by the Chair, Vice Chair or Chief Executive Officer. An Emergency meeting shall be noticed as time reasonably permits under the situation. All actions taken at an Emergency meeting shall be ratified by the Board at the next Regular meeting. The annual budget and millage shall not be approved at an Emergency meeting.
  - b. **Attorney-Client Meetings.** The Board may conduct closed Attorney-Client meetings pursuant to section 286.011, Florida Statutes, which includes, but is not limited to, to discuss pending litigation when the District and/or one or more of its subsidiary entities is presently a party before a court or administrative agency. The Attorney-Client meeting must be requested in a public meeting of the Board, publicly noticed and conducted consistent with the requirements of section 286.011, Florida Statutes. The Attorney-Client meeting may be combined with other meetings of the Board or held separately. No official business shall be transacted at the Attorney-Client meetings.

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  - d. **Risk Management Meetings.** At the request of the Chair, Vice Chair or Chief Executive Officer, the Board may conduct closed Risk Management meetings as authorized by law to evaluate claims or offers to compromise claims made against the District and/or one or more of its subsidiary entities. Public notice of each Risk Management meeting shall be given as required by law. No official Board business shall be transacted at the Risk Management meetings.
  - e. **Other Special Meetings.** The Chair, Vice Chair or Chief Executive Officer may call such other Special meetings authorized by and in a manner consistent with law.
- 4.5 **Attendance.** Regular attendance shall be expected for all Board members. If a member misses more than twenty-five percent (25%) of the Regular Board meetings during a twelve (12) month period, the Chair shall advise the appropriate appointing authority.
- 4.6 **Quorum and Procedure.** The presence of a majority of the appointed members of the Board shall be necessary at any meeting to constitute a quorum or to transact business. A quorum is not required for any Special meeting where official business is not to be transacted.
- The Board shall promulgate rules of order for the conduct of all Board meetings. All procedural matters not addressed in said rules of order, or by these Bylaws, shall be governed by the latest edition of "Roberts Rules of Order."
- 4.7 **Voting.** Actions of the Board require a simple majority of the members present at a given meeting. Each Board member shall have one vote. Except as provided herein for attendance and voting by telephonic or electronic communication, members must be present to vote at a meeting and members may not vote by secret ballot or by proxy or designee. Unless otherwise required by law, matters requiring an affirmative vote of at least four (4) Board members include:
- a. Revisions and/or modification to these Bylaws;
  - b. Engagement or termination of the Chief Executive Officer; and,
  - c. Issuance of General Obligation and/or Revenue Bonds.
- 4.8 **Meeting Minutes.** Minutes of each meeting shall be accurately taken, preserved, and provided to members timely at a regular meeting.
- 4.9 **Agenda and Order of Business for Meetings.** There shall be an agenda for every meeting of the Board. However, the Board is not prohibited from discussing and/or taking action

on an item or matter not specified in the agenda. If an item is added to the agenda after public comment has occurred, public comment should be allowed for the added item if the Board is to take official action on the item and public comment has not previously occurred on the item.

4.10 ***Attendance and Voting by Telephonic or Electronic Communication.*** If a quorum of the Board is physically present at a Board meeting and at the time of a Board vote, other members of the Board may participate and vote by telephonic or electronic communication provided that such members are:

- a. Physically outside the borders of Palm Beach County; or
- b. Unable to attend the meeting due to illness of the Board member; or
- c. Unable to attend the meeting due to some unforeseen circumstance beyond the Board member's control.

If a quorum is not required for any Special meeting where official business is not to be transacted, a Board member may participate by telephonic or electronic communication without a quorum being physically present at the Special meeting.

The District shall ensure that any telephonic or electronic communication utilized to permit board members to participate and/or vote in a Board meeting is properly amplified or displayed so that all attending the meeting can hear and/or see the board member's comments and/or vote and so that the board member can hear and/or see all other board members' comments and/or votes and the comments of other participants in the meeting.

No more than two (2) Board members may participate in a Board meeting by telephonic or electronic communication.

No Board member may participate by telephonic or electronic communication in the statutorily required public hearings for the adoption of the annual budget or the setting of the annual millage rate.

## **Section 5 - Conflicts of Interest**

5.1 ***General.*** Board members shall not enter into contracts or agreements that would be or give the appearance of being a conflict of interest.

5.2 ***Conflict of Interest.*** Members of the Board are subject to Florida law pertaining to avoidance of conflicts of interest in holding public office, including but not limited to, Part III of Chapter 112, Florida Statutes, the Code of Ethics for Public Officers and Employees, as well as any and all other applicable standards as set forth by applicable regulatory and accreditation agencies.

5.3 ***Prohibited Financial Interests.*** No Board member, administrator, employee or



representative of the District, nor any person, organization or agency shall, directly or indirectly, be paid or receive any commission, bonus, kickback, rebate or gratuity or engage in any fee-splitting arrangement in any form whatsoever for the referral of any patient to the District.

#### **Section 6 - Chief Executive Officer**

6.1 **Chief Executive Officer.** The Board shall select, appoint and employ a competent Chief Executive Officer. The authority and duties of the Chief Executive Officer shall be:

- a. Achieving those goals and objectives, and implementing policies and programs established by the Board;
- b. Ensuring that a comprehensive plan for the efficient delivery of health care services in Palm Beach County is developed and implemented;
- c. Establish a corporate office in Palm Beach County, Florida, and take such measures as are necessary to establish and assure the efficient operation of such facilities;
- d. Prepare and submit an annual budget and proposed millage;
- e. Select, appoint, employ, discipline and discharge all employees authorized by the budget; provided that, the foregoing shall not restrain those employees who owe a fiduciary duty to the Board;
- f. Supervise all business activities of the District and serve as the Chief Executive Officer or executive director of any District subsidiary entity as set forth in the entity's bylaws;
- g. Attend meetings of the Board and its committees;
- h. Make purchases and resolve legal claims as set forth by policy; and
- i. Perform any and all other duties that may be necessary to serve the best interests of the District.

#### **Section 7 – Committees**

7.1 **Committees.** The Board and/or Chair may designate standing or ad hoc committees necessary to promote oversight of District operations. Except as stated herein, District committees shall be advisory only and shall have no power or authority to act on behalf of the Board or of the District.

7.2 **Standing Committees.** Standing committees shall have the power to act only as stated in these Bylaws, the committee's Board approved charter or bylaws or as conferred by the Board. The standing committees of the Board are:

- a. ***Finance and Audit.*** The Finance and Audit committee is responsible for reviewing the short, intermediate, and long range financial plans of the District, which includes reviewing the District's financial statements, the proposed annual budget, amendments to the annual budget, investments, grant compliance, insurance, building construction contracts and leases, revenue cycle oversight, physician compensation and benefits (FMV reports) and employee compensation and benefits. The Finance and Audit committee also reviews competitive purchasing solicitations which are anticipated to exceed \$100,000 in anticipated cost to the District. The Finance and Audit committee is also responsible for the oversight of the internal audit function and the external financial audit.
  - b. ***Quality, Patient Safety and Compliance.*** The Quality, Patient Safety and Compliance committee shall assist the Board with accountability for monitoring and oversight of the quality, patient safety, compliance and privacy program, corporate ethics and risk management activities of the District and its affiliated entities and promote an organizational "Culture of Quality". This includes assisting in the oversight of provider credentialing and peer review.
- 7.3 ***Ad Hoc Committees.*** The Board or Chair may designate ad hoc committees as necessary to assist with short term decisions facing the organization. The ad hoc committees may include, but are not limited to:
- a. ***Governance and Board Development Committee.*** The Governance and Board Development committee may review and recommend revisions to the Bylaws as appropriate, and to recommend the enactment of policies responsive to decisions made by the Board which have a significant and on-going impact on the operations of the District.
  - b. ***Chief Executive Evaluation and Compensation.*** The Chief Executive Officer Evaluation and Compensation committee may be responsible for performing an annual performance evaluation of the Chief Executive Officer and recommending to the Board a base pay, incentives and benefits package for the Chief Executive Officer.
  - c. ***Nominating Committee.*** The Nominating Committee may be responsible for identifying qualified individuals to serve on subsidiary boards and committees.
- 7.4 ***General Composition.*** A minimum of two (2) Board members shall be appointed to each standing committee of the Board, one of which will chair the committee. The remainder of the standing committee shall have at least five (5) but no more than nine (9) members. The District Board shall appoint standing committee members to a four (4) year term, commencing on the date of appointment, with standing committee membership limited to two (2) full terms unless otherwise recommended by the standing committee and approved by the Board. The compositions of each standing committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for that respective



committee. Membership on ad hoc committees shall be established by the Board or the Chair.

- 7.5 ***Attendance.*** Regular attendance shall be expected for all committee members. If a member misses more than twenty-five percent (25%) of the regular committee meetings during a twelve (12) month period, the committee shall advise the Board which may remove the committee member and appoint a new member.
- 7.6 ***Standing Committee Charters.*** Each standing committee shall create a written charter detailing the standing committee's responsibilities as summarized in these bylaws and addressing all matters related to the administration of the standing committee. Each standing committee shall have the authority to amend its charter from time to time with each approved charter being provided to the Board for informational purposes.

## **Section 8 – Subsidiary Boards**

- 8.1 ***Subsidiary Boards.*** The Board may create subsidiary boards to assist the District in fulfilling its mission. The Board shall appoint board members to the subsidiary boards as set forth in each subsidiary board's bylaws. Except as approved by the Board, District subsidiary boards shall be advisory only and shall have no power or authority to act on behalf of the Board or of the District.
- 8.2 ***General Composition and Attendance.*** The general composition and attendance requirements for the District's subsidiary boards shall be set forth in the subsidiary board's bylaws or charters.
- 8.3 ***Existing Subsidiary Boards.*** The existing subsidiary board is Lakeside Health Advisory. Lakeside Health Advisory Board shall review and monitor the District's delivery of health care services in the Glades community; serve as health care advocates for the Glades community; and, make recommendations regarding the services provided at Lakeside Medical Center and recommendations for health care initiatives in the Glades community.

## **Section 9 – Subsidiary and Affiliated Entities**

- 9.1 ***Subsidiary and Affiliated Entities.*** The Board may create subsidiary and affiliated entities to assist the District in fulfilling its mission. The Board shall appoint board members to the subsidiary and affiliated entities as set forth in each entity's bylaws.
- 9.2 ***General Composition and Attendance.*** The general composition and attendance requirements for the District's subsidiary and affiliated entities shall be set forth in the entities' bylaws.
- 9.3 ***Existing Subsidiary and Affiliated Entities.*** The existing subsidiary and affiliated entities are:

- a. ***District Clinic Holdings.*** District Clinic Holdings, Inc., is an affiliate entity of the District. District Clinic Holdings is responsible for the governance, management and oversight of the C.L. Brumback Primary & Dental Care clinics including, without limitation, credentialing of all clinic providers. The District Clinic Holdings' board is vested with all power and authority as directed by federal and state regulations with regards to its responsibilities.
- b. ***Healthy Palm Beaches.*** Healthy Palm Beaches, Inc., is a subsidiary entity of the District. Healthy Palm Beaches is responsible for the governance, management and oversight of the District's Health Maintenance Organization. The Healthy Palm Beaches' board is vested with all power and authority as directed by federal and state regulations with regards to its responsibilities.
- c. ***Good Health Foundation.*** The Good Health Foundation, Inc., is a subsidiary entity of the District. The Good Health Foundation is responsible for the governance, management and oversight of donations to support the District's mission. The Good Health Foundation's board is vested with all power and authority consistent with general law with regards to its responsibilities.

#### **Section 10 - Miscellaneous**

- 10.1 ***Amendments.*** These Bylaws may be amended, repealed, or changed at any Regular or Special meeting of the Board by the affirmative vote of four (4) members of the Board, provided that notice containing the general effect and intent of the proposed amendments has been given to all members of the Board at least ten (10) days prior to such meeting, which notice may be waived by vote to approve an amendment, repeal or change to these Bylaws.
- 10.2 ***Subject to Law and Health Care Act.*** All powers, authority and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the provisions of the Health Care Act and applicable laws.
- 10.3 ***Construction.*** These Bylaws shall be construed to conform with, and when necessary, shall be amended to conform to the provisions of the Health Care Act.

**CERTIFICATE**

This is to certify that I am the Secretary of the Board of the Health Care District of Palm Beach County and the foregoing Amended and Restated Bylaws were duly adopted by said District Board at a meeting held on the 24<sup>th</sup> day of September, 2019.

By: \_\_\_\_\_  
Sean O'Bannon  
Secretary

**HEALTH CARE DISTRICT BOARD MEETING**  
**September 24, 2019**

**1. Description: Amendment to the Quality, Patient Safety and Compliance Committee Charter**

**2. Summary:**

This item presents proposed amendments to the Quality, Patient Safety and Compliance Committee Charter.

**3. Substantive Analysis:**

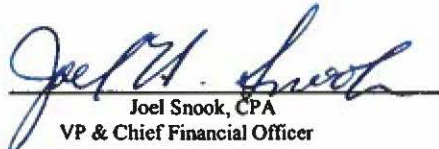
The charter was last updated on May 28, 2019. The District proposes amending the Section titled, Meetings. The new language specifies that, regular meetings of the Committee shall be conducted quarterly. Attached for your review are the following documents:

- Updated version of the charter showing the proposed amendments; and,
- A clean version of the charter to be adopted.

**4. Fiscal Analysis & Economic Impact Statement:**

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

  
Joel Snook, CPA  
VP & Chief Financial Officer

**5. Reviewed/Approved by Committee:**

Quality, Patient Safety & Compliance  
Committee  
\_\_\_\_\_  
Committee Name

September 24, 2019

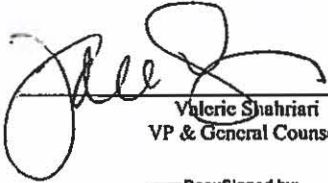
\_\_\_\_\_  
Date Approved

**6. Recommendation:**

Staff recommends the Board approve the amendment to the Quality, Patient safety and Compliance Charter.

**HEALTH CARE DISTRICT BOARD MEETING**  
**September 24, 2019**

Approved for Legal sufficiency:

  
\_\_\_\_\_  
Valerie Shahriari  
VP & General Counsel

DocuSigned by:  
  
\_\_\_\_\_  
Deborah Hall  
VP & Compliance and Privacy Officer

  
\_\_\_\_\_  
Darcy J. Davis  
Chief Executive Officer



## **QUALITY, PATIENT SAFETY AND COMPLIANCE COMMITTEE CHARTER**

### **PURPOSE**

The purpose of the Quality, Patient Safety, Compliance & Patient Privacy Committee of the Health Care District and its Affiliated Entities ("District") is to assist the Board of Commissioners in fulfilling its oversight responsibilities in overseeing the quality, patient safety and risk management activities of the District and promote an organizational "Culture of Safety". The Committee will monitor and oversee the District's process for ensuring compliance with laws and regulations and the District's compliance and privacy program.

### **COMPOSITION OF COMMITTEE**

The Committee shall have at least five (5) but no more than nine (9) members. A minimum of two (2) Board members shall be appointed to the Committee, one of which will chair the Committee, and their term shall be the same as the term of their Board membership. One (1) Committee member shall represent the Glades community and one (1) Committee member shall serve on the District Clinic Board, and (1) Committee member shall be a community member at large. The Board shall appoint Committee members, who are not a Board member, to a four (4) year term, commencing on the date of appointment, with Committee membership limited to two (2) full terms. The composition of the Committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for the Committee. Each member of the Committee shall have expertise and experience in quality, patient safety, legal compliance, healthcare, risk management and/or insurance and such other matters as the Board may deem appropriate.

### **MEETINGS**

Regular meetings of the Committee shall be conducted ~~every other month~~ quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Committee members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.

There shall be an agenda for every meeting of the Committee. However, the Committee is not prohibited from discussing and/or taking action on an item or matter not specified in the agenda. Minutes of each meeting shall be accurately taken, preserved and provided to members.

Regular attendance shall be expected for all Committee members. If a member misses more than twenty-five percent (25%) of the Regular Committee meetings during the twelve (12) month calendar period, the Chair shall advise the Board.

The presence of the majority of appointed Committee members shall be necessary at any meeting to constitute a quorum or to transact business. The Board shall promulgate rules of order for the conduct of all Committee meetings. All procedural matters not addressed in said rules of order, by this Charter, or by the Bylaws, shall be governed by the latest edition of "Roberts Rules of Order".

## **POWERS AND DUTIES**

The following functions shall be the common recurring functions of the Committee in carrying out its oversight role.

1. ***Policies & Procedures.*** The Committee shall review and approve policies and procedures developed to promote quality patient care, patient safety, risk management, and compliance.
2. ***Reporting.*** The Committee shall regularly report to the Board of Commissioners about Quality, Patient Safety & Compliance Committee activities, issues, and related recommendations; provide an open avenue of communication between Committee and the Board of Commissioners.
3. ***Quality.*** The Committee shall review, as appropriate, information relating to quality, clinical risk, and performance improvement. Monitor and assess performance against targets of the care delivery system, including clinical performance and member satisfaction with the care experience.
4. ***Patient Safety.*** The Committee evaluate results of Patient Safety Organization including recommended actions and follow-up.
5. ***Quality Improvement Plans.*** The Committee shall review and approve business unit Quality Improvement (QI) plans for quality clinical care, patient safety, and clinical

services improvement strategies. Review and update HCD QI Plan at least every three years (more often if substantial changes are made in the QI Program).

6. **Internal Systems & Controls.** The Committee shall oversee the development and implementation of internal systems and controls to carry out the District's standards, policies and procedures relating to risk management, including, without limitation, processes designed to facilitate communication across the organization regarding risk management, patient care loss prevention/control and safety improvement opportunities and activities and the evaluation thereof.
7. **Risk Management Program.** The Committee shall review and provide advice on the development and implementation of a corporate risk management program, in conjunction with existing business processes and systems, to facilitate management of the District's clinical and operational risks.
8. **Credentialing.** Conduct an annual formal review of the credentialing process and offer revisions to credentialing criteria to reflect best practices and protocols. Review the integrity of systems relating to the selection, credentialing, and competence of physicians and other health care practitioners, including systems for granting or terminating clinical privileges, professional or medical staff or clinical staff membership, peer review, proctoring, and continuing education.
9. **Risk.** The Committee shall review asset protection needs of the District, and make recommendations to the Board for approval.
10. **Risk Management Plans.** The Committee shall review and approve business unit Risk Management plans.
11. **Compliance Reports.** The Committee shall receive and review reports from the Compliance Program that may have a significant effect on the District's compliance activities or have a material impact on the financial statements.
12. **Policy and Procedure.** The Committee shall review and approve compliance policies, procedures, plans or the mechanism by which staff shall approve such policies, procedures and plans.
13. **Board Report.** The Committee shall report regularly to the District Board of Commissioners regarding the development and implementation of the District compliance plans. Annually, the Committee will evaluate the Chief Compliance and Privacy Officer.
14. **Compliance Work Plans.** The Committee shall ensure that the District maintains compliance work plans designed to encourage integrity, accountability in reimbursement and adherence to applicable laws. The compliance plans shall at minimum be designed and implemented to promote compliance and detect and deter non-compliance with regard to:
  - a. Medicare, Medicaid and other laws and regulations that apply to the District because of its participation in federal health benefit programs;



- b. Laws and regulations dealing with business relationships with physicians including, but not limited to, the anti-kickback statute, Stark Laws and other laws;
  - c. Federal and state anti-trust law prohibitions regarding anti-competitive conduct;
  - d. Federal Sentencing Guidelines; and,
  - e. Laws which apply to the District as a result of its tax exempt status.
15. ***Compliance Program.*** The Committee shall review the Compliance Program for adherence to the OIG's Compliance Guidance's for applicable businesses, including for hospitals, nursing homes, managed care, physician offices, etc.
16. ***Corrective Action.*** The Committee shall review and approve appropriate corrective action steps should a material error or violation of compliance policy and procedure occur.
17. ***Education.*** The Committee shall work with the Chief Compliance Officer, as necessary, to develop effective on-going training.
18. ***Monitor Compliance Program.*** The Committee shall assure that methodologies developed to monitor compliance are appropriate to maximize compliance and assure confidential treatment of material.
19. ***Standard of Conduct.*** The Committee shall periodically review and approve the Standard of Conduct.

## **QUALITY, PATIENT SAFETY AND COMPLIANCE COMMITTEE CHARTER**

### **PURPOSE**

The purpose of the Quality, Patient Safety, Compliance & Patient Privacy Committee of the Health Care District and its Affiliated Entities ("District") is to assist the Board of Commissioners in fulfilling its oversight responsibilities in overseeing the quality, patient safety and risk management activities of the District and promote an organizational "Culture of Safety". The Committee will monitor and oversee the District's process for ensuring compliance with laws and regulations and the District's compliance and privacy program.

### **COMPOSITION OF COMMITTEE**

The Committee shall have at least five (5) but no more than nine (9) members. A minimum of two (2) Board members shall be appointed to the Committee, one of which will chair the Committee, and their term shall be the same as the term of their Board membership. One (1) Committee member shall represent the Glades community and one (1) Committee member shall serve on the District Clinic Board, and (1) Committee member shall be a community member at large. The Board shall appoint Committee members, who are not a Board member, to a four (4) year term, commencing on the date of appointment, with Committee membership limited to two (2) full terms. The composition of the Committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for the Committee. Each member of the Committee shall have expertise and experience in quality, patient safety, legal compliance, healthcare, risk management and/or insurance and such other matters as the Board may deem appropriate.

### **MEETINGS**

Regular meetings of the Committee shall be conducted quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Committee members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.



There shall be an agenda for every meeting of the Committee. However, the Committee is not prohibited from discussing and/or taking action on an item or matter not specified in the agenda. Minutes of each meeting shall be accurately taken, preserved and provided to members.

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## **POWERS AND DUTIES**

The following functions shall be the common recurring functions of the Committee in carrying out its oversight role.

1. ***Policies & Procedures.*** The Committee shall review and approve policies and procedures developed to promote quality patient care, patient safety, risk management, and compliance.
2. ***Reporting.*** The Committee shall regularly report to the Board of Commissioners about Quality, Patient Safety & Compliance Committee activities, issues, and related recommendations; provide an open avenue of communication between Committee and the Board of Commissioners.
3. ***Quality.*** The Committee shall review, as appropriate, information relating to quality, clinical risk, and performance improvement. Monitor and assess performance against targets of the care delivery system, including clinical performance and member satisfaction with the care experience.
4. ***Patient Safety.*** The Committee evaluate results of Patient Safety Organization including recommended actions and follow-up.
5. ***Quality Improvement Plans.*** The Committee shall review and approve business unit Quality Improvement (QI) plans for quality clinical care, patient safety, and clinical

services improvement strategies. Review and update HCD QI Plan at least every three years (more often if substantial changes are made in the QI Program).

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7. **Risk Management Program.** The Committee shall review and provide advice on the development and implementation of a corporate risk management program, in conjunction with existing business processes and systems, to facilitate management of the District's clinical and operational risks.
8. **Credentialing.** Conduct an annual formal review of the credentialing process and offer revisions to credentialing criteria to reflect best practices and protocols. Review the integrity of systems relating to the selection, credentialing, and competence of physicians and other health care practitioners, including systems for granting or terminating clinical privileges, professional or medical staff or clinical staff membership, peer review, proctoring, and continuing education.
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11. **Compliance Reports.** The Committee shall receive and review reports from the Compliance Program that may have a significant effect on the District's compliance activities or have a material impact on the financial statements.
12. **Policy and Procedure.** The Committee shall review and approve compliance policies, procedures, plans or the mechanism by which staff shall approve such policies, procedures and plans.
13. **Board Report.** The Committee shall report regularly to the District Board of Commissioners regarding the development and implementation of the District compliance plans. Annually, the Committee will evaluate the Chief Compliance and Privacy Officer.
14. **Compliance Work Plans.** The Committee shall ensure that the District maintains compliance work plans designed to encourage integrity, accountability in reimbursement and adherence to applicable laws. The compliance plans shall at minimum be designed and implemented to promote compliance and detect and deter non-compliance with regard to:
  - a. Medicare, Medicaid and other laws and regulations that apply to the District because of its participation in federal health benefit programs;

- b. Laws and regulations dealing with business relationships with physicians including, but not limited to, the anti-kickback statute, Stark Laws and other laws;
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  - e. Laws which apply to the District as a result of its tax exempt status.
15. ***Compliance Program.*** The Committee shall review the Compliance Program for adherence to the OIG's Compliance Guidance's for applicable businesses, including for hospitals, nursing homes, managed care, physician offices, etc.
16. ***Corrective Action.*** The Committee shall review and approve appropriate corrective action steps should a material error or violation of compliance policy and procedure occur.
17. ***Education.*** The Committee shall work with the Chief Compliance Officer, as necessary, to develop effective on-going training.
18. ***Monitor Compliance Program.*** The Committee shall assure that methodologies developed to monitor compliance are appropriate to maximize compliance and assure confidential treatment of material.
19. ***Standard of Conduct.*** The Committee shall periodically review and approve the Standard of Conduct.



**HEALTH CARE DISTRICT BOARD MEETING**  
**September 24, 2019**

**1. Amendment to the Finance and Audit Committee Charter**

**2. Summary:**

This item presents a proposed amendment to the Finance and Audit Committee Charter.

**3. Substantive Analysis:**

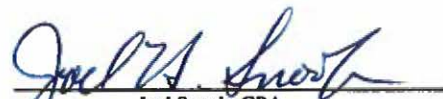
The charter was last updated on May 28, 2019. The District proposes amending the Section titled, Meetings. The new language specifies that, regular meetings of the Committee shall be conducted quarterly. Attached for your review is the following document:

- Updated version of the charter showing the proposed amendment; and,
- A clean version of the charter to be adopted.

**4. Fiscal Analysis & Economic Impact Statement:**

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

  
Joel Snook, CPA  
VP & Chief Financial Officer

**5. Reviewed/Approved by Committee:**

Finance and Audit Committee

Committee Name

N/A

Date Approved

**6. Recommendation:**

Staff recommends the Board approve the amendment to the Finance and Audit Committee Charter.



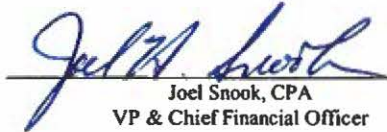
**HEALTH CARE DISTRICT BOARD MEETING**  
**September 24, 2019**

Approved for Legal sufficiency:



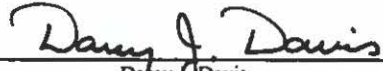
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Valerie Shahriari  
VP & General Counsel



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Joel Snook, CPA  
VP & Chief Financial Officer



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Darcy J. Davis  
Chief Executive Officer

## **FINANCE AND AUDIT COMMITTEE CHARTER**

### **PURPOSE**

The purpose of the Finance and Audit Committee, a standing committee of the Board of Commissioners of the Health Care District of Palm Beach County is to assist the Board in fulfilling its responsibility to oversee and monitor the District's financial statements, annual budget, investments, internal controls and other matters of a financial nature.

### **COMPOSITION OF COMMITTEE**

The Committee shall have at least five (5) but no more than nine (9) members. A minimum of two (2) Board members shall be appointed to the Committee, one of which will chair the Committee. One (1) Committee member shall represent the Glades community and one (1) Committee member shall serve on the District Clinic Board. The Board shall appoint Committee members to a four (4) year term, commencing on the date of appointment, with Committee membership limited to two (2) full terms. The composition of the Committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for the Committee. Each member of the Committee shall have expertise and experience in economic, financial, business and such other matters as the Board may deem appropriate.

### **MEETINGS**

Regular meetings of the Committee shall be conducted ~~every other month~~ quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Committee members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.

There shall be an agenda for every meeting of the Committee. However, the Committee is not prohibited from discussing and/or taking action on an item or matter not specified in the agenda. Minutes of each meeting shall be accurately taken, preserved and provided to members.

Regular attendance shall be expected for all Committee members. If a member misses more than twenty-five percent (25%) of the Regular Committee meetings during the twelve (12) month calendar period, the Chair shall advise the Board.

The presence of the majority of appointed Committee members shall be necessary at any meeting to constitute a quorum or to transact business. The Board shall promulgate rules of order for the conduct of all Committee meetings. All procedural matters not addressed in said rules of order, by this Charter, or by the HCD Board Bylaws, shall be governed by the latest edition of "Roberts Rules of Order".

## **POWERS AND DUTIES**

The following functions shall be the common recurring functions of the Committee in carrying out its oversight role.

1. ***Financial Plans.*** The Committee shall review the long-range financial plans of the District, and make such recommendations, as it deems appropriate to the Board regarding the projected use of District funds.
2. ***Financial Statements.*** The Committee shall review the District's monthly and annual financial statements.
3. ***Budgets.*** The Committee shall review the annual capital and operating budgets, including amendments thereto, and make such recommendations, as it deems appropriate to the Board regarding the sources and uses of District funds.
4. ***Investment of Funds.*** The Committee shall review the District Investment Plan and portfolio, at least annually, and make such recommendations, as it deems appropriate to the Board for action regarding the investment of District funds and reserves.
5. ***Grant Compliance.*** The Committee shall provide oversight of the District's fiscal activities as they relate to applying for and receiving grant awards.
6. ***Insurance.*** The Committee shall review the District's fiscal activities as they relate to insurance coverage of District operations and employees.

7. ***Building Construction Contracts and Leases.*** The Committee shall review building construction contracts and all agreements, including leases, for the sale and/or acquisition of real property to insure the same are at arms-length, negotiated in compliance with the District Real Property Sale and/or Acquisition Policy.
8. ***Revenue cycle.*** The Committee shall provide oversight for the District's revenue cycle process, including charge structure, billing, collections and management of accounts receivable.
9. ***Physician compensation.*** The Committee shall review the District's policies and practices related to the setting of physician compensation and benefits to insure such payments meet fair market value requirements.
10. ***Employee Compensation and Benefits.*** The Committee shall review the Employee Compensation Benefit plan, and make such recommendations, as it deems appropriate to the Board for action regarding compensation studies and benefit administration.
11. ***Competitive Bidding.*** Upon final vendor selection, the Committee shall review competitive purchasing solicitations which are anticipated to exceed \$250,000 and make recommendations for approval to the Board
12. ***Internal Audit.*** The Committee shall provide oversight of the internal audit function including but not limited to: reviewing the annual budget; making recommendations on department structure and staffing; approving the annual audit plan; and receiving audit reports. The Chief Financial Officer is responsible for directing the day-to-day operations of the assigned staff. The Chair of the Committee is responsible for making decisions related to hiring, firing, performance review, and outsourcing of the Audit function.
13. ***Annual External Financial Audit.*** The Committee will review the results of the annual financial audit and make recommendations for approval to the Board.
14. ***Auditor Selection.*** The Committee will have oversight over the external auditor selection process and will make recommendations for engagement, including contract terms or termination to the Board.



## **FINANCE AND AUDIT COMMITTEE CHARTER**

### **PURPOSE**

The purpose of the Finance and Audit Committee, a standing committee of the Board of Commissioners of the Health Care District of Palm Beach County is to assist the Board in fulfilling its responsibility to oversee and monitor the District's financial statements, annual budget, investments, internal controls and other matters of a financial nature.

### **COMPOSITION OF COMMITTEE**

The Committee shall have at least five (5) but no more than nine (9) members. A minimum of two (2) Board members shall be appointed to the Committee, one of which will chair the Committee. One (1) Committee member shall represent the Glades community and one (1) Committee member shall serve on the District Clinic Board. The Board shall appoint Committee members to a four (4) year term, commencing on the date of appointment, with Committee membership limited to two (2) full terms. The composition of the Committee shall be regularly reviewed to ensure that each member meets the requirements set forth by the Board for the Committee. Each member of the Committee shall have expertise and experience in economic, financial, business and such other matters as the Board may deem appropriate.

### **MEETINGS**

Regular meetings of the Committee shall be conducted quarterly. Public notice of each meeting and the date, time and location of same shall be made as required by law. The Chief Executive Officer may cancel and/or reschedule a Regular meeting, upon proper notice to Committee members and the public, if it is determined that a quorum will not be present or for other reasons in consultation with the Chair.

There shall be an agenda for every meeting of the Committee. However, the Committee is not prohibited from discussing and/or taking action on an item or matter not specified in the agenda. Minutes of each meeting shall be accurately taken, preserved and provided to members.

Regular attendance shall be expected for all Committee members. If a member misses more than twenty-five percent (25%) of the Regular Committee meetings during the twelve (12) month calendar period, the Chair shall advise the Board.

The presence of the majority of appointed Committee members shall be necessary at any meeting to constitute a quorum or to transact business. The Board shall promulgate rules of order for the conduct of all Committee meetings. All procedural matters not addressed in said rules of order, by this Charter, or by the HCD Board Bylaws, shall be governed by the latest edition of "Roberts Rules of Order".

## **POWERS AND DUTIES**

The following functions shall be the common recurring functions of the Committee in carrying out its oversight role.

1. ***Financial Plans.*** The Committee shall review the long-range financial plans of the District, and make such recommendations, as it deems appropriate to the Board regarding the projected use of District funds.
2. ***Financial Statements.*** The Committee shall review the District's monthly and annual financial statements.
3. ***Budgets.*** The Committee shall review the annual capital and operating budgets, including amendments thereto, and make such recommendations, as it deems appropriate to the Board regarding the sources and uses of District funds.
4. ***Investment of Funds.*** The Committee shall review the District Investment Plan and portfolio, at least annually, and make such recommendations, as it deems appropriate to the Board for action regarding the investment of District funds and reserves.
5. ***Grant Compliance.*** The Committee shall provide oversight of the District's fiscal activities as they relate to applying for and receiving grant awards.
6. ***Insurance.*** The Committee shall review the District's fiscal activities as they relate to insurance coverage of District operations and employees.

7. ***Building Construction Contracts and Leases.*** The Committee shall review building construction contracts and all agreements, including leases, for the sale and/or acquisition of real property to insure the same are at arms-length, negotiated in compliance with the District Real Property Sale and/or Acquisition Policy.
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# HEALTH CARE DISTRICT BOARD

September 24, 2019

## 1. Description: Board Member Standing Committee Service

## 2. Summary:

District Board Members also serve on Standing Committees and other Boards. This agenda item presents the list of the current Standing Committees and Boards that Board members currently serve on and future services going forward. Staff requests direction on continued and/or future assignments.

## 3. Substantive Analysis:

The Health Care District Bylaws specify that a minimum of 2 Board members shall be appointed to each standing committee of the Board, one of which will chair the committee. The current Board member assignments are presented below:

### Current Finance & Audit Committee

- Ed Sabin (Chair)
- Les Daniels
- Nancy Banner

### Future Finance & Audit Committee

- Ed Sabin (Chair)
- Les Daniels
- Nancy Banner

### Current Quality, Patient Safety, and Compliance Committee

- Alina Alonso (Chair)
- Sean O'Bannon
- Brian Lohman

### Future Quality, Patient Safety, and Compliance Committee

- Alina Alonso (Chair)
- Sean O'Bannon
- Cory Neering

The following two Boards are not standing committees of the District Board, but do have a District Board member assigned to each.

### Current Lakeside Health Advisory Board

- Alina Alonso

### Future Lakeside Health Advisory Board

- Alina Alonso

### Current CL Brumback Primary Care Clinics Board

- Cory Neering

### Future CL Brumback Primary Care Clinics Board

- New HCD Board Member



# HEALTH CARE DISTRICT BOARD

September 24, 2019

## 4. Fiscal Analysis & Economic Impact Statement:

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

N/A  
Joel Snook, CPA  
Chief Financial Officer

## 5. Reviewed/Approved by Committee:

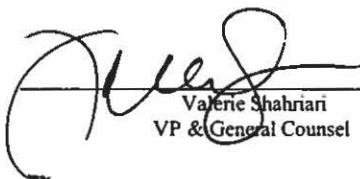
N/A  
Committee Name

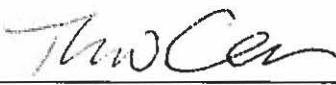
N/A  
Date Approved

## 6. Recommendation:

Staff recommends the Board approve the future Committee and Board assignments.

Approved for Legal sufficiency:

  
Valerie Shahriari  
VP & General Counsel

  
Thomas Cleare  
VP of Strategy

  
Darcy J. Davis  
Chief Executive Officer

# HEALTH CARE DISTRICT BOARD

September 24, 2019

1. **Description: Fiscal Year 2019 Healey Center Budget Amendment**

2. **Summary:**

The Fiscal Year 2019 budget amendment for the Healey Center is presented for Board approval.

3. **Substantive Analysis:**


A budget amendment is necessary to increase a fund's budget, whose expenditures exceeded the adopted budget, or to add funds for new programs or services. Per Florida Statute 189.016, budget amendments must be adopted by Board resolution, and the budget can be amended within 60 days following the end of the fiscal year.

Unanticipated salary costs resulting from two annual surveys within the same 6 months, staffing for the recent hurricane, and a market pay increase for CNAs resulted in the Healey Center's expenses exceeding the adopted budget.

4. **Fiscal Analysis & Economic Impact Statement:**

	Amount	Budget
Capital Requirements	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Net Revenue	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Annual Expenditures	\$450,000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Reviewed for financial accuracy and compliance with purchasing procedure:

  
Joel Snook, CPA  
VP & Chief Financial Officer

5. **Reviewed/Approved by Committee:**

N/A

\_\_\_\_\_  
Committee Name

\_\_\_\_\_  
Date Approved

**HEALTH CARE DISTRICT BOARD**  
**September 24, 2019**

**6. Recommendation:**

Staff recommends the Board approve the Fiscal Year 2019 Healey Center budget amendment through the adoption of Resolution #2019R-003.

Approved for Legal sufficiency:

  
\_\_\_\_\_  
Valerie Shahriari  
VP & General Counsel

  
\_\_\_\_\_  
Joel Snook, CPA  
VP & Chief Financial Officer

  
\_\_\_\_\_  
Danny J. Davis  
Chief Executive Officer

**Exhibit A**

**Health Care District of Palm Beach County  
Budget Amendment  
Fiscal Year 2018-2019**

<b>Healey Center</b>	
Operating Expenses	<u>450,000</u>
<b>Total Change in Expenditures</b>	<b>450,000</b>
<b>Total Change in District's</b>	
<b>Use of Reserves</b>	<u><u>(450,000)</u></u>



**BUDGET RESOLUTION #2019R-003**

**A RESOLUTION OF THE BOARD OF THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY AMENDING THE ADOPTED BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019 WHICH WILL ADJUST BUDGETED APPROPRIATIONS.**

**WHEREAS**, the Board of the Health Care District of Palm Beach County, Florida has adopted the Fiscal Year 2018-2019 Budget on the 25<sup>th</sup> day of September 2018 pursuant to Resolution #2018R-003;

**WHEREAS**, the Board of the Health Care District of Palm Beach County, Florida has amended the Fiscal Year 2018-2019 Budget on the 10<sup>th</sup> day of September 2019 pursuant to Resolution #2019R-002;

**WHEREAS**, staff is bringing forward this budget amendment to cover the cost of unanticipated operating expenses;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Health Care District of Palm Beach County, Florida, that:

1. The FY 2018-2019 expenditure budget be amended. A copy of the amendment is attached hereto as Exhibit "A."
2. There is hereby appropriated revised amounts (see Exhibit "A") to the Healey Center.
3. This resolution shall take effect immediately upon its adoption.

**DULY ADOPTED** the 24<sup>th</sup> day of September 2019.

**PALM BEACH COUNTY, FLORIDA  
HEALTH CARE DISTRICT OF PALM BEACH COUNTY**

\_\_\_\_\_  
Brian R. Lohmann  
Chair

**ATTEST:** \_\_\_\_\_  
Sean O'Bannon  
Secretary