



MEMORANDUM

To: Board of Directors

Cc: Bill Boyles, Esquire
Joseph Rojas, M.D.

From: George Mikitarian
President/CEO

Subject: Board/Committee Meetings – May 6, 2019

Date: April 29, 2019

The Pension Committee will meet at 10:00 a.m. in the Executive Conference room.

The Audit Committee will meet at 11:00 a.m. in the Executive Conference room.

The Investment Committee will meet at 11:30 a.m. in the Executive Conference room.

The Ad Hoc Credentials Review Committee will meet at 11:30 a.m. where the Committee will review credentialing and privileging files as they relate to medical staff appointment/reappointment.

The Quality Committee will convene at 12:00 p.m., which will be followed by the Budget and Finance Committee, and then Executive Committee meetings. City Manager, Scott Larese, if available, will be giving the City Council liaison report at the Executive Committee

The Board of Directors will meet in executive session no earlier than 1:30 p.m. Following the Board of Directors Executive Session, the Education Committee and Board of Directors regularly scheduled meeting will be held immediately following, however no earlier than 3:00 p.m.

The Planning Committee meeting has been canceled.

Members:

Stan Retz (January 1, 2016 - December 31, 2019)
Michael Allen, Vice-Chairperson (July 1, 2016 – June 30, 2019)
Chris Mc Alpine (February 4, 2019 – January 31, 2022)
Julia Reyes-Mateo (July 1, 2016 – June 30, 2019)
Dawn Hohnhorst (April 1, 2019 – March 31, 2022)
Warren Berry (January 1, 2016- December 31, 2019)

PARRISH MEDICAL CENTER
PENSION ADMINISTRATIVE COMMITTEE
MAY 6, 2019 @ 10:00 A.M.
EXECUTIVE CONFERENCE ROOM

CALL TO ORDER

- I. Review and approval of minutes (February 4, 2019)

Motion: To recommend approval of the February 4, 2019 minutes as presented.

- II. Public Comments

- III. Pension Investment Assumption Rate – Mr. Lozen, Foster & Foster

- IV. Quarterly Pension and 403(b) and 457(b) Investment Reports – Anderson Financial Partners

- V. Corporate Resolution DB Plan – Mr. Bailey

Motion: To recommend the Budget and Finance Committee approve the Resolution for the Parrish Medical Center Pension Plan and Trust Agreement as presented.

- VI. Plan Update – Mr. Bailey

- VII. Membership Renewal for Michael Allen – Mr. Bailey

Motion: To recommend the Budget and Finance Committee approve the renewal of membership for Michael Allen for a three-year term from July 1, 2019 through June 30, 2022.

- VIII. Membership Renewal for Julia Reyes-Mateo – Mr. Bailey

Motion: To recommend the Budget and Finance Committee approve the renewal of membership for Julia Reyes-Mateo for a three-year term from July 1, 2019 through June 30, 2022.

- IX. Adjournment

**PARRISH MEDICAL CENTER
PENSION ADMINISTRATIVE COMMITTEE MEETING
FEBRUARY 4, 2019**

The members of the Pension Administrative Committee met in the Executive Conference Room on February 4, 2019 at 11:00 a.m. The following representing a quorum, were present:

Pension Administration Committee:

Michael Sitowitz, Chairperson
Michael Allen, Vice-Chairperson (via phone)
Stan Retz (via phone)
Dawn Hohnhorst (via phone)
Warren Berry
Julia Reyes-Mateo

Others Present:

Pamela Perez, Recording Secretary
John Anderson, Anderson Financial Partners
Tim Anderson, Anderson Financial Partners
Douglas Lozen, Foster & Foster
Christopher Mc Alpine

Call To Order

The meeting was called to order by the Chairperson at 11:05 a.m.

Review and Approval of Minutes

The following motion was made by Mr. Berry and seconded by Ms. Reyes-Mateo and approved without objection.

Motion: To approve the PAC minutes of November 5, 2018 as presented.

Public Comments

No public comments presented

Resignation of Michael Sitowitz, Committee Chairperson

Mr. Sitowitz made notice that he will be resigning from the Committee as the Chairperson. Mr. Sitowitz is retiring from Parrish Medical Center effective as of February 8, 2019.

Appointment of New Pension Committee Chairperson and Committee Member

Mr. Sitowitz nominated Chris Mc Alpine to serve on the committee as the EMC representative in place of Mr. Sitowitz.

The following motion was made by Ms. Reyes-Mateo and seconded by Mr. Berry and approved without objection.

Motion: To recommend the Budget & Finance Committee approve the appointment of Christopher Mc Alpine to the Pension Administrative Committee.

Mr. Sitowitz nominated Mr. Retz to serve as the Pension Administrative Committee Chairperson.

The following motion was made by Mr. Berry and seconded by Ms. Reyes-Mateo and approved without objection.

Motion: To recommend the Budget & Finance Committee approve the appointment of Stan Retz to be the Chairperson of the Pension Administrative Committee.

Membership Renewal for Dawn Hohnhorst

Mr. Sitowitz noted that Ms. Hohnhorst's membership on the committee will be expiring at the end of March 2018 and asked that her membership be renewed for another three year period.

The following motion was made by Mr. Berry and seconded by Ms. Reyes-Mateo and approved without objection.

Motion: To recommend the Budget & Finance Committee approve the renewal of membership for Dawn Hohnhorst for a three-year term from April 1, 2019 through March 31, 2022.

Quarterly Investment Reports-Pension, 403(b) and 407(b)

Mr. Tim Anderson, Anderson Financial Advisors, opened up discussion to the committee regarding the 457(b) plan and the ability of the committee to freeze or change fund managers in the plan. It was recommended that Anderson Financial Advisors work with Nationwide to review the current fund managers to ensure we are exercising our fiduciary responsibility to make sure the fund managers are performing appropriately.

The following motion was made by Mr. Sitowitz and seconded by Ms. Reyes-Mateo and approved without objection.

Motion: To recommend the Budget & Finance Committee allow Anderson Financial Advisors facilitate a review of fund managers in the 457(b) plan, alongside Nationwide, to ensure the exercise of fiduciary responsibility of performance of the fund managers that are on the fund menu.

John Anderson from Anderson Financial Partners presented to the Committee the Pension portfolio performance update. Tim Anderson reviewed the 403(b) and 457(b) Investment Reports, the plans are performing well. The Pension portfolio had a fiscal year-to-date return of -9.42% and a Calendar year-to-date return of -5.26%.

Tim Anderson recommended that DRZ Fund Manager present to the committee at the next meeting.

457(b) Plan

Every February we will be receiving the prior year deferral amount and it is recommended that the Committee approve the deferral amounts for each year. At this time, Mr. Sitowitz has been advised to have the committee approve the Salary Deferral Contribution amount for 2016, 2017 and 2018.

The following motions were made by Ms. Reyes-Mateo and seconded by Mr. Berry and approved without objection.

Motion: To recommend the Budget & Finance Committee approve the Employee Salary Deferral Contribution amount of \$376,621.30 to be allocated to the 457(b) plan for 2016.

Motion: To recommend the Budget & Finance Committee approve the Employee Salary Deferral Contribution amount of \$345,798.78 to be allocated to the 457(b) plan for 2017.

Motion: To recommend the Budget & Finance Committee approve the Employee Salary Deferral Contribution amount of \$317,932.80 to be allocated to the 457(b) plan for 2018.

Pension Actuarial Report as of October 1, 2018

Douglas Lozen from Foster & Foster presented the Pension Actuarial Report (copy appended). Discussion ensued and the following motion was made by Mr. Reyes-Mateo, seconded by Mr. Berry and approved without objection.

Motion: To recommend the Budget and Finance Committee accept the Pension Plan Actuarial valuation as of October 1, 2018 as presented.

Mr. Sitowitz addressed the investment assumption percentage and noted that another reduction would be needed and that matter will come before the committee at the next meeting. Mr. Lozen advised he would be available to participate via phone for the meeting.

Adjournment

There being no further business, the meeting was adjourned at 11:58 a.m.

Stan Retz, Chairman

**AMENDMENT TO THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
A Special Tax District Operating
PARRISH MEDICAL CENTER
PENSION PLAN AND TRUST AGREEMENT**

WHEREAS, the North Brevard County Hospital District ("Employer") established the Parrish Medical Center Pension Plan and Trust Agreement ("Plan"), effective as of February 15, 1972, as subsequently amended, and

WHEREAS, Section 1(d) of Article VII of the Plan permits retirement benefits to be paid in optional forms of payment which are designated as "interest only" or "guaranteed payment"; which have been infrequently utilized by Plan participants; and

WHEREAS, Section 1(d) of Article VII of the Plan permits the payment of benefits in the form of a single lump sum; and

WHEREAS, the Employer desires to eliminate the "interest only" or "guaranteed payment" forms of payment that are infrequently utilized and to clarify certain aspects relating to the payment of such lump sum distributions; and

WHEREAS, the Employer has the right to amend the Plan under Article IX.

NOW THEREFORE, BE IT RESOLVED, that effective as of the date of execution hereof, the Plan is hereby amended as follows:

1. Section 1(d) of Article VII is deleted in its entirety and the following is inserted in lieu thereof:

(d) **OPTION 4 – Lump Sum**. In lieu of the other optional forms enumerated in this Article, retirement benefits may be paid in a lump sum distribution, if elected by the Participant. Any lump sum distribution payable to a terminated Participant before such Participant's Normal Retirement Date must be actuarially reduced (in accordance with Section 2 of this Article VII) to reflect commencement prior to Normal Retirement Date.

2. Section 2 of Article VIII is deleted in its entirety and the following is inserted in lieu thereof:

2. **Termination of Employment**. All rights to benefits under this Plan shall cease upon a Participant's termination of employment, except by reason of Early, Normal or Delayed Retirement; however, all Participants shall acquire a vested interest in benefits pursuant to the following Vesting Schedule:

Completed Years of Continuous Service	Vested Interest
Less than 5	0%
5	50%

6	60%
7	70%
8	80%
9	90%
10 or more	100%

Any Participant not eligible for Normal, Early, or Delayed Retirement Benefit but who has a vested interest at time of termination shall receive such benefit on a monthly, Life Annuity basis, commencing on his Normal Retirement Date. Notwithstanding the foregoing, in lieu of receiving a monthly Life Annuity commencing at Normal Retirement Date, such Participant may elect to receive such benefits in a single lump sum distribution and may elect to receive such distribution prior to Normal Retirement Date in accordance with Section 1(d) of Article VII. Actuarially equivalent amounts shall be payable under any form or manner of payment provided herein.

A Participant must live to his Normal Retirement Date in order to receive his vested benefit. No benefit shall be payable to the Participant's beneficiaries following his death, except as provided in Section 1 of this Article.

Although Continuous Service after September 30, 2016 is not recognized for benefit accrual purposes, Continuous Service shall continue to be credited to Participants after September 30, 2016 for vesting purposes.

IN WITNESS WHEREOF, the Employer has caused this Amendment to be executed and duly attested as of the _____ day of _____, 2019.

ATTEST:

PARRISH MEDICAL CENTER, on behalf of the Board of Directors of the North Brevard County Hospital District, a Special Tax District

By: _____

By: _____

Printed Name: George Mikitarian

Title: President/CEO

**SECRETARY'S CERTIFICATE ACKNOWLEDGING THE ADOPTION OF THE
AMENDMENT TO THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
A Special Tax District Operating
PARRISH MEDICAL CENTER
PENSION PLAN AND TRUST AGREEMENT**

The undersigned Secretary of the North Brevard County Hospital District hereby certifies that the following resolutions were adopted by the North Brevard County Hospital District at a formal meeting for which notice was given in accordance with Florida Statutes Chapter 286.011, and that such resolutions have not been amended or rescinded since that date.

WHEREAS, the North Brevard County Hospital District ("Employer") established the North Brevard County Hospital District, a Special Tax District Operating Parrish Medical Center Pension Plan and Trust Agreement ("Plan"), effective as of February 15, 1972, as subsequently amended; and

WHEREAS, Section 1(d) of Article VII of the Plan permits retirement benefits to be paid in optional forms of payment which are designated as "interest only" or "guaranteed payment"; which have been infrequently utilized by Plan participants; and

WHEREAS, Section 1(d) of Article VII of the Plan permits the payment of benefits in the form of a single lump sum; and

WHEREAS, the Employer desires to eliminate the "interest only" or "guaranteed payment" forms of payment that are infrequently utilized and to clarify certain aspects relating to the payment of such lump sum distributions; and

WHEREAS, the Employer has the right to amend the Plan under Article IX.

NOW THEREFORE, BE IT RESOLVED, as follows:

RESOLVED, that Section 1(d) of Article VII of the Plan is amended to read as followed, effective as of the date of execution hereof:

(d) **OPTION 4 – Lump Sum**. In lieu of the other optional forms enumerated in this Article, retirement benefits may be paid in a lump sum distribution, if elected by the Participant. Any lump sum distribution payable to a terminated Participant before such Participant's Normal Retirement Date must be actuarially reduced (in accordance with Section 2 of this Article VII) to reflect commencement prior to Normal Retirement Date.

RESOLVED, that Section 2 of Article VIII of the Plan is amended to read as follows, effective as of the date of execution hereof:

2. **Termination of Employment**. All rights to benefits under this Plan shall cease upon a Participant's termination of employment, except by reason of Early, Normal or Delayed Retirement; however, all Participants shall acquire a vested interest in benefits pursuant to the following Vesting Schedule:

Completed Years of Continuous Service	Vested Interest
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

Any Participant not eligible for Normal, Early, or Delayed Retirement Benefit but who has a vested interest at time of termination shall receive such benefit on a monthly, Life Annuity basis, commencing on his Normal Retirement Date. Notwithstanding the foregoing, in lieu of receiving a monthly Life Annuity commencing at Normal Retirement Date, such Participant may elect to receive such benefits in a single lump sum distribution and may elect to receive such distribution prior to Normal Retirement Date in accordance with Section 1(d) of Article VII. Actuarially equivalent amounts shall be payable under any form or manner of payment provided herein.

A Participant must live to his Normal Retirement Date in order to receive his vested benefit. No benefit shall be payable to the Participant's beneficiaries following his death, except as provided in Section 1 of this Article.

Although Continuous Service after September 30, 2016 is not recognized for benefit accrual purposes, Continuous Service shall continue to be credited to Participants after September 30, 2016 for vesting purposes.

RESOLVED, that the proper officers of the North Brevard County Hospital District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolution.

ATTEST:

PARRISH MEDICAL CENTER, on behalf of the Board of Directors of the North Brevard County Hospital District, a Special Tax District

Date: _____

By: _____, Secretary

Printed Name: _____

Members:

Stan Retz, Chairperson

Peggy Crooks

Herman Cole

Jerry Noffel

TENTATIVE AGENDA
AUDIT COMMITTEE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
MAY 06, 2019 11:00 A.M.
EXECUTIVE CONFERENCE ROOM

Call to Order

- I. Review and approval of minutes (January 07, 2019)

Motion: To recommend approval of the January 07, 2019 minutes as presented.

- II. Public Comments

- III. Audit Engagement Letter MSL – Mr. Bailey

Motion: To recommend approval of the Moore Stephens Lovelace Engagement Letter for the FY19 audit as presented.

- IV. Corporate Compliance Update – Mr. Jackson

- V. Adjournment

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
AUDIT COMMITTEE**

A regular meeting of the Audit Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on January 07, 2019 at 11:00 a.m. in the Executive Conference Room. The following members were present:

Stan Retz, Chairperson
Herman Cole
Peggy Crooks
Jerry Noffel

Other Attendees:

Michael Sitowitz
Pamela Perez
Anual Jackson
Farlen Halikman, MSL
Jeff Goolsby, MSL
Nate Davenport, MSL
Colleen Davis
Kaitlyn Greene
Kristal Krieger

Call to Order

Mr. Retz called the meeting to order at 11:13 a.m.

Review and Approval of Minutes

The following motion was made by Mr. Cole, seconded by Ms. Crooks, and approved without objection.

Action Taken: Motion to approve the minutes of the November 05, 2018 meeting as presented.

Public Comment

No public comment

Finance Recognition

Mr. Sitowitz recognized and noted the hard work of the following Finance care partners that assisted with the audit; Kaitlyn Greene, Kristal Krieger and Colleen Davis.

AUDIT COMMITTEE

JANUARY 7, 2019

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FY 2018 Final Audit Report

Jeff Goolsby and Nate Davenport both gave overviews of the areas of the audit. No adjustments, no comments and no disagreements noted. The following motion was made by Ms. Crooks and seconded by Dr. Galfo and approved without objection:

Motion: To recommend to the board of director to accept the Fiscal Year 2018:

- *Audited Financials*
- *Examination Report on Compliance*
- *Communications With the Board of Directors and Audit Committee*
- *Management Letter*
- *Bond Compliance Letter*

Corporate Compliance Update

Mr. Jackson updated the committee on the following:

- Compliance Focus for 2019 will be Fraud, Waste and Abuse
- Claims Submissions
 - Verify reimbursements are appropriate and accurate
 - Coding from physician and hospital

CDM Annual Review

Completed the annual review and the hospital showed to be 99.9% accurate.

Other

Mr. Sitowitz updated the committee to advise that effective January 1, 2019, we are compliant with the requirement to post the hospital's charge master on our website.

Adjournment

There being no further business, the meeting adjourned at 11:58 a.m.

Stan Retz, Chairperson



CPAs & ADVISORS

April 25, 2019

VIA EMAIL

Dr. George Mikitarian
President/Chief Executive Officer
North Brevard County Hospital District
d/b/a Parrish Medical Center
951 N. Washington Avenue
Titusville, FL 32796

Dear Dr. Mikitarian:

We are pleased to serve **North Brevard County Hospital District d/b/a Parrish Medical Center** (the "District") as its independent certified public accountants. This letter confirms our understanding of the scope and the terms of our engagement.

We will audit the general purpose financial statements of the District as of and for the year ending September 30, 2019. Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole:

1. Required Supplemental Information – Unaudited Schedule Funding Progress – Pension
2. Required Supplemental Information – Unaudited Schedule Funding Progress – OPEB
3. Consolidating Balance Sheets
4. Consolidating Statements of Revenues, Expenses, and Changes in Net Assets

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which, in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

In recent years, the federal government and many states have aggressively increased enforcement efforts under Medicare and Medicaid anti-fraud and abuse legislation. Broadening regulatory and legal interpretations have significantly increased the risk of penalties for providers; for example, broad interpretations of "false claims" laws are exposing ordinary billing mistakes to scrutiny and penalty consideration. An auditor's expertise is in accounting and auditing matters rather than operational, clinical, compliance or legal matters. Accordingly, our audit procedures focus on areas that normally are subject to internal control relevant to financial reporting.

An audit conducted in accordance with auditing standards generally accepted in the United States of America does not include audit procedures specifically designed to detect illegal acts that have only an indirect effect on the financial statements (for example, violations of Stark laws or fraud and abuse statutes that result in fines or penalties being imposed on the District). The audit procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid anti-fraud and abuse. Management of the District is responsible for the identification of, and the District's compliance with, laws and regulations applicable to its activities, including, but not limited to, those related to Medicare and Medicaid anti-fraud and abuse statutes.

With respect to cost reports that may be filed with a third party (such as federal and state regulatory agencies), we have not been engaged to test in any way, or render any form of assurance on, the propriety or allowability of the specific costs to be claimed on, or charges to be reported in, a cost report. Management is responsible for the accuracy and propriety of all cost reports filed with Medicare, Medicaid, or other third parties.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected third parties, including actuaries, creditors and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that comes to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under our professional standards.

OTHER SERVICES

We will also assist in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

The District and its management are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skills, knowledge, or experience to oversee tax services or any other non-attest services we may provide; and for evaluating the adequacy and results of those services and accepting responsibility for them. The District and its management are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with U.S. generally accepted accounting principles that are free of material misstatements. The District and its management are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. The District and its management are responsible for providing us with (a) access to all information of which they are aware that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of the audit, and (c) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

The District's and management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. The District and its management are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

The District and its management are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or allegations of fraud affecting the District involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. The District's and management's responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, the District and its management are responsible for identifying and ensuring that the entity complies with applicable laws and regulations (including, but not limited to, those related to the Medicare and Medicaid anti-fraud and abuse statutes). The District and its management are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. The District and its management agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. The District and its management agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

The District and its management agree to assume all management responsibilities for financial statement preparation services and/or any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skills, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The District and its management are also responsible to notify us in advance of their intent to print our report, in whole or in part, and to give us the opportunity to review such printed matter before its issuance.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge that as a condition of our agreement to perform an audit, you and the District's management agree to the best of your knowledge and belief to be truthful, accurate, and complete in the representations you make to us during the course of the audit and in the written representations provided to us at the completion of the audit.

Because of the importance of management's representations, contained in your representation letter to us, to the effective performance of our services, the District will release Moore Stephens Lovelace, P.A. ("MSL") and its personnel from any claims, liabilities, costs and expenses relating to our services under this letter attributable to any misrepresentations in the representation letter referred to above or made to us by any member of management. In addition, the District further agrees to indemnify and hold us harmless for any liability and all reasonable costs, including legal fees, that we may incur as a result of the services performed under this engagement in the event there are known misrepresentations made to us by any member of the District's management.

Engagement Administration and Other

We understand that your employees will prepare all confirmations that we request and will locate any documents selected by us for testing. You are responsible for any costs or fees charged by the organization(s) or individual(s) responding to the confirmation requests.

Jeff Goolsby is the engagement shareholder and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We anticipate beginning fieldwork on November 5, 2019, and complete the engagement no later than January 31, 2020.

MSL and Moore Stephens Tiller LLC have been defined as a network within an association under the AICPA *Rules of Professional Conduct*. You confirm to us that you are not aware of any prohibited relationship that would impair our independence under the AICPA *Rules of Professional Conduct* between our Firm and Moore Stephens Tiller LLC and its employees. We are also not aware of any such relationships.

FEES - Our fees are based on the tasks required, time spent, and level of expertise of the staff used to perform this engagement. The fee, inclusive of out-of-pocket costs, will not exceed \$130,000. This fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement.

Invoices for the audit will be due based on the following schedule:

Initial deposit	\$ 25,000
September 30, 2019	\$ 25,000
October 31, 2019	\$ 25,000
November 30, 2019	\$ 25,000
December 31, 2019	\$ 20,000
Upon Issuance of Report	Balance

Any subsequent discussions, conferences, telephone conversations, correspondence or related services will be invoiced separately.

In the event we are requested or authorized by the District or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the District, the District will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

A service charge of 1.5 percent per month will be assessed on any invoice not paid within thirty (30) days of the invoice date. We reserve the right to halt further services until payment on past due invoices is received. In the event that collection procedures are required, you agree to pay all expenses of collection, including collection efforts by our staff, which will be billed at our standard hourly rates, and all attorney's fees and costs actually incurred by our Firm in connection with such collection, whether or not suit is filed thereon. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

LAW - This agreement will be interpreted in accordance with Florida law and the terms and conditions as required by the Florida Board of Accountancy, where applicable.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to three times the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

We may from time to time, depending on the circumstances, use third-party service providers in servicing your account. We may share confidential information about your organization with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, management will be asked to provide its consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

The workpapers for this engagement are the property of MSL and constitute confidential information. However, we may be requested to make certain workpapers available to government officials or others pursuant to authority by law or regulation. If requested, access to such workpapers will be provided under the supervision of MSL personnel. Pursuant to Rule 42 CFR Part 420, issued December 20, 1982, by the Center for Medicare and Medicaid of the Department of Health and Human Services ("HHS"), in regard to contract services which could potentially exceed \$10,000 over a twelve-month period, access to our records will be available to the Secretary of HHS, or authorized representatives, until the expiration of four years after the services detailed in this letter. This request from HHS must be in compliance with 42 CFR Part 420. We do not waive any rights or privileges granted under federal or state law, statutes, or regulation with regard to client/accountant privileges.

We may require access to identifiable personal health information ("PHI") during the course of our engagement. As a business associate, MSL will take reasonable steps to comply with Section 164.504(e)(2)(ii) of the Health Insurance Portability and Accountability Act ("HIPAA"), which requires, among other things, for business associates to use appropriate safeguards to prevent the improper use or disclosure of PHI. It is management's responsibility to provide MSL with the District's business associate agreement. This agreement will govern our conduct as it relates to how PHI is treated during our engagement.

We agree that nothing contained herein shall be construed or interpreted as (1) denying to either party any remedy or defense available to such party under the laws of the State of Florida; (2) the consent of a political subdivision of the State of Florida to be sued; or (3) a waiver of sovereign immunity of a political subdivision of the State of Florida beyond the waiver provided in Section 768.28, Florida Statutes. The provisions of this section shall survive any termination or expiration of this Agreement.

Indemnification is limited to the extent permitted under Florida law.

MEDIATION - Parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. In the event that the parties cannot agree to a mediator, each will choose one and the two will choose a third, who will serve as sole mediator. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceeding shall be shared equally by both parties.

TERM - This engagement is for a limited period of time and is further limited by scope. Any other services performed on your behalf shall be by separate agreement. Our audit engagement ends on delivery of our audit report or January 31, 2019, whichever occurs first. Any follow-up services will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. You agree that any claim arising out of this engagement letter shall be commenced within one (1) year of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against MSL.

If, at any time during the engagement, you fail to make prompt payments or cooperate with the staff performing this engagement, we reserve the right to suspend performance until such time as payment is made or cooperation resumes. Our engagement to serve as your independent auditor is contingent upon the results obtained from our client acceptance and continuance due diligence procedures. In the event circumstances arise that cause us to believe that we can no longer adequately meet our obligations, or if we believe that continued performance would require us to compromise our ethical standards, we reserve the right to immediately suspend or terminate this contract. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You understand that if this contract is suspended or terminated, reports or documents may not be prepared timely and you agree to hold MSL and its employees harmless for any damages suffered. In no event will our Firm be liable for incidental or consequential damages, even if we have been advised of the possibility of such damages.

The District has the right to terminate the services of MSL with written notice at the District's direction. In the event that this agreement was terminated prior to the delivery of our report, the District agrees to reimburse MSL for any work performed through the date of notification of termination. No other modification of this contract shall be binding upon the parties unless reduced to writing and signed by the parties.

NON-SOLICITATION - Your management and MSL acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will (a) solicit any shareholder/partner or employee of the other party for employment, or (b) employ any person who was a shareholder/partner or employee of the other party within four (4) months after the termination of their employment with the other party for any reason, without the advance written consent and negotiated compensation of the other party.

North Brevard County Hospital District
d/b/a Parrish Medical Center
April 25, 2019
Page 7

ENTIRE AGREEMENT - The terms and conditions set out in this engagement letter constitute the entire agreement between the parties and supersede any verbal or written agreements concerning the above-referenced services.

If the services and terms outlined above are in accordance with your understanding, please sign this letter and return it to us.

We very much appreciate this opportunity to be of service to you. If you have any questions, please do not hesitate to contact us.

Sincerely,

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

The above terms and conditions are accepted and affirmed.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
d/b/a PARRISH MEDICAL CENTER**

By: _____
(Signature)

Printed Name: _____

Title: **President/Chief Executive Officer**

Date: _____

Members:

Jerry Noffel, Chairperson

Peggy Crooks

Stan Retz

**TENTATIVE AGENDA
INVESTMENT COMMITTEE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
TUESDAY, MAY 06, 2019, 11:30 AM
EXECUTIVE CONFERENCE ROOM**

CALL TO ORDER

- I. Public Comment
- II. Review and approval of minutes (December 03, 2018)

Motion: To recommend approval of the December 03, 2018 minutes as presented.

- III. Investment Structure Assessment – Anderson Financial Partners
- IV. Investment Policy Review
- V. Adjournment

NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
INVESTMENT COMMITTEE
DECEMBER 3, 2018

An Investment Committee of the North Brevard County Hospital District Board of Directors met on December 3, 2018 in the Executive Conference Room. The following members, representing a quorum, were present:

Jerry Noffel
Peggy Crooks (11:50am)
Stan Retz

Others present:

Michael Sitowitz Vice President-Finance (via phone)
Pam Perez, Administrative Assistant
Tim Anderson, Anderson Financial Advisors
Earl Denney, Integrity Fixed Income Fund Manager

Call to Order

Mr. Retz called the meeting to order at 11:06 a.m.

Public Comment

No public comments presented.

Appointment of Chairperson

Mr. Retz nominated Jerry Noffel as Chairperson of the Investment Committee. Mr. Noffel accepted.

Integrity Fixed Income Fund Manager Representative

Earl Denney from Integrity Fixed Income discussed the portfolio for the Operating Funds and Pension Plan.

Investment Policy Annual Review

Mr. Sitowitz presented to the board the following policies; Operating Funds Investment Policy, Pension Investment Guidelines Policy and the 403-b Plan and 457-b Investment Guidelines Policy for review and approval. Mr. Sitowitz noted the changes consisted of a title change from Controller to Vice President Finance.

The following motions were made by Mr. Retz, seconded by Mr. Noffel, and approved without objection.

Motion: Recommend the Budget and Finance Committee approve the Operating Funds Investment Policy (9500-5003) as presented and edited by the attorneys.

Motion: Recommend the Budget and Finance Committee approve the Pension Investment Guidelines Policy (9500-5004) as presented and edited by the attorneys.

Motion: Recommend the Budget and Finance Committee approve the 403-b Plan and 457-b Plan Investment Guidelines Policy (9500-97) as presented and edited by the attorneys.

Adjournment

There being no further business the meeting adjourned at 11:53 a.m.

Jerry Noffel, Chairperson



Origination:	04/1992
Effective:	12/2018
Last Approved:	12/2018
Last Revised:	12/2018
Next Review:	12/2021
Areas:	Finance
Tags:	9500
Applicability:	Parrish Medical Center

Operating Funds Investment Policy, 9500-5003

REPLACES POLICY #: n/a

I. POLICY STATEMENT

It is the purpose of this policy to establish the objectives, responsibilities, composition, procedures, record keeping and reporting requirements for North Brevard County Hospital District (the "District") d/b/a Parrish Medical Center (the "Hospital") investment portfolio. Furthermore, the purpose of this investment policy is to establish objectives and standards of care and to define suitable/authorized investment instruments and investment guidelines for each investment program. The investment portfolios of the Hospital include both cash accounts and those assets deployed for investment with asset managers. This policy only pertains to the invested assets. This investment policy shall not apply to pension funds, trust funds or funds related to the issuance of debt where there are other existing policies or indentures in effect.

It will be the responsibility of the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance to insure that this policy is periodically reviewed and updated, that this policy is in conformance with [Chapter 218, Part IV](#), Florida Statutes, and specifically, [Section 218.415](#), Florida Statutes, as amended, or relevant future statutes, and that the investment portfolio is managed consistent with the Hospital's Business Plan, as well as general asset liability management strategies of the Hospital.

The need for an investment policy is due to the increased volatility of interest rates, greater competition, and the increased relative importance of investment earnings compared to income from operations. These forces have combined to narrow the spread between the Hospital's revenues and expenses. The investment portfolio is an earning asset as well as a major source of the Hospital's liquidity. This creates the need for active management and sound administration of the investment portfolio. This written investment policy serves as the framework for the development of the Hospital's investment strategy and is the basis for measuring portfolio performance.

In addition to policies and objectives outlined herein, Hospital management may also employ strategies outlined and approved by the District's board of directors (the "Board of Directors") from time to time.

II. OBJECTIVES

Changes in the investment portfolio can have a profound impact on the Hospital's activities and must complement the Hospital's Business Plan and general asset-liability program. The order of the priorities in the management of the Hospital's investment portfolio shall be:

- A. Principal and Safety – The foremost objective of this investment program is the preservation of the

principal. Portfolio diversification must be adequate to assure preservation of principal and to minimize the risk.

- B. Liquidity – The portfolio shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. The portfolio asset allocation model takes into account anticipated liquidity needs.
- C. Generation of Income – The use of the Hospital assets to generate additional income is an important enhancement tool. This involves management of investments which, within defined limits, will provide income exceeding that which can be earned from the Florida State Board of Administration Local Government Surplus Funds Trust Fund (Florida Statutes Chapter 218.405 as amended or relevant future statutes).
- D. Inflation Protection – It is the intent of the asset allocation model contained in this policy to significantly out-pace inflation.
- E. Return on investment / yield – All investments will be made striving to maximize portfolio return, consistent with the stated quality, safety and liquidity restrictions of the asset allocation model. Investment returns shall be secondary to the requirements for quality, safety and liquidity.
- F. Understanding of Risk – The various asset styles, which comprise the asset allocation model, will be structured in a manner that most efficiently matches the model's investment risk and return characteristics with its long-term purposes and objectives. Short-term volatility and uncertainty of investment results are recognized as real, but not overriding risks, and will be managed appropriately through specific asset allocation strategies and diversification based upon the portfolios' investment time horizon and the fiduciaries stated risk limits. Consistent with this view, the portfolios will be evaluated on a "total return", rather than on a "yield" basis and the total return earned shall be particularly measured with risk taken in mind. At all times, investments should be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived from the investment.

III. RESPONSIBILITIES/DECISION MAKING AUTHORITY

The Board of Directors has the ultimate responsibility of insuring that the policies of the Hospital are being followed.

The investment policy statement and periodic transactions shall be reviewed by the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance on a regular basis to make certain that the investment activities bear a relationship to a broader risk management strategy of the Hospital. The overall policy shall be reviewed by the Investment Committee not less than annually in November of each year. On a monthly basis, the President and/or his designee, the Chief Financial Officer, and/or the

Vice President Finance, will be responsible for formulating individual investment strategies, monitoring investment performance, establishing maximum tolerable loss limits, and making recommendations for policy changes to the Investment Committee, who are responsible for advancing such recommendations, if warranted, to the Board of Directors.

The President and/or his designee, the Chief Financial Officer and/or the Vice President Finance shall also assure that adequate records and reports of transactions and commitments for future transactions be maintained.

To carry out their duties the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance are empowered to execute securities purchases and sales, direct delivery of investments into and out of safekeeping, cause securities to be re-registered in the name of the Hospital, designate Board-approved Investment Managers to execute trades within the restrictions of this policy, and authorize wire transfer of funds for settlement of purchases, consistent with the limitations set forth in this policy.

Unless otherwise prohibited by law, from time to time, investments may be made which are not specifically authorized providing they are deemed to be in the best interest of the Hospital and the recommendation is jointly made by the President and Chief Financial Officer and/or the Vice President Finance, and providing further that such investments are approved by resolution of the Board of Directors as required by [Section 218.415\(16\)\(i\)](#), Florida Statutes. Prudence should be exercised when making investment decisions. The investment industry standard known as the "Prudent Person Rule" shall be followed to insure investment decisions are made in the Hospital's best interest. This rule states that investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital, as well as the probable income to be derived from the investment. Once such investment is made, formal notification shall be set forth in the minutes of the next Investment Committee meeting.

IV. RECORD KEEPING/REPORTING

The President and/or his designee, the Chief Financial Officer and/or the Vice President Finance must keep timely and accurate records of all portfolio activities. The President and/or his designee, the Chief Financial Officer and/or the Vice President Finance is responsible for keeping specially detailed and accurate records for tax-exempt note or bond proceeds such that compliance with the Internal Revenue Code of 1986 and any amendments is assured. The President and/or his designee, the Chief Financial Officer is responsible for making sure the relevant arbitrage rebate calculations and required reporting to the Internal Revenue Service is performed for these issues. The following records must also be maintained and made available upon request from the Investment Managers:

- A. Securities register that details all the transactions to include description of the security, the cost, maturity, par value, date of issue, date of purchase, coupon rate, registered status, interest payment dates, effective rate of return, safekeeping location, amortization or accrual of premiums or discounts, if any, and final disposition.
- B. A ledger for the monthly balance, premium, discount, accrued interest receivable, interest income, and gains or losses on the investment portfolio by investment account number. It shall be the responsibility of the Vice President Finance to reconcile all general ledger accounts to the individual investment account records as of each month-end to ensure the accounts are in balance.
- C. A monthly investment report shall be issued by the Investment Managers to the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance, which at a minimum sets forth the following information:
 1. For each account (by class or type):
 - a. the par value
 - b. total cost value (book value)
 - c. weighted yield based on cost
 - d. total market value, weighted market yield, aggregate unrealized gain or loss from book, and

income earned (all as of the report date)

2. For the total portfolio:
 - a. the beginning cost and market value
 - b. the ending cost and market value
 - c. net contributions to the account
 - d. net withdrawals from the account
 - e. net cash flow to the account and income earned by the account (if different)
 - f. total return for the account on a cost and market value basis for the month and the previous 11 months
 - g. trailing quarter return on a cost and market value basis
 - h. fiscal year to day return on a cost and market value basis
 - i. trailing one year return on a cost and market value basis

D. Also provided shall be a short narrative of the investment portfolio prospectus including strategies used by the Investment Manager and commentary on current market conditions affecting the portfolio's performance.

E. Along with performance, security and market information, a trading summary should be provided to the Hospital each quarter from each Investment Manager. The trading summary should outline the overall trading strategies employed by the Investment Manager given the market conditions and why the portfolio is structured the way it is at that time. Information should include discussion of trades executed in the portfolio for the period under review and why they were executed at that time.

V. PORTFOLIO COMPOSITION

The Hospital's investment portfolio shall **exclusively** consist of investments permitted by [Section 218.415\(16\)](#), Florida Statutes, as amended or provided by relevant future statutes. This portfolio shall be maintained with a level of liquidity at least equal to 30 days of cash expenses, and in addition, at least 10% of fixed income investments will have maturities of one year or less.

Total Operating Reserves Asset Mix – The Operating Reserves' assets shall be invested with specialist managers with a target ultimate allocation of 60% fixed income, 30% equities and 10% alternatives. The Target Asset Allocation shall be as follows:

Asset Class	Target Asset Allocation*		Market Index
	Target Weight	Maximum Weight	
Fixed Income			
Short Dur Gov't/Corp	30%	60%	ML Domestic Mstr 1-3 yr
Inter. Dur Gov't/Corp	30%	60%	Barclays Gov/Cred Intrm
Long Dur Gov't/Corp	0%	60%	Barclays US Long Credit A
Total	60%	n/a	
Equities/Alternatives			
Large Cap Growth	7.5%	30%	Russell 1000 Growth

Large Cap Value	7.5%	30%	Russell 1000 Value
Mid Cap Core	5%	30%	Russell Mid Cap
Small Cap Core	5%	30%	Russell 2000
International	5%	30%	MSCI EAFE
Total	30%	n/a	
Alternatives	10%	12%**	TBD – Area Specific

*While the "Target Asset Allocation" is meant to be a guide for the deployment of assets, the Budget and Finance Committee shall, on a continuous basis, evaluate whether the Allocation continues to most likely accomplish the Objectives for the portfolio as discussed above.

**As discussed later in the section titled "Alternatives" below, the growth of the target weighting shall be limited to 12%.

VI. EXIGENT CIRCUMSTANCES

Special power is reserved, after approval of the Chief Executive Officer and Chairman of the Board, to move the portfolio to a risk free position in the face of emergency circumstances whereby the delay involved in the decision making process of the full Budget and Finance Committee may cause irreparable harm.

VII. ALTERNATIVES

The Budget and Finance Committee may authorize an allocation of this portfolio to an asset class known as Alternative Investments. Alternative Investments involve investing in non-traditional asset classes and in traditional asset classes structured in a non-traditional manner. Managers of such investments are expected to use their specific investment skills to generate long-term equity-like returns that are not highly correlated to traditional asset classes. Alternative Investment strategies, such as long vs. short, tactical asset allocation, distress securities, managed futures, commodities, and arbitrage strategies may be used in the portfolios to enhance investment returns, reduce volatility of portfolios and increase overall portfolio diversification.

Furthermore, Alternative Investments may also include Real Estate Investment Trust (REIT) Manager(s), Real Estate Limited Partnerships and Hedge Fund of Fund managers. Hedge Fund of Fund managers shall exhibit the following characteristics:

- A. Fund of Fund Hedge Funds will be held in the forms of professionally managed pooled limited partnership investments offered by professional investment managers with proven records of superior performance over time.
- B. Fund of Fund Hedge Funds are subject to the same due diligence process as traditional investments, however due to their unique nature, additional criteria are to be considered.
- C. Transparency of the underlying hedge funds and to some degree their individual positions.
- D. Liquidity terms of the fund of funds may include lock-up periods and frequency of withdrawals
- E. No significant degree of leverage utilized at the limited partnership level.
- F. Financial commitment of the General Partner in the fund.

Each investment in Alternative Investments must be specifically approved by the Budget and Finance Committee, after recommendation is made by the Investment Committee, and such class of investments must never exceed **12%** of the portfolio (10% target investment plus a maximum of 2% deviation as described in the

above table). At the time of commitment to a particular Alternative investment manager, the Budget and Finance Committee, upon recommendation from the Investment Committee, will specifically address investment goals for such an investment. With the advice of the Investment Consultant, retained by the District, the Committee shall agree to a benchmark against which to evaluate ongoing performance of the Alternative Investments in the overall asset allocation model.

VIII. QUALITY – PERMITTED INVESTMENTS

Generally, the managers are expected to invest in readily marketable, high quality stocks, bonds, and cash equivalents. Private placements, restricted stocks, and nominally or closely held public issues for which the market is severely restricted or thinly traded, or any investment, which would jeopardize the tax-exempt status of the District are prohibited.

Additionally, the following quality factors and limitations should be met:

- A. **Fixed Income** – The Operating Reserves may be invested in fixed income securities, as deemed prudent, including U.S. Government, agency obligations and corporate bonds. The average quality rating of bonds must be investment grade A or better, as judged by Moody's or S&P rating services. In any case, no more than 10% of the fixed income securities should be below investment grade, as defined by Moody's or S&P. Under no circumstances should the duration of the fixed income portion of the portfolio be longer than 125% of the Barclays Government/Credit Intermediate Index. The Budget and Finance Committee does not want an excessively long fixed income portfolio subject to interest rate risk.
- B. **Equities** - The Budget and Finance Committee wishes to hold issues of high quality, marketable securities. Each equity manager must maintain an overall portfolio quality comparable to the applicable equal weighted Russell or MSCI Index. Equity managers must include a statement regarding their comparable overall portfolio quality within each quarterly report to the Budget and Finance Committee.
- C. **Prohibited Investments** - In addition to the preceding general quality guidelines, the following categories of securities or security transactions are not permissible for investment without the Budget and Finance Committee's prior written approval:
 1. Short sales.
 2. Non-covered or Non-collateralized Put and Call Options.
 3. Margin purchases or lending or borrowing money.
 4. Letter stocks, private placements, or direct placements.
 5. Restricted stocks, and nominally or closely held public issues for which the market is severely restricted or thinly traded.
 6. Commodities or futures, or options on futures.
 7. Warrants.
 8. Equity securities of any company which have a record of less than three years continuous operation, including the operation of any predecessor
 9. Foreign equity securities not listed on one of the major U.S. exchanges, including NASDAQ.
 10. Bonds and cash equivalents denominated in foreign currencies or securities of foreign issuers including foreign financial institutions (American Depository Receipts or Canadian Issues denominated in U.S. dollars are allowed).
 11. Volatile derivative or synthetic instruments, specifically Interest Only Strips (IOs), Principal Only

Strips (POs), Residuals, Accrual Bonds, Z Bonds, Accretion Bonds, Inverse Floaters, and any other derivative securities or strategies that do not comply with the basic investment objectives of this policy, which emphasizes the preservation of principal consistent with conservative asset growth. Specifically prohibited are securities whose characteristics as implemented by the manager include potentially high price volatility and whose returns are speculative or leveraged (when considered together with liquid/short term securities positions) or whose marketability may be severely limited.

12. Direct / title holding real estate or mortgage investments.
13. Securities of the investment manager, the custodian/trustee, their parent, or subsidiaries (excluding Money Market Funds).
14. Security loans.

IX. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

Investments in any derivative products, if specifically authorized by this investment policy within the permitted investments section, may be considered only if the President and/or his designee, the Chief Financial Officer or the Vice President Finance has developed sufficient understanding of the derivative products and had the expertise to manage them. For purposes of this policy, a derivative product is a financial instrument, the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values. The use of reverse repurchase agreements, if specifically authorized by this investment policy or the Board of Directors, shall be limited to transactions where the proceeds are intended to provide liquidity and for which the President and/or his designee, the Chief Financial Officer or the Vice President Finance has sufficient resources and expertise. All approved institutions and dealers transacting repurchase agreements shall be required to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement as specified in Section 218.415(11), Florida Statutes.

X. COMPETITIVE PURCHASE OR SALE OF SECURITIES

It shall be the responsibility of the Investment Manager(s) to obtain competitive bids for the purchase or sale of securities and execute based on best price available in the market that meets the cash flow needs of Hospital and current market conditions. A log of bids obtained shall be maintained by each Investment Manager and made available to the hospital upon request. In the rare instance when competitive bids are not available for a security being purchased, the Investment Manager shall fully document such condition at the time of the trade and advise the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance of actions taken by the Investment Manager to assure best price and best execution in light of the Hospital's cash flow needs and current market conditions have been obtained.

XI. SELECTION, REVIEW, WATCH LIST AND REPLACEMENT OF MANAGERS

The Budget and Finance Committee will establish a process for selecting investment managers for the Operating Reserves. This process will be followed and executed by the Investment Committee, with conclusions provided to the Budget and Finance Committee to be approved by the Board of Directors of the

District.

The total Portfolio and the individual manager's performance will be measured utilizing returns calculated net of investment management fees as follows:

- A. Total Portfolio – The total return objective for the total Portfolio is to earn at least 50bps per year in excess of the asset weighted blended index return as computed by the investment consultant. The Asset Weighted Blend Index return is comprised of the various market indices in proportion to the actual asset mix.
- B. Individual Asset Manager Performance Review and Evaluation – Individual asset managers are expected to not only outperform their passive alternative, but also their style peer group. Underperforming managers will be placed on a watch list and eventually replaced based on the following timing schedule:
 1. If a manager underperforms its specific passive alternative/benchmark (Russell 1000 Growth, Russell 1000 Value, etc.), or falls below the 33rd Percentile peer comparison (measured over the past rolling 3 and 5 year periods) for two consecutive or three out of five quarters, the manager is formally placed on a watch list.
 2. Watch list status triggers a meeting with the investment consultant to discuss performance.
 3. Once placed on the watch list, continued underperformance for two additional quarters warrants replacement consideration. An analysis of performance shall be prepared by the investment consultant and reviewed by the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance. The President and/or his designee, the Chief Financial Officer and/or the Vice President Finance will then present the findings with the consultant during a meeting of the Budget and Finance Committee.
 4. If replacement is recommended, a replacement search will be undertaken by the Investment Consultant.
 5. If the decision is made to retain the manager, the manager will remain on the watch list until performance improves or a replacement decision is made.

The Budget and Finance Committee, through the Investment Committee, is aware of, and appreciates the fact that other variables must be taken into account other than benchmark and peer performance evaluation. Such variables include up/downside capture ratios, risk/return analysis, style drift, manager turnover, fee track record and style within a style analysis. Such variables will be provided as part of the analysis.

The Budget and Finance Committee reserves the right to change these guidelines at any time and will make the Manager aware of any changes in writing.

It is intended that the investment managers, investment consultant, and Budget and Finance Committee review this document annually. In this regard, the investment manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If at any time the investment managers feel that the specific objectives herein cannot be met, or the guidelines constrict performance, the Budget and Finance Committee should be so notified in writing. By initialing and continuing acceptance of this Investment Policy Statement, the investment manager accepts the provisions of this document. The Budget and Finance Committee shall submit a copy of this policy to each investment manager, along with an addendum outlining their respective responsibilities and reporting requirements. The addendum should be signed by the investment manager and returned to the Budget and Finance Committee for filing.

XII. ANNUAL OR FISCAL YEAR RE-BALANCE

OF THE ASSET STYLE:

From time to time, but no less than once a year, the Budget and Finance Committee, with specific input from the Investment Committee, shall address the asset allocation of the portfolios and rebalance the portfolio to the targets in the preceding table or affirm the asset allocation of the portfolio. Annual rebalancing is not required.

XIII. COMMUNICATIONS AFFECTING INVESTMENT MANAGERS

It shall be incumbent upon the investment managers and the custodian to apprise the Budget and Finance Committee of all transactions. On a monthly basis each manager shall supply an accounting statement that will include a summary of all receipts and disbursements, the cost and the market value of all assets and their percentage of the fund invested in equities, fixed income and money market investments. On a quarterly basis each manager shall provide an analysis of the quality of the assets, a summary of common stock diversification and attendant schedules. In addition, each manager shall deliver each quarter a report detailing the fund's performance, adherence to the investment policy, forecast of the market and economy, portfolio analysis and current assets of the trust. Written reports shall be provided to the Budget and Finance Committee at the quarterly meetings. Each manager will provide immediate written and telephone notice to the Budget and Finance Committee and the performance monitor of any significant market related or non-market related event. The Budget and Finance Committee has retained a monitoring service to evaluate and report on a quarterly basis the rate of return and relative performance of the fund.

Meetings: The Investment Committee will meet at least semi-annually with the investment consultant representative to review the performance report. At least annually, the Investment Committee will meet with or communicate in writing with each investment manager to discuss performance results, economic outlook, investment strategy and tactics and other pertinent matters affecting the fund.

The investment managers will immediately disclose any securities presently held which are not in compliance with this Policy. Furthermore, as part of its regular quarterly report, each manager shall include a listing of all fixed income securities and money market or short term investments held showing their credit ratings.

When the Fund owns securities, which complied with this Policy at time of purchase, that are subsequently downgraded below permissible levels, the investment manager will dispose of such securities at the earliest feasible date.

The Budget and Finance Committee may recapture commission dollars, as appropriate in light of all circumstances.

The investment manager shall notify the Budget and Finance Committee of any and all material events regarding the investment manager or any other agent, parent company or entity related to the investment manager and shall furnish the Budget and Finance Committee with the Securities Exchange Commission (SEC) Form ADV, Part II, annually.

The equity managers will be responsible to vote all proxy statements, maintain documentation on their votes and outcome of the results. Annually, each manager maybe requested to submit a summary of the proxy activity for the prior 12 months.

XIV. CUSTODIAN AND SAFEKEEPING

Any securities in the investment portfolio should be held with a third party, and all securities purchased by and

all collateral obtained by the Hospital, should be properly designated as an asset of the Hospital by the custodian. No withdrawal of such securities in whole or in part shall be made from safekeeping, except by the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance or another authorized staff member.

The Board of Directors may also receive bank trust receipts in return for investment of surplus funds in securities. Any trust receipts received must enumerate the various securities held, together with the specific number of each security held. The actual securities on which the trust receipts are issued may be held by any bank depository chartered by the United States Government or the State of Florida or their designated agents. Securities transactions between a broker/dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

XV. INTERNAL CONTROLS

The President and/or his designee the Chief Financial Officer and/or the Vice President Finance shall establish a written policy for the implementation of a system of internal controls, designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the Hospital. This internal control policy shall provide for a review of the Hospital's controls by independent auditors as part of any financial audit periodically required by the Hospital.

System of Controls – The Vice President Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Hospital are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Vice President Finance shall establish a process for periodic independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- A. Control of collusion. Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- B. Separation of transaction authority from accounting and record keeping. By separating the person who authorized or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- C. Custodial safekeeping. Securities purchased from any bank or dealer including appropriate collateral (as defined by Florida Statute) shall be placed with an independent third party for custodial safekeeping.
- D. Avoidance of physical delivery securities. Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- E. Clear delegation of authority to subordinate staff members. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- F. Written confirmation of telephone transactions for investments and wire transfers. Due to the potential for

error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via letter, fax and/or email and must be from an authorized person.

- G. Development of a wire transfer agreement with the lead bank or third party custodian. This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.
- H. Delivery vs. Payment – All trades where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.
- I. A monthly investment report shall be issued by the Investment Managers to the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance for submission to the Board of Directors, which at a minimum sets forth the information listed above in sub-section (c) of the Record Keeping / Reporting section. Such reports shall be available to the public as required by [Section 218.415\(15\)](#), Florida Statutes.

XVI. CONTINUING EDUCATION

It will be the responsibility of the President and/or his designee, the Chief Financial Officer and/or the Vice President Finance, to the extent that such individuals are responsible for making investment decisions for the Hospital's assets, to complete 8 hours annually of continuing education in subjects or courses of study related to investment practices and products.

All revision dates:

12/2018, 11/2016, 08/2018, 11/2011, 11/2009, 11/2007, 11/2006, 11/2005, 11/2003, 09/1995

Attachments:

No Attachments

Approval Signatures

Step Description	Approver	Date
BOD	Herman Cole: Chairman, Board of Directors [SP]	12/2018
President/CEO	George Mikitarian: President/CEO [AJ]	11/2018
EMC	Michael Sitowitz: Controller	11/2018
Compliance	Corporate Compliance [NV]	11/2018
Executive Management	Michael Sitowitz: Controller	11/2018
	Michael Sitowitz: Controller	11/2018

Applicability

Parrish Medical Center



Origination:	01/2001
Effective:	11/2016
Last Approved:	11/2016
Last Revised:	08/2013
Next Review:	11/2019
Areas:	<i>Finance</i>
Tags:	<i>9500</i>
Applicability:	<i>Parrish Medical Center</i>

Pension Investment Guidelines, 9500-5004

REPLACES POLICY #: n/a

I. POLICY STATEMENT

The Pension Administrative Committee (the "Committee") and the North Brevard County Hospital District (the "District") maintain that an important determinant of future investment returns is the expression and periodic review of investment objectives. To that end, the Committee and the District have adopted this statement of Investment Policy.

In fulfilling its fiduciary responsibility, the Committee and the District recognizes that the North Brevard County Hospital District, a Special Tax District operating Parrish Medical Center Pension and Trust Agreement (the "Plan") is an essential vehicle for providing income benefits to retired participants or their beneficiaries. The Committee and the District also recognizes that the obligations of the investment fund for the Plan are long-term and that the investment policy should be made with a view toward performance and return over a number of years.

The Committee recognizes that the general investment objective is to maximize return consistent with risks incumbent in each investment. The Committee shall achieve the general investment objective of the Plan commensurate with applicable statutes or requirements. The Committee and the District further acknowledge that Section 112.661 of the Florida Statutes shall supersede any conflicting provisions of law guiding Plan investments. Objectives, in order of importance are: Principal and Safety, Liquidity and Return on Investment.

In order to achieve a rate of return commensurate with the standards stated in this investment policy, the Committee shall identify performance standards, investment guidelines and limits necessary to guarantee compliance with the Committee's standards by all named fiduciaries.

In addition to policies and objectives outlined herein, Hospital management may also employ strategies outlined and approved by the District's board of directors (the "Board of Directors") from time to time.

II. RESPONSIBILITIES/DECISION MAKING AUTHORITY

The investment policy statement and periodic transactions shall be reviewed by the Committee on a regular basis to make certain that the investment activities bear a relationship to a broader risk management strategy of the Plan. On a reasonable basis, the Committee and/or its designee, the Chief Financial Officer, and in their absence, the Controller, will be responsible for formulating individual investment strategies, monitoring

investment performance, establishing maximum tolerable loss limits, and making recommendations for policy changes to the Committee.

The Committee and/or its designee, the Chief Financial Officer and/or the Controller shall also assure that adequate records and reports of transactions and commitments for future transactions be maintained.

To carry out their duties the Committee and/or its designee, the Chief Financial Officer and/or the Controller are empowered to execute securities purchases and sales, direct delivery of investments into and out of safekeeping, cause securities to be reregistered in the name of the Plan, designate Committee-approved Investment Managers to execute trades within the restrictions of this policy, and authorize wire transfer of funds for settlement of purchases, consistent with the limitations set forth in this policy.

Unless otherwise prohibited by law, from time to time, investments may be made which are not specifically authorized providing they are deemed to be in the best interest of the Plan and the recommendation is jointly made by the Committee and Chief Executive Officer. Prudence should be exercised when making investment decisions. The investment industry standard known as the "Prudent Person Rule" shall be followed to insure investment decisions are made in the Plan's best interest. This rule states that investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital, as well as the probable income to be derived from the investment. Once such investment is made, formal notification shall be set forth in the minutes of the next Committee meeting.

III. RECORD KEEPING/REPORTING

The Committee and/or its designee, the Chief Financial Officer and/or the Vice President Finance must keep timely and accurate records of all portfolio activities. The following records must also be maintained and made available upon request from the Investment Managers:

- A. Securities register that details all the transactions to include description of the security, the cost, maturity, par value, date of issue, date of purchase, coupon rate, registered status, interest payment dates, effective rate of return, safekeeping location, amortization or accrual of premiums or discounts, if any, and final disposition.
- B. A ledger for the monthly balance, premium, discount, accrued interest receivable, interest income, and gains or losses on the investment portfolio by investment account number. It shall be the responsibility of the Controller to reconcile all general ledger accounts to the individual investment account records as of each month-end to ensure the accounts are in balance.
- C. A monthly investment report shall be issued by the Investment Managers to the Committee and/or its designee, the Chief Financial Officer and/or the Vice President Finance, which at a minimum sets forth the following information:
 1. For each account (by class or type):
 - a. the par value
 - b. total cost value (book value)
 - c. weighted yield based on cost
 - d. total market value, weighted market yield, aggregate unrealized gain or loss from book, and income earned (all as of the report date)
 2. For the total portfolio:

- a. the beginning cost and market value
 - b. the ending cost and market value
 - c. net contributions to the account
 - d. net withdrawals from the account
 - e. net cash flow to the account and income earned by the account (if different)
 - f. total return for the account on a cost and market value basis for the month and the previous 11 months
 - g. trailing quarter return on a cost and market value basis
 - h. fiscal year to day return on a cost and market value basis
 - i. trailing one year return on a cost and market value basis
- D. Also provided shall be a short narrative of the investment portfolio prospectus including strategies used by the Investment Manager and commentary on current market conditions affecting the portfolio's performance.
- E. The Committee or Chief Financial Officer or the Vice President Finance shall provide this information, or summaries thereof, to the Board on a quarterly or semi-annual basis; unless an issue arises that requires the Board's attention sooner.
- F. Along with performance, security and market information, a trading summary should be provided to the Committee each quarter from each Investment Manager. The trading summary should outline the overall trading strategies employed by the Investment Manager given the market conditions and why the portfolio is structured the way it is at that time. Information should include discussion of trades executed in the portfolio for the period under review and why they were executed at that time.

IV. PORTFOLIO COMPOSITION

The Plan's investment portfolio shall exclusively consist of investments permitted by Section 112.661(5), Florida Statutes, as amended or relevant future statutes. This portfolio shall be maintained with a level of liquidity at least equal to 30 days of cash expenses, and in addition, at least 10% of fixed income investments will have maturities of one year or less.

Total Pension Funds Asset Mix – The Plan's assets shall be invested with specialist managers with a target ultimate allocation of 30% fixed income, 60% equities and 10% alternatives. The Target Asset Allocation shall be as follows:

Asset Class	Target Asset Allocation*		Market Index
	Target Weight	Maximum Weight	
Fixed Income			
Short Dur Gov't/Corp	0%	50%	ML Domestic Mstr 1-3 yr
Inter. Dur Gov't/Corp	30%	50%	Barclays Gov/Cred Intrm
Long Dur Gov't/Corp	0%	50%	Barclays US Long Credit A
Total	30%	n/a	
Equities/Alternatives			
Large Cap Growth	17.5%	60%	Russell 1000 Growth

Large Cap Value	17.5%	60%	Russell 1000 Value
Mid Cap Core	10%	60%	Russell Mid Cap
Small Cap Core	10%	60%	Russell 2000
International	5%	60%	MSCI EAFE
Total	60%	n/a	
Alternatives	10%	12%**	TBD – Area Specific

*While the "Target Asset Allocation" is meant to be a guide for the deployment of assets, the Committee shall, on a continuous basis, evaluate whether the Allocation continues to most likely accomplish the Objectives for the portfolio as discussed above.

**As later discussed in the section titled "Alternatives" below, the growth of the target weighting shall be limited to 12%.

V. ALTERNATIVES

The Committee may authorize an allocation of this portfolio to an asset class known as Alternative Investments. Alternative Investments involve investing in non-traditional asset classes and in traditional asset classes structured in a non-traditional manner. Managers of such investments are expected to use their specific investment skills to generate long-term equity-like returns that are not highly correlated to traditional asset classes. Alternative investment strategies, such as long vs. short, tactical asset allocation, distress securities, managed futures, commodities, and arbitrage strategies may be used in the portfolios to enhance investment returns, reduce volatility of portfolios and increase overall portfolio diversification.

Furthermore, Alternative Investments may also include Real Estate Investment Trust (REIT) Manager(s), Real Estate Limited Partnerships and Hedge Fund of Fund managers, in which case the underlying investments will be assessed to confirm compliance with applicable law, and any additional expenses required by these investments, such as management fees and unrelated business taxable income shall be included in assessing whether an investment's costs are reasonable, as required by Florida Statutes Section 215.47(2)(e). Hedge Fund of Fund managers shall exhibit the following characteristics:

- A. Fund of Fund Hedge Funds will be held in the forms of professionally managed pooled limited partnership investments offered by professional investment managers with proven records of superior performance over time.
- B. Fund of Fund Hedge Funds are subject to the same due diligence process as traditional investments, however due to their unique nature, additional criteria are to be considered.
- C. Transparency of the underlying hedge funds and to some degree their individual positions.
- D. Liquidity terms of the fund of funds may include lock-up periods and frequency of withdrawals.
- E. No significant degree of leverage utilized at the limited partnership level.
- F. Financial commitment of the General Partner in the fund.

Each investment in Alternative Investments must be specifically approved by the Committee and such class of investments must never exceed 12% of the portfolio (10% target investment plus a maximum of 2% deviation as described in the above table). At the time of commitment to a particular Alternative investment manager, the Committee will specifically address investment goals for such an investment. With the advice of the individual or entity that recommends investments or investment managers ("Investment Consultant"), the Committee shall agree to a benchmark against which to evaluate ongoing performance of the Alternative Investments in

the overall asset allocation model.

VI. QUALITY – PERMITTED INVESTMENTS

Generally, the managers are expected to invest in readily marketable, high quality stocks, bonds, and cash equivalents. Private placements, restricted stocks, and nominally or closely held public issues for which the market is severely restricted or thinly traded, or any investment, which would jeopardize the tax-exempt status of the District are prohibited.

Additionally, the following quality factors and limitations should be met:

- A. **Fixed Income** – The Pension Fund may be invested in fixed income securities, as deemed prudent, including U.S. Government, agency obligations and corporate bonds. The average quality rating of bonds must be investment grade A or better, as judged by Moody's or S&P rating services. In any case, no more than 10% of the fixed income securities should be below investment grade, as defined by Moody's or S&P. Under no circumstances should the duration of the fixed income portion of the portfolio be longer than 125% of the Barclays Government/Credit Intermediate Index. The Budget and Finance Committee does not want an excessively long fixed income portfolio subject to interest rate risk.
- B. **Equities** – The Committee wishes to hold issues of high quality, marketable securities. Each equity manager must maintain an overall portfolio quality comparable to the applicable equal weighted Russell or MSCI Index. Equity managers must include a statement regarding their comparable overall portfolio quality within each quarterly report to the Committee.
- C. **Prohibited Investments** – In addition to the preceding general quality guidelines, the following categories of securities or security transactions are not permissible for investment without the Committee's prior written approval:
 1. Short sales.
 2. Non-covered or Non-collateralized Put and Call Options.
 3. Margin purchases or lending or borrowing money.
 4. Letter stocks, private placements, or direct placements.
 5. Restricted stocks, and nominally or closely held public issues for which the market is severely restricted or thinly traded.
 6. Commodities or futures, or options on futures.
 7. Warrants.
 8. Equity securities of any company which have a record of less than three years continuous operation, including the operation of any predecessor
 9. Foreign equity securities not listed on one of the major U.S. exchanges, including NASDAQ.
 10. Bonds and cash equivalents denominated in foreign currencies or securities of foreign issuers including foreign financial institutions (American Depository Receipts or Canadian Issues denominated in U.S. dollars are allowed).
 11. Volatile derivative or synthetic instruments, specifically Interest Only Strips (IOs), Principal Only Strips (POs), Residuals, Accrual Bonds, Z Bonds, Accretion Bonds, Inverse Floaters, and any other derivative securities or strategies that do not comply with the basic investment objectives of this policy, which emphasizes the preservation of principal consistent with conservative asset growth. Specifically prohibited are securities whose characteristics as implemented by the manager include

potentially high price volatility and whose returns are speculative or leveraged (when considered together with liquid/short term securities positions) or whose marketability may be severely limited.

12. Direct / title holding real estate or mortgage investments.
13. Securities of the investment manager, the custodian/trustee, their parent, or subsidiaries (excluding Money Market Funds).
14. Security loans.

VII. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

Investments in any derivative products, if specifically authorized by this investment policy within the permitted investments section, may be considered only if the Committee and/or its designee, the Chief Financial Officer and/or the Vice President Finance has developed sufficient understanding of the derivative products and had the expertise to manage them. For purposes of this policy, a derivative product is a financial instrument, the value of which depends on, or is derived from, the value of one or more underlying assets or index or asset values. The use of reverse repurchase agreements, if specifically authorized by this investment policy or the Committee, shall be limited to transactions where the proceeds are intended to provide liquidity and for which the Committee and/or its designee, the Chief Financial Officer and/or the Vice President Finance has sufficient resources and expertise.

VIII. COMPETITIVE PURCHASE OR SALE OF SECURITIES

The Committee will seek to confirm or add into the applicable contracts that it shall be the responsibility of the Investment Manager(s) to obtain competitive bids for the purchase or sale of securities and execute based on best price available in the market. A log of bids obtained shall be maintained by each Investment Manager and made available to the Board and the Committee upon request. In the rare instance when competitive bids are not available for a security being purchased, the Investment Manager shall fully document such condition at the time of the trade and advise the Committee and/or its designee, the Chief Financial Officer and/or the Vice President Finance of actions taken by the Investment Manager to assure best price and best execution in light of the Plan's cash flow needs.

IX. SELECTION, REVIEW, WATCH LIST AND REPLACEMENT OF MANAGERS

The Committee will establish a process for selecting investment managers for the Pension Funds. The total Portfolio and the individual manager's performance will be measured utilizing returns calculated net of investment management fees as follows:

- A. Total Portfolio – The total return objective for the total Portfolio is to earn at least 50bps per year in excess of the asset weighted blended index return as computed by the investment consultant. The Asset Weighted Blend Index return is comprised of the various market indices in proportion to the actual asset mix.
- B. Individual Asset Manager Performance Review and Evaluation – Individual asset managers are expected to not only outperform their passive alternative, but also their style peer group. Underperforming managers will be placed on a watch list and eventually replaced based on the following timing schedule:

1. If a manager underperforms its specific passive alternative/benchmark (Russell 1000 Growth, Russell 1000 Value, etc.), or falls below the 33rd Percentile peer comparison (measured over the past rolling 3 and 5 year periods) for two consecutive or three out of five quarters, the manager is formally placed on a watch list.
 2. Watch list status triggers a meeting with the investment consultant to discuss performance.
 3. Once placed on the watch list, continued underperformance for two additional quarters warrants replacement consideration. An analysis of performance shall be prepared by the investment consultant retained by the Committee of the Board and reviewed by the President and/or his designee, the Chief Financial Officer and/or the Controller. The President and/or his designee, the Chief Financial Officer and/or the Controller will then present the findings with the investment consultant during a meeting of the Committee.
- C. If replacement is recommended, a replacement search will be undertaken by the investment consultant.
- D. If the decision is made to retain the manager, the manager will remain on the watch list until performance improves or a replacement decision is made.

The Committee is aware of, and appreciates the fact that other variables must be taken into account other than benchmark and peer performance evaluation. Such variables include up/downside capture ratios, risk/return analysis, style drift, manager turnover, fee track record and style within a style analysis. Such variables will be provided as part of the analysis.

The Committee reserves the right to change these guidelines at any time and will make the Manager aware of any changes in writing.

It is intended that the Investment Managers, Investment Consultant, and Committee review this document annually. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If at any time the investment managers feel that the specific objectives herein cannot be met, or the guidelines constrict performance, the Committee should be so notified in writing. By initialing and continuing acceptance of this Investment Policy Statement, the Investment Manager accepts the provisions of this document. The Committee shall submit a copy of this policy to each Investment Manager, along with an addendum outlining their respective responsibilities and reporting requirements. The addendum should be signed by the Investment Manager and returned to the Committee for filing.

X. ANNUAL OR FISCAL YEAR RE-BALANCE OF THE ASSET STYLE:

Rebalancing - From time to time, but no less than once a year, the Committee shall address the asset allocation of the portfolios and rebalance the portfolio to the targets in the preceding table or affirm the asset allocation of the portfolio. Annual rebalancing is not required.

XI. COMMUNICATIONS AFFECTING INVESTMENT MANAGERS

- A. It shall be incumbent upon the investment managers and the custodian to apprise the Committee of all transactions. On a monthly basis each manager shall supply an accounting statement that will include a summary of all receipts and disbursements, the cost and the market value of all assets and their percentage of the fund invested in equities, fixed income and money market investments. On a quarterly

basis each manager shall provide an analysis of the quality of the assets, a summary of common stock diversification and attendant schedules. In addition, each manager shall deliver each quarter a report detailing the fund's performance, adherence to the investment policy, forecast of the market and economy, portfolio analysis and current assets of the trust. Written reports shall be provided to the Committee at the quarterly meetings. Each manager will provide immediate written and telephone notice to the Committee and the performance monitor of any significant market related or non-market related event. The Committee has retained a monitoring service, Investment Consultant, to evaluate and report on a quarterly basis the rate of return and relative performance of the fund.

- B. Meetings: The Committee will meet at least semi-annually with the investment consultant representative to review the performance report. At least annually, the Committee will meet with or communicate in writing with each investment manager to discuss performance results, economic outlook, investment strategy and tactics and other pertinent matters affecting the fund.
- C. The investment managers will immediately disclose any securities presently held which are not in compliance with this Policy. Furthermore, as part of its regular quarterly report, each manager shall include a listing of all fixed income securities and money market or short term investments held showing their credit ratings.
- D. When the Fund owns securities, which complied with this Policy at time of purchase, that are subsequently downgraded below permissible levels, the investment manager will dispose of such securities at the earliest feasible date.
- E. The Committee may recapture commission dollars, as appropriate in light of all circumstances.
- F. The investment manager shall notify the Committee of any and all material events regarding the investment manager or any other agent, parent company or entity related to the investment manager and shall furnish the Committee with the Securities Exchange Commission (SEC) Form ADV, Part II, annually.
- G. The equity managers will be responsible to vote all proxy statements, maintain documentation on their votes and outcome of the results. Annually, each manager maybe requested to submit a summary of the proxy activity for the prior 12 months.
- H. The Committee, by delivery of this Investment Policy Statement to the Plan's actuary, communicates the following:
 - 1. Plan asset/investments for which a fair market value is not provided must be excluded from the assets used to determine annual funding cost;
 - 2. For each actuarial valuation, the Committee shall, with the advice of its investment professionals and its actuary, determine the total expected annual rates of return that will be earned by the Fund for the current year, for each of the next several years and for the long term.

XII. CUSTODIAN AND SAFEKEEPING

Any securities in the investment portfolio should be held with a third party, and all securities purchased by and all collateral obtained by the Plan, should be properly designated as an asset of the Plan by the custodian. No withdrawal of such securities in whole or in part shall be made from safekeeping, except by the Committee and/or its designee, the Chief Financial Officer or the Vice President Finance or an authorized staff member. The Committee may also receive bank trust receipts in return for investment of surplus funds in securities. Any trust receipts received must enumerate the various securities held, together with the specific number of each security held. The actual securities on which the trust receipts are issued may be held by any bank depository chartered by the United States Government or the State of Florida or their designated agents. Securities

transactions between a broker/dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

XIII. INTERNAL CONTROLS

The Committee and/or its designee the Chief Financial Officer and/or the Controller shall establish a written policy for the implementation of a system of internal controls, designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions. This internal control policy shall provide for a review of the Plan's controls by independent auditors as part of any financial audit periodically required by the Plan.

System of Controls – The President and/or his designee, the Chief Financial Officer and/or the Controller, is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the President and/or his designee, the Chief Financial Officer and/or the Controller shall establish a process for periodic independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- A. Control of collusion. Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- B. Separation of transaction authority from accounting and record keeping. By separating the person who authorized or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- C. Custodial safekeeping. Securities purchased from any bank or dealer including appropriate collateral (as defined by Florida Statute) shall be placed with an independent third party for custodial safekeeping.
- D. Avoidance of physical delivery securities. Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- E. Clear delegation of authority to subordinate staff members. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- F. Written confirmation of telephone transactions for investments and wire transfers. Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via letter, fax and/or email and must be from an authorized person.
- G. Development of a wire transfer agreement with the lead bank or third party custodian. This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.
- H. Delivery vs. Payment – All trades where applicable will be executed by delivery vs. payment (DVP). This

ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

- I. A monthly investment report shall be issued by the Investment Managers to the Committee and/or his designee, the Chief Financial Officer or the Vice President Finance for submission to the Board of Directors, which at a minimum sets forth the information listed above in sub-section 3 of the Record Keeping / Reporting section.

XIV. FLORIDA STATUTES AND APPLICABLE DISTRICT ORDINANCES

Investment of the Plan assets shall be subject to the limitations and conditions set forth in Section 215.47 (1) - (6), (8), (9), (11), and (17) , Florida Statutes (2012), unless otherwise authorized by law or ordinance. No additional investment may be made in the investment category which exceeds the applicable limit, unless authorized by law or ordinance.

XV. REPORTING REQUIREMENTS

The Investment Policy Statement shall, upon adoption or amendment by the Committee and approval by the Hospital Board, be filed with the Department of Management Services, the Plan's sponsor, and the consulting actuary.

The determination of the expected rates of return shall be filed with the Department of Management Services, with the Plan's sponsor, and the consulting actuary.

The Committee shall prepare, at least annually, a report of investment activities for submission to the Hospital Board, and make available, upon request, the same to the public.

XVI. CONTINUING EDUCATION

It will be the responsibility of the Committee and/or its designee, the Chief Financial Officer and/or the Controller, to the extent that such individuals are responsible for making investment decisions for the Hospital's assets, to complete 8 hours annually of continuing education in subjects or courses of study related to investment practices and products.

All revision dates:

08/2013, 11/2011, 11/2010, 11/2009, 11/2007, 07/2006, 11/2005, 11/2003

Attachments:

No Attachments

Applicability

Parrish Medical Center



Origination:	05/2009
Effective:	12/2018
Last Approved:	12/2018
Last Revised:	12/2018
Next Review:	12/2019
Areas:	Finance
Tags:	9500
Applicability:	Parrish Medical Center

403-b Plan and 457-b Plan Investment Guidelines, 9500-97

POLICY TYPE: ADMINISTRATIVE

I. POLICY STATEMENT

This investment policy statement sets forth the process that the Pension Administrative Committee has adopted to make investment-related recommendations to the Board of Directors of the North Brevard County Hospital District, doing business as Parrish Medical Center (the "Board") with respect to assets of the Parrish Medical Center 403-b Plan ("403-b Plan") and the Parrish Medical Center 457-b Plan ("457-b Plan"), collectively referred to as the Plans in compliance with the standards of fiduciary conduct. Employee Retirement Income Security Act of 1974 ("ERISA") does not apply to the Plans, and any references to ERISA are used for illustrative purposes because of the depth of guidance available. A failure to satisfy ERISA standards will not result in the penalties and liabilities provided under ERISA. The policy identifies the investment goals and objectives of the Plans, sets out processes for recommending investments, and specifies the procedures and relevant measurement indices to be used in assessing ongoing investment performance, in accordance with the stated investment objectives. These guidelines do not constitute a contract or a statement of mandatory requirements, but are instead an explanation of the general principles established for the recommended selection and retention of the investment options.

The investment policy statement will be used as the basis for measuring and evaluating future investment performance and will itself be reviewed, at least annually in November, by the Pension Administrative Committee

II. PROCEDURES

Defined Roles. The parties involved in the management of the Plans' assets include, but are not limited to:

- A. **Pension Administrative Committee.** The Pension Administrative Committee shall supervise the investment of the assets of the Plans and make recommendations to the Board concerning selection and retention of the investment options available under the Plans. Accordingly, the Pension Administrative Committee shall have authority to monitor and recommend the Board's selection of specific funds, and/or appoint Investment Managers. Recommendations of the Pension Administrative Committee on the investment policy, the selection of investments fund(s) and/or investment manager(s), performance analysis and investment monitoring, etc., may but need not be based on the recommendations of an

investment consultant (Consultants) engaged to advise the Pension Administrative Committee on such matters.

- B. **Participants.** Participants in the Plans are authorized to direct the investment of assets in their accounts, selecting from the investment funds offered under the Plan as they deem appropriate to meet their own retirement savings objectives. Participants may exchange and transfer amounts in their accounts among the various investment options, on a daily basis (subject to restrictions applicable to the fund or investment vehicle, if any).
- C. **Consultant(s).** The duties and responsibilities of the Plan's consultant(s)(who are also sometimes referred to as investment consultants) include: preparing periodic performance evaluation reports; assisting the Pension Administrative Committee with the analysis of the performance review; assisting the Pension Administrative Committee in developing and reviewing the Plans' investment fund(s) selection; and providing professional investment education services to the Pension Administrative Committee.
- D. **Written records.** The Pension Administrative Committee shall create and maintain written records of all recommendations relating to the choice and ongoing monitoring of investment funds under the Plans. Minutes shall be taken of all meetings, noting time and place, attendees, matters discussed and decisions reached. The minutes shall document investigation, facts and the reasoning that went into the making of such decisions to issue specific recommendations to the Board. Relevant documents or materials used by the Pension Administrative Committee in its process may be included in such minutes.
- E. **Committee procedures.** The Pension Administrative Committee shall promptly adopt written procedures for the conduct of meetings and for decision-making, which shall include but not be limited to: the frequency of meetings, quorum rules, the method of calling regular and special meetings; the voting requirements (e.g., majority or "super majority"), and special positions and duties of committee members (chair, secretary, etc.).

III. PLANS INVESTMENT PHILOSOPHY

General Philosophy:

The Pension Administrative Committee shall recommend investment options under the Plans to the Board in order to – (1) provide a wide range of investment opportunities in various asset classes, so as to allow for diversification and cover a wide risk/return spectrum; (2) maximize returns within reasonable and prudent levels of risk; (3) provide returns comparable to returns for similar investment options; and (4) control investment and management costs to the Plans and participants.

The Pension Administrative Committee shall recommend a diverse range of investment vehicles to the Board – consisting of a combination of mutual funds that will enable participants to meet their individual retirement savings needs and other financial goals. In any case, participants shall be able at all times to diversify the investment of their accounts among at least three investment vehicles with disparate risk/return characteristics, and with a frequency appropriate in light of the volatility of the investments.

The Pension Administrative Committee shall recommend such investment vehicles to the Board based upon such investment vehicles stated investment objectives or investment type and historical risk/return performance. To the extent that the Pension Administrative Committee recommends mutual funds as investment options, the Pension Administrative Committee also intends to base its recommendation on the funds' historical adherence to their stated investment objectives.

The Pension Administrative Committee shall reevaluate each asset class and investment vehicle based upon the foregoing criteria, *no less frequently than semi-annually*, in order to determine the continuing suitability of

each such option under the Plans.

IV. RECOMMENDATION AND MONITORING OF INVESTMENT OPTIONS

Recommendation of investment options: The Pension Administrative Committee shall adopt and issue a recommendation of the Plans' investment options (with the assistance of the Plans' investment consultant, if any) to the Board, and shall set forth and describe each selected investment option in [Appendix A](#) for the 403-b Plan and [Appendix B](#) for the 457-b Plan to this investment policy statement. Criteria shall include but not be limited to the following:

- A. The investment option's volatility and performance relative to benchmarks chosen by the Investment Committee;
- B. The investment option's demonstrated adherence to stated investment objectives;
- C. Competitiveness of fees and expense ratios, compared to similar investments;
- D. Turnover of fund portfolio;
- E. The organization's size, structure, and history; management profile and investment philosophy; staff experience and depth; and technological commitment to research; and
- F. Performance, relative to other investment vehicles (funds) within the same style or sector over a rolling 3 or 5-year period in the top 25% (25th percentile) of the appropriate peer group universe.

Monitoring of investment options: The Pension Administrative Committee shall evaluate the results of the existing investment funds on a timely basis, but not less than semi-annually. Performance comparisons will be made against the representative performance universe and market indices selected by the Pension Administrative Committee for each investment, as described in detail in [Appendix A](#) for the 403-b Plan and [Appendix B](#) for the 457-b Plan.

In an instance where an investment option's performance is consistently below appropriate market indices and peer groups, the Committee will undertake additional steps. Those steps will include reviewing performance on a more frequent basis, ensuring that the investment option is still meeting its stated objective, and meeting with representatives of the investment manager. The Committee also reserves the right, at its discretion, to recommend the addition, replacement, or deletion of an investment option if problems persist.

Evaluation reports created pursuant to monitoring activities will be provided to the Board for its consideration.

V. COORDINATION WITH PLAN DOCUMENTS

Notwithstanding any of the foregoing, if any term or condition of this investment policy statement conflicts with any term or condition of the Plans' documents, the terms and conditions of the Plans' documents shall control.

VI. REVIEW AND REVISION OF THE INVESTMENT POLICY STATEMENT

The Board reserves the right to amend this investment policy statement at any time and from time to time, as it deems necessary or appropriate. The Pension Administrative Committee shall recommend amendments to this investment policy statement as necessary to comply with any amendment to the Plans' documents and/or any change in federal or other applicable law that may affect the investment of the Plans' assets. As changes

occur in the investment options selected for the Plans, the Pension Administrative Committee shall amend **Appendix A and B**, in order to maintain the accuracy of the document.

This investment policy statement and any future revisions will be filed with the State of Florida in accordance with applicable law.

Appendix A

Parrish Medical Center 403-b Plan

Investment Options

Sector/Style	Investment Option
Intermediate Term Bond	TCW Total Return Bond I (TGLMX)
Large Cap Growth	Fidelity Blue Chip Growth Fund (FBGRX)
Large Cap Blend	Glenmeade Large Cap Core Port (GTLOX)
Large Cap Blend	Neuberger Berman Socially Responsible Fund (NBSRX)
Large Cap Value	American Century Equity Income A (TWEAX)
Mid Cap Growth	William Blair Small-Mid Cap Growth N (WSMNX)
Mid Cap Value	Fidelity Advisor Value A (FAVFX)
Small Cap Growth	Eaton Vance Atlanta Cap SMID Cap A (EAASX)
Small Cap Value	MFS New Discovery Value Fund Class A (NDVAX)
Small Cap Blend	PIMCO StocksPLUS Small Institutional (PSCSX)
Foreign Blend	American Funds EuroPacific Gr R3 (RERCX)
Large Cap Blend Index	Fidelity Four In One Index Fund (FFNOX)
Target Retirement	T. Rowe Price Retirement 2010 Adv (PARAX)
Target Retirement	T. Rowe Price Retirement 2020 Adv (PARBX)
Target Retirement	T. Rowe Price Retirement 2030 Adv (PARCX)
Target Retirement	T. Rowe Price Retirement 2040 Adv (PARDX)
Target Retirement	T. Rowe Price Retirement 2050 Adv (PARFX)
Money Market Equiv	Met Life Strategic Value Annuity (SVA)

Appendix B

Parrish Medical Center 457-b Plan

Investment Options

Sector/Style	Investment Option
Balanced Funds	Franklin Income Fund - Class A American Balanced Fund R3 Invesco Equity and Income Fund Class A The Income Fund of America Class R3

Sector/Style	Investment Option
Europe Stock	Invesco Euro Growth A
Large Cap Blend	Dreyfus Appreciation
Large Cap Value	Invesco Comstock Fund Class A Invesco Growth and Income Class A
Large Cap Growth	AMCAP Fund Class R3 Fidelity Advisers Stock Select All Cap A Wells Fargo Advantage Growth A
Mid-Cap Blend	Fidelity Advisor Leveraged Co Stk A
Mid-Cap Growth	Baron Growth R Fidelity Advisor Stock Selector Mid Cap Fund Class A Goldman Sachs Growth Opportunity A
Cash/Money Market	Nationwide Government Money Market Fund Class R6
Small Cap Blend	Invesco Small Cap Equity A
Small Cap Value	AB Discovery Value Class A American Century Small Cap Value Adv
International Bond	Dreyfus International Bond A
International Stocks	American Funds EuroPacific Gr R3 Dodge & Cox International Stock Fund Cambiar Aggressive Value Fund Class I American Funds New Perspective R3
International Pacific/Asia	Blackrock Asian Dragon Fund Inc. A
Inflation Adjusted Bond	Vanguard Inflation - Protected Securities Fund Class I American Century Inflation Adj Bond A
High Yield Bond	Vanguard High-Yield Corporate Fund - Class I
Intermediate Term Bond	Delaware Corp. Bd. A Dodge & Cox Income Fund PIMCO Total Return TCW Total Return
World Stock	Oppenheimer Global Opportunities A
Real Estate	Fidelity Advisor International Real Estate Fund Class A Fidelity Advisor Real Estate Fund Class A

All revision dates:

12/2018, 11/2012, 11/2009

Attachments:

No Attachments

Approval Signatures

Step Description	Approver	Date
BOD	Herman Cole: Chairman, Board of Directors [SP]	12/2018

Step Description	Approver	Date
President/CEO	George Mikitarian: President/CEO [AJ]	11/2018
EMC	Michael Sitowitz: Controller	11/2018
Compliance	Corporate Compliance [NV]	11/2018
Executive Management	Michael Sitowitz: Controller	11/2018
	Michael Sitowitz: Controller	11/2018

Applicability

Parrish Medical Center

COPY

QUALITY COMMITTEE

Herman A. Cole, Jr. (ex-officio)
Peggy Crooks
Billie Fitzgerald
Elizabeth Galfo, M.D.
Robert L. Jordan, Jr., C.M.
Jerry Noffel
Stan Retz, CPA
Maureen Rupe
Ashok Shah, M.D.
Joseph Rojas, M.D., President/Medical Staff
Jeram Chapla, M.D., Designee
Greg Cuculino, M.D.
Christopher Manion, M.D., Designee
Kiran Modi, M.D., Designee
George Mikitarian (non-voting)

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
QUALITY COMMITTEE
MONDAY, MAY 6, 2019
NOON
EXECUTIVE CONFERENCE ROOM**

CALL TO ORDER

- I. Approval of Minutes

Motion to approve the minutes of the March 4, 2019 meeting.

- II. Vision Statement

- III. Public Comment

- IV. "My Story"

- V. Dashboard Review

- VI. Opioid Safety

- VII. Other

- VIII. Executive Session

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE QUALITY COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT MS. LISA CAVALLERO, EXECUTIVE DIRECTOR OF SUPPORT SERVICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6190 OR (321) 383-9829 (TDD). THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE. TO THE EXTENT OF SUCH DISCUSSION, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT, BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE AND NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

Board Quality & Safety Committee

Value Dashboard
May 2019



Healing Families – Healing Communities®
parrishmed.com

May 2019 Quality Agenda

1. Vision Statement
2. My Story
3. Board Dashboard
4. Opioid safety
5. Executive Session

- Risk-Adjusted Mortality index (RAMI)
- Risk-Adjusted Complications index (RACI)
- Healthcare-Associated infection (HAI)
- Mean 30-day mortality rate (MORT30)
- 30-day readmission rate (READ30)
- Adjusted average length of stay (ALOS)
- Emergency department throughput (ED)

- Inpatient expense per discharge (IEPDC)
- Medicare spend per beneficiary (MSPB)
- Adjusted operating profit margin (AOPM)
- HCAHPs
- Process of Care-POC

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
QUALITY COMMITTEE**

A regular meeting of the Quality Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on March 4, 2019 in the Executive Conference Room. The following members were present.

Herman A. Cole, Jr., Chairman
Peggy Crooks
Elizabeth Galfo, M.D.
Robert L. Jordan, Jr., C.M.
Jerry Noffel
Stan Retz, CPA
Billie Fitzgerald
Ashok Shah, M.D. (12:14)
Joseph Rojas, M.D., President/Medical Staff
Gregory Cuculino M.D.
Christopher Manion, M.D.
George Mikitarian (non-voting)

Members absent:

Maureen Rupe (excused)
Jeram Chapla, M.D. (excused)
Kiran Modi, M.D.(excused)

CALL TO ORDER

Mr. Cole called the meeting to order at 12:07 p.m.

ELECTION OF OFFICERS

Mr. Cole opened the floor for nominations for Chairperson of Quality Committee. Mr. Jordan nominated Mr. Cole; Dr. Shah seconded the nomination and moved to close nominations on said name.

ACTION TAKEN: MOTION TO ELECT HERMAN COLE AS CHAIRPERSON OF THE QUALITY COMMITTEE.

Mr. Cole opened the floor for nominations for Vice Chairperson. Mr. Jordan nominated Dr. Rojas; Dr. Galfo seconded the nominations and moved to close nominations on said name.

ACTION TAKEN: MOTION TO ELECT DR. JOSEPH ROJAS AS VICE-CHAIRPERSON OF THE QUALITY COMMITTEE.

REVIEW AND APPROVAL OF MINUTES

Discussion ensued and the following motion was made by Ms. Crooks, seconded by Ms. Fitzgerald and approved (10 ayes, 0 nays, 0 abstentions). Dr. Shah was not present at the time the vote was taken.

ACTION TAKEN: MOTION TO APPROVE THE JANUARY 7, 2019 MEETING MINUTES, AS PRESENTED.

VISION STATEMENT

Mr. McAlpine summarized the committee's vision statement.

PUBLIC COMMENTS

There were no public comments.

MY STORY

Ms. Gutierrez presented to the committee *My Story*; a story about Ed, his experience and his recovery.

QUALITY DASHBOARD REVIEW

Ms. Cottrell reviewed the March Value Dashboard included in the agenda packet and discussed each indicator score as it relates to clinical quality and cost. Copies of the Power Point slides presented are appended to the file copy of these minutes.

PARTNERSHIP FOR STROKE PATIENT OUTCOMES

Mr. McAlpine shared with the committee the ongoing efforts between Parrish Medical Center, the Mayo Telestroke Program and Brevard County EMS to better serve the patients in need of intervention due to stroke symptoms. PMC is actively protesting what it knows to be the inappropriate development of Stroke Protocols by the County EMS Medical Director, Dr. McPherson.

SAFE OPIOID PROGRAM

Mr. Mikitarian updated the committee on Parrish Medical Center's participations with Eckerd Kids as well as the National Mayo Clinic opioid collaboration.

OTHER

There was no other business brought before the committee.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 1:09 p.m.

Herman A. Cole, Jr.
Chairman

FINANCE COMMITTEE MEMBERS:

Stan Retz, Chairperson
Peggy Crooks, Vice Chairperson
Jerry Noffel
Elizabeth Galfo, M.D.
Robert Jordan
Billie Fitzgerald
Herman Cole (ex-officio)
Christopher Manion, MD.
George Mikitarian, President/CEO (non-voting)
Joseph Rojas, M.D., President/Medical Staff

**TENTATIVE AGENDA
BUDGET & FINANCE COMMITTEE MEETING - REGULAR
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
MONDAY, MAY 06, 2019
EXECUTIVE CONFERENCE ROOM
(IMMEDIATELY FOLLOWING QUALITY COMMITTEE)
SECOND FLOOR, ADMINISTRATION**

CALL TO ORDER

- I. Review and approval of minutes (March 04, 2019)

Motion: To recommend approval of the March 04, 2019 minutes as presented.

- II. Public Comments
- III. Quarterly Investment Update (Pension/Operating) – Anderson Financial Partners
- IV. Investment Structure Assessment – Mr. Bailey
- V. Corporate Resolution DB Plan – Mr. Bailey

Motion: To recommend the Board of Directors approve the Resolution for the Parrish Medical Center Pension Plan and Trust Agreement as presented.

- VI. Investment Fund Signatory Addition for Scout Investments – Mr. Bailey

Motion: To recommend the Board of Directors approve the Scout Investments Resolution to add Kent Bailey, VP Finance, as an authorized signer.

- VII. Membership Renewal for Michael Allen – Mr. Bailey

Motion: To recommend the Budget and Finance Committee approve the renewal of membership for Michael Allen for a three-year term from July 1, 2019 through June 30, 2022.

VIII. Membership Renewal for Julia Reyes-Mateo – Mr. Bailey

Motion: To recommend the Budget and Finance Committee approve the renewal of membership for Julia Reyes-Mateo for a three-year term from July 1, 2019 through June 30, 2022.

IX. Audit Engagement Letter MSL – Mr. Bailey

Motion: To recommend the Board of Directors approve the Moore Stephens Lovelace Engagement Letter for the FY19 as presented

X. FY20 Major Budget Volume Preliminary Assumptions - Mr. Bailey

XI. Financial Review – Mr. Bailey

XII. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE FINANCE COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT MS. LISA CAVALLERO, EXECUTIVE DIRECTOR, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 383-9829 (TDD).

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE. TO THAT EXTENT OF SUCH DISCUSSIONS, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS FINANCE COMMITTEE AND THE NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
BUDGET AND FINANCE COMMITTEE**

A regular meeting of the Budget and Finance Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on March 4, 2019 in the Executive Conference Room. The following members, representing a quorum, were present:

Stan Retz, Chairperson
Peggy Crooks, Vice Chairperson
Jerry Noffel
Elizabeth Galfo, M.D.
Robert Jordan, Jr., C.M.
Billie Fitzgerald
Herman A. Cole, Jr.
Christopher Manion, M.D.
Joseph Rojas, M.D.
George Mikitarian (non-voting)

Member(s) Absent:
None

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Retz called the meeting to order at 1:14 p.m.

ELECTION OF VICE CHAIRPERSON

Mr. Retz opened the floor for nominations for Vice Chairperson of the Finance Committee. Mr. Noffel nominated Ms. Crooks; Dr. Galfo seconded the nomination and moved to close nominations on said name.

ACTION TAKEN: MOTION TO ELECT PEGGY CROOKS AS VICE CHAIRPERSON OF THE FINANCE COMMITTEE.

REVIEW AND APPROVAL OF MINUTES

Discussion ensued and the following motion was made by Ms. Crooks, seconded by Mr. Jordan and approved (9 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE JANUARY 7, 2019 MEETING MINUTES, AS PRESENTED.

PUBLIC COMMENTS

There were no public comments.

DIAGNOSTIC EQUIPMENT

Mr. Waterman summarized for the committee the existing need to update several pieces of imaging equipment. Discussion ensued and the following motion was made by Mr. Jordan, seconded by Mr. Cole and approved (9 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE AN AMOUNT NOT TO EXCEED \$1,750,000.00 TO PURCHASE SPECIFIED DIAGNOSTIC IMAGING EQUIPMENT AS PRESENTED WITH THE TRANSACTION INCLUDING A POSSIBLE LEASE COMPONENT FOR THE EQUIPMENT.

FINANCIAL REVIEW

Mr. Bailey summarized the January 2019 financial statements. Discussion ensued and the following motion was made by Mr. Cole, seconded by Dr. Galfo and approved (9 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO ACCEPT THE FINANCIAL REPORT AS PRESENTED TO THE FINANCE COMMITTEE.

INVESTMENT FUND SIGNATORY CHANGE FOR SCOUT INVESTMENTS

Mr. Bailey summarized the memorandum contained in the agenda packet relative to the signatory change for Scout Investments. Discussion ensued and the following motion was made by Mr. Cole, seconded by Mr. Jordan and approved (9 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE SCOUT INVESTMENTS RESOLUTION TO REMOVE MICHAEL SITOWITZ AS AN AUTHORIZED SIGNER AND ADD CHRISTOPHER MCALPINE, SR. VP ADMINISTRATION/CTO, AS AN AUTHORIZED SIGNER.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 2:50 p.m.

Stan Retz
Chairperson

**AMENDMENT TO THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
A Special Tax District Operating
PARRISH MEDICAL CENTER
PENSION PLAN AND TRUST AGREEMENT**

WHEREAS, the North Brevard County Hospital District ("Employer") established the Parrish Medical Center Pension Plan and Trust Agreement ("Plan"), effective as of February 15, 1972, as subsequently amended, and

WHEREAS, Section 1(d) of Article VII of the Plan permits retirement benefits to be paid in optional forms of payment which are designated as "interest only" or "guaranteed payment"; which have been infrequently utilized by Plan participants; and

WHEREAS, Section 1(d) of Article VII of the Plan permits the payment of benefits in the form of a single lump sum; and

WHEREAS, the Employer desires to eliminate the "interest only" or "guaranteed payment" forms of payment that are infrequently utilized and to clarify certain aspects relating to the payment of such lump sum distributions; and

WHEREAS, the Employer has the right to amend the Plan under Article IX.

NOW THEREFORE, BE IT RESOLVED, that effective as of the date of execution hereof, the Plan is hereby amended as follows:

1. Section 1(d) of Article VII is deleted in its entirety and the following is inserted in lieu thereof:

(d) **OPTION 4 – Lump Sum**. In lieu of the other optional forms enumerated in this Article, retirement benefits may be paid in a lump sum distribution, if elected by the Participant. Any lump sum distribution payable to a terminated Participant before such Participant's Normal Retirement Date must be actuarially reduced (in accordance with Section 2 of this Article VII) to reflect commencement prior to Normal Retirement Date.

2. Section 2 of Article VIII is deleted in its entirety and the following is inserted in lieu thereof:

2. **Termination of Employment**. All rights to benefits under this Plan shall cease upon a Participant's termination of employment, except by reason of Early, Normal or Delayed Retirement; however, all Participants shall acquire a vested interest in benefits pursuant to the following Vesting Schedule:

Completed Years of Continuous Service	Vested Interest
Less than 5	0%
5	50%

6	60%
7	70%
8	80%
9	90%
10 or more	100%

Any Participant not eligible for Normal, Early, or Delayed Retirement Benefit but who has a vested interest at time of termination shall receive such benefit on a monthly, Life Annuity basis, commencing on his Normal Retirement Date. Notwithstanding the foregoing, in lieu of receiving a monthly Life Annuity commencing at Normal Retirement Date, such Participant may elect to receive such benefits in a single lump sum distribution and may elect to receive such distribution prior to Normal Retirement Date in accordance with Section 1(d) of Article VII. Actuarially equivalent amounts shall be payable under any form or manner of payment provided herein.

A Participant must live to his Normal Retirement Date in order to receive his vested benefit. No benefit shall be payable to the Participant's beneficiaries following his death, except as provided in Section 1 of this Article.

Although Continuous Service after September 30, 2016 is not recognized for benefit accrual purposes, Continuous Service shall continue to be credited to Participants after September 30, 2016 for vesting purposes.

IN WITNESS WHEREOF, the Employer has caused this Amendment to be executed and duly attested as of the _____ day of _____, 2019.

ATTEST:

PARRISH MEDICAL CENTER, on behalf of the Board of Directors of the North Brevard County Hospital District, a Special Tax District

By: _____

By: _____

Printed Name: George Mikitarian

Title: President/CEO

**SECRETARY'S CERTIFICATE ACKNOWLEDGING THE ADOPTION OF THE
AMENDMENT TO THE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
A Special Tax District Operating
PARRISH MEDICAL CENTER
PENSION PLAN AND TRUST AGREEMENT**

The undersigned Secretary of the North Brevard County Hospital District hereby certifies that the following resolutions were adopted by the North Brevard County Hospital District at a formal meeting for which notice was given in accordance with Florida Statutes Chapter 286.011, and that such resolutions have not been amended or rescinded since that date.

WHEREAS, the North Brevard County Hospital District ("Employer") established the North Brevard County Hospital District, a Special Tax District Operating Parrish Medical Center Pension Plan and Trust Agreement ("Plan"), effective as of February 15, 1972, as subsequently amended; and

WHEREAS, Section 1(d) of Article VII of the Plan permits retirement benefits to be paid in optional forms of payment which are designated as "interest only" or "guaranteed payment"; which have been infrequently utilized by Plan participants; and

WHEREAS, Section 1(d) of Article VII of the Plan permits the payment of benefits in the form of a single lump sum; and

WHEREAS, the Employer desires to eliminate the "interest only" or "guaranteed payment" forms of payment that are infrequently utilized and to clarify certain aspects relating to the payment of such lump sum distributions; and

WHEREAS, the Employer has the right to amend the Plan under Article IX.

NOW THEREFORE, BE IT RESOLVED, as follows:

RESOLVED, that Section 1(d) of Article VII of the Plan is amended to read as followed, effective as of the date of execution hereof:

(d) **OPTION 4 – Lump Sum**. In lieu of the other optional forms enumerated in this Article, retirement benefits may be paid in a lump sum distribution, if elected by the Participant. Any lump sum distribution payable to a terminated Participant before such Participant's Normal Retirement Date must be actuarially reduced (in accordance with Section 2 of this Article VII) to reflect commencement prior to Normal Retirement Date.

RESOLVED, that Section 2 of Article VIII of the Plan is amended to read as follows, effective as of the date of execution hereof:

2. **Termination of Employment**. All rights to benefits under this Plan shall cease upon a Participant's termination of employment, except by reason of Early, Normal or Delayed Retirement; however, all Participants shall acquire a vested interest in benefits pursuant to the following Vesting Schedule:

Completed Years of Continuous Service	Vested Interest
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

Any Participant not eligible for Normal, Early, or Delayed Retirement Benefit but who has a vested interest at time of termination shall receive such benefit on a monthly, Life Annuity basis, commencing on his Normal Retirement Date. Notwithstanding the foregoing, in lieu of receiving a monthly Life Annuity commencing at Normal Retirement Date, such Participant may elect to receive such benefits in a single lump sum distribution and may elect to receive such distribution prior to Normal Retirement Date in accordance with Section 1(d) of Article VII. Actuarially equivalent amounts shall be payable under any form or manner of payment provided herein.

A Participant must live to his Normal Retirement Date in order to receive his vested benefit. No benefit shall be payable to the Participant's beneficiaries following his death, except as provided in Section 1 of this Article.

Although Continuous Service after September 30, 2016 is not recognized for benefit accrual purposes, Continuous Service shall continue to be credited to Participants after September 30, 2016 for vesting purposes.

RESOLVED, that the proper officers of the North Brevard County Hospital District are hereby authorized and directed to take any and all actions necessary to effect the foregoing resolution.

ATTEST:

PARRISH MEDICAL CENTER, on behalf of the
Board of Directors of the North Brevard County
Hospital District, a Special Tax District

Date: _____

By: _____, Secretary

Printed Name: _____

MEMORANDUM

TO: Budget & Finance Committee
FROM: Kent Bailey, Vice President, Finance
SUBJECT: Investment Fund Signatory Change for Scout Investments
DATE: April 30, 2019

Attached is the resolution from Scout Investments requiring a board resolution to have Kent Bailey added as an authorized signer for the investment fund. To make a change in authorized signers, Scout Investments requires a board resolution. A similar board resolution was approved in February 2019 to add Christopher McAlpine as an authorized signer..

The following motion is recommended for approval.

Motion: To recommend the Board of Directors approve the Scout Investments Resolution to add Kent Bailey, Vice President Finance, as an authorized signer..

If you should have any questions please do not hesitate to contact me at (321) 268-6351 or at kent.bailey@parrishmed.com.

Attachment

North Brevard County Hospital District d/b/a Parrish Medical Center

SIGNERS' RESOLUTION, Dated: _____

The undersigned, having been authorized by a Resolution of Board of Directors (attached is the said resolution and meeting minutes) on May 6, 2019 hereby authorizes the below signees with authority on behalf of North Brevard County Hospital District dba Parrish Medical Center to conduct business on behalf of the organization and take any actions deemed necessary or desirable to (a) provide instructions to Scout Investments, Inc. with respect to any transactions; and (b) to enter into and carry out any contracts, arrangements, or transactions in connection with any such accounts. As of May 6, 2019, the following have been approved as signatories:

(Signature)

Printed Name: George Mikitarian

Title: President and CEO

(Signature)

Printed Name: Christopher Mc Alpine

Title: Sr. VP Administration/CTO

(Signature)

Printed Name: Kent Bailey

Title: Vice President, Finance

(Signature)

Printed Name: _____

Title: _____

I, the undersigned (title) of (entity), hereby acknowledge that the above described signatories are true and correct.

Signed this 6 of May, 2019
day month year

CORPORATE SEAL:

(Signature)

Printed Name: George Mikitarian

Title: President and CEO



CPAs & ADVISORS

April 25, 2019

VIA EMAIL

Dr. George Mikitarian
President/Chief Executive Officer
North Brevard County Hospital District
d/b/a Parrish Medical Center
951 N. Washington Avenue
Titusville, FL 32796

Dear Dr. Mikitarian:

We are pleased to serve **North Brevard County Hospital District d/b/a Parrish Medical Center** (the "District") as its independent certified public accountants. This letter confirms our understanding of the scope and the terms of our engagement.

We will audit the general purpose financial statements of the District as of and for the year ending September 30, 2019. Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole:

1. Required Supplemental Information – Unaudited Schedule Funding Progress – Pension
2. Required Supplemental Information – Unaudited Schedule Funding Progress – OPEB
3. Consolidating Balance Sheets
4. Consolidating Statements of Revenues, Expenses, and Changes in Net Assets

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which, in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

In recent years, the federal government and many states have aggressively increased enforcement efforts under Medicare and Medicaid anti-fraud and abuse legislation. Broadening regulatory and legal interpretations have significantly increased the risk of penalties for providers; for example, broad interpretations of "false claims" laws are exposing ordinary billing mistakes to scrutiny and penalty consideration. An auditor's expertise is in accounting and auditing matters rather than operational, clinical, compliance or legal matters. Accordingly, our audit procedures focus on areas that normally are subject to internal control relevant to financial reporting.

An audit conducted in accordance with auditing standards generally accepted in the United States of America does not include audit procedures specifically designed to detect illegal acts that have only an indirect effect on the financial statements (for example, violations of Stark laws or fraud and abuse statutes that result in fines or penalties being imposed on the District). The audit procedures do not include testing compliance with laws and regulations in any jurisdiction related to Medicare and Medicaid anti-fraud and abuse. Management of the District is responsible for the identification of, and the District's compliance with, laws and regulations applicable to its activities, including, but not limited to, those related to Medicare and Medicaid anti-fraud and abuse statutes.

With respect to cost reports that may be filed with a third party (such as federal and state regulatory agencies), we have not been engaged to test in any way, or render any form of assurance on, the propriety or allowability of the specific costs to be claimed on, or charges to be reported in, a cost report. Management is responsible for the accuracy and propriety of all cost reports filed with Medicare, Medicaid, or other third parties.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected third parties, including actuaries, creditors and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that comes to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under our professional standards.

OTHER SERVICES

We will also assist in preparing the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

The District and its management are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skills, knowledge, or experience to oversee tax services or any other non-attest services we may provide; and for evaluating the adequacy and results of those services and accepting responsibility for them. The District and its management are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with U.S. generally accepted accounting principles that are free of material misstatements. The District and its management are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. The District and its management are responsible for providing us with (a) access to all information of which they are aware that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of the audit, and (c) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

The District's and management's responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As part of our engagement, we may propose standard, adjusting, or correcting journal entries to your financial statements. The District and its management are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

The District and its management are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or allegations of fraud affecting the District involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. The District's and management's responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, the District and its management are responsible for identifying and ensuring that the entity complies with applicable laws and regulations (including, but not limited to, those related to the Medicare and Medicaid anti-fraud and abuse statutes). The District and its management are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. The District and its management agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. The District and its management agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

The District and its management agree to assume all management responsibilities for financial statement preparation services and/or any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skills, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

The District and its management are also responsible to notify us in advance of their intent to print our report, in whole or in part, and to give us the opportunity to review such printed matter before its issuance.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

You acknowledge that as a condition of our agreement to perform an audit, you and the District's management agree to the best of your knowledge and belief to be truthful, accurate, and complete in the representations you make to us during the course of the audit and in the written representations provided to us at the completion of the audit.

Because of the importance of management's representations, contained in your representation letter to us, to the effective performance of our services, the District will release Moore Stephens Lovelace, P.A. ("MSL") and its personnel from any claims, liabilities, costs and expenses relating to our services under this letter attributable to any misrepresentations in the representation letter referred to above or made to us by any member of management. In addition, the District further agrees to indemnify and hold us harmless for any liability and all reasonable costs, including legal fees, that we may incur as a result of the services performed under this engagement in the event there are known misrepresentations made to us by any member of the District's management.

Engagement Administration and Other

We understand that your employees will prepare all confirmations that we request and will locate any documents selected by us for testing. You are responsible for any costs or fees charged by the organization(s) or individual(s) responding to the confirmation requests.

Jeff Goolsby is the engagement shareholder and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We anticipate beginning fieldwork on November 5, 2019, and complete the engagement no later than January 31, 2020.

MSL and Moore Stephens Tiller LLC have been defined as a network within an association under the AICPA *Rules of Professional Conduct*. You confirm to us that you are not aware of any prohibited relationship that would impair our independence under the AICPA *Rules of Professional Conduct* between our Firm and Moore Stephens Tiller LLC and its employees. We are also not aware of any such relationships.

FEES - Our fees are based on the tasks required, time spent, and level of expertise of the staff used to perform this engagement. The fee, inclusive of out-of-pocket costs, will not exceed \$130,000. This fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement.

Invoices for the audit will be due based on the following schedule:

Initial deposit	\$ 25,000
September 30, 2019	\$ 25,000
October 31, 2019	\$ 25,000
November 30, 2019	\$ 25,000
December 31, 2019	\$ 20,000
Upon Issuance of Report	Balance

Any subsequent discussions, conferences, telephone conversations, correspondence or related services will be invoiced separately.

In the event we are requested or authorized by the District or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the District, the District will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

A service charge of 1.5 percent per month will be assessed on any invoice not paid within thirty (30) days of the invoice date. We reserve the right to halt further services until payment on past due invoices is received. In the event that collection procedures are required, you agree to pay all expenses of collection, including collection efforts by our staff, which will be billed at our standard hourly rates, and all attorney's fees and costs actually incurred by our Firm in connection with such collection, whether or not suit is filed thereon. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

LAW - This agreement will be interpreted in accordance with Florida law and the terms and conditions as required by the Florida Board of Accountancy, where applicable.

You agree that our maximum liability to you for any negligent errors or omissions committed by us in the performance of the engagement will be limited to three times the amount of our fees for this engagement, except to the extent determined to result from our gross negligence or willful misconduct.

We may from time to time, depending on the circumstances, use third-party service providers in servicing your account. We may share confidential information about your organization with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, management will be asked to provide its consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

The workpapers for this engagement are the property of MSL and constitute confidential information. However, we may be requested to make certain workpapers available to government officials or others pursuant to authority by law or regulation. If requested, access to such workpapers will be provided under the supervision of MSL personnel. Pursuant to Rule 42 CFR Part 420, issued December 20, 1982, by the Center for Medicare and Medicaid of the Department of Health and Human Services ("HHS"), in regard to contract services which could potentially exceed \$10,000 over a twelve-month period, access to our records will be available to the Secretary of HHS, or authorized representatives, until the expiration of four years after the services detailed in this letter. This request from HHS must be in compliance with 42 CFR Part 420. We do not waive any rights or privileges granted under federal or state law, statutes, or regulation with regard to client/accountant privileges.

We may require access to identifiable personal health information ("PHI") during the course of our engagement. As a business associate, MSL will take reasonable steps to comply with Section 164.504(e)(2)(ii) of the Health Insurance Portability and Accountability Act ("HIPAA"), which requires, among other things, for business associates to use appropriate safeguards to prevent the improper use or disclosure of PHI. It is management's responsibility to provide MSL with the District's business associate agreement. This agreement will govern our conduct as it relates to how PHI is treated during our engagement.

We agree that nothing contained herein shall be construed or interpreted as (1) denying to either party any remedy or defense available to such party under the laws of the State of Florida; (2) the consent of a political subdivision of the State of Florida to be sued; or (3) a waiver of sovereign immunity of a political subdivision of the State of Florida beyond the waiver provided in Section 768.28, Florida Statutes. The provisions of this section shall survive any termination or expiration of this Agreement.

Indemnification is limited to the extent permitted under Florida law.

MEDIATION - Parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. In the event that the parties cannot agree to a mediator, each will choose one and the two will choose a third, who will serve as sole mediator. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceeding shall be shared equally by both parties.

TERM - This engagement is for a limited period of time and is further limited by scope. Any other services performed on your behalf shall be by separate agreement. Our audit engagement ends on delivery of our audit report or January 31, 2019, whichever occurs first. Any follow-up services will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. You agree that any claim arising out of this engagement letter shall be commenced within one (1) year of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against MSL.

If, at any time during the engagement, you fail to make prompt payments or cooperate with the staff performing this engagement, we reserve the right to suspend performance until such time as payment is made or cooperation resumes. Our engagement to serve as your independent auditor is contingent upon the results obtained from our client acceptance and continuance due diligence procedures. In the event circumstances arise that cause us to believe that we can no longer adequately meet our obligations, or if we believe that continued performance would require us to compromise our ethical standards, we reserve the right to immediately suspend or terminate this contract. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You understand that if this contract is suspended or terminated, reports or documents may not be prepared timely and you agree to hold MSL and its employees harmless for any damages suffered. In no event will our Firm be liable for incidental or consequential damages, even if we have been advised of the possibility of such damages.

The District has the right to terminate the services of MSL with written notice at the District's direction. In the event that this agreement was terminated prior to the delivery of our report, the District agrees to reimburse MSL for any work performed through the date of notification of termination. No other modification of this contract shall be binding upon the parties unless reduced to writing and signed by the parties.

NON-SOLICITATION - Your management and MSL acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement and for one year after its expiration or termination, neither party will (a) solicit any shareholder/partner or employee of the other party for employment, or (b) employ any person who was a shareholder/partner or employee of the other party within four (4) months after the termination of their employment with the other party for any reason, without the advance written consent and negotiated compensation of the other party.

North Brevard County Hospital District
d/b/a Parrish Medical Center
April 25, 2019
Page 7

ENTIRE AGREEMENT - The terms and conditions set out in this engagement letter constitute the entire agreement between the parties and supersede any verbal or written agreements concerning the above-referenced services.

If the services and terms outlined above are in accordance with your understanding, please sign this letter and return it to us.

We very much appreciate this opportunity to be of service to you. If you have any questions, please do not hesitate to contact us.

Sincerely,

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

The above terms and conditions are accepted and affirmed.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
d/b/a PARRISH MEDICAL CENTER**

By: _____
(Signature)

Printed Name: _____

Title: **President/Chief Executive Officer**

Date: _____

EXECUTIVE COMMITTEE

Robert L. Jordan, Jr., C.M., Chairman
Herman A. Cole, Jr.
Peggy Crooks
Stan Retz, CPA
Elizabeth Galfo, M.D.
George Mikitarian, President/CEO (non-voting)

**DRAFT AGENDA
EXECUTIVE COMMITTEE
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
MONDAY, MAY 6, 2019
2nd FLOOR, EXECUTIVE CONFERENCE ROOM
IMMEDIATELY FOLLOWING FINANCE COMMITTEE**

CALL TO ORDER

- I. Approval of Minutes

Motion to approve the minutes of the March 4, 2019 meeting.
- II. Reading of the Huddle
- III. Public Comment
- IV. Report from Titusville City Council Liaison – Scott Larese
- V. Attorney Report – Mr. Boyles
- VI. Other
- VII. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT MS. LISA CAVALLERO, EXECUTIVE DIRECTOR OF SUPPORT SERVICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6190 OR (321) 383-9829 (TDD).

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EXECUTIVE COMMITTEE. TO THE EXTENT OF SUCH DISCUSSIONS, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EXECUTIVE COMMITTEE AND NORTH BREVARD MEDICAL SUPPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EXECUTIVE COMMITTEE**

A regular meeting of the Executive Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on March 4, 2019 in the Executive Conference Room. The following members were present:

Robert L. Jordan, Jr., C.M., Chairman
Herman A. Cole, Jr.
Peggy Crooks
Stan Retz
Elizabeth Galfo, M.D.
George Mikitarian (non-voting)

Members Absent:
None

Also in attendance were the following Board members:

Ashok Shah, M.D.
Billie Fitzgerald
Jerry Noffel

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Jordan called the meeting to order at 12:30 p.m.

CITY LIAISON

The Quality Committee suspended its agenda and the Executive Committee convened for the purpose of the City Manager report. Mr. Scott Larese updated the committee on new City developments and addressed questions from the committee. The Committee recessed at 12:45 p.m. to resume the Quality Committee.

REVIEW AND APPROVAL OF MINUTES

Executive Committee reconvened at 2:21 p.m. Discussion ensued and the following motion was made by Ms. Crooks, seconded by Ms. Fitzgerald and approved (5 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE MINUTES OF THE JANUARY 7, 2019 MEETING AS PRESENTED.

READING OF THE HUDDLE

Dr. Galfo read the Weekly Huddle.

PUBLIC COMMENT

There were no public comments.

OPEN FORUM FOR PHYSICIANS

No physicians spoke.

ATTORNEY REPORT

Mr. Boyles introduced Ms. Mikos and explained she and Gary Walker will be the Attorneys representing the Board in the case concerning the appeal of Dr. Barochia from the final decision issued by the Chief Executive Officer. Ms. Mikos shared with the Committee that there will be extensive documents that will need to be reviewed prior to the April 1, 2019 Board of Directors meeting. At that meeting, they will make their final decision on this appeal during Executive Session. Mr. Boyles reminded the Committee that this is a confidential matter and cautioned the Board to refrain from questions at this time. Ms. Mikos notified the Committee that they will be contacted concerning their availability to review the documents. Mr. Cole requested to break for Executive Session of the Executive Committee for further discussion of this peer review matter.

EXECUTIVE SESSION

At 2:31p.m., the room was cleared of everyone except Ms. Mikos and the Executive Committee of the Board of Directors along with other Board members who were present and in attendance.

Regular session of Executive Committee resumed at 2:51p.m.

ADJOURNMENT

There being no further business to discuss, the committee adjourned at 2:52 p.m.

Robert L. Jordan, Jr., C.M.
Chairperson

EDUCATION COMMITTEE

Billie Fitzgerald, Chairperson
Herman A. Cole, Jr. (ex-officio)
Elizabeth T. Galfo, M.D.
Maureen Rupe
Ashok Shah, M.D.
Joseph Rojas, M.D.
George Mikitarian, President/CEO (Non-voting)

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE
MONDAY, APRIL 1 2019
IMMEDIATELY FOLLOWING EXECUTIVE SESSION
2nd FLOOR, EXECUTIVE CONFERENCE ROOM**

CALL TO ORDER

I. Review and Approval of Minutes

Motion to approve the minutes of the March 4, 2019 meeting.

II. Healthcare Regulations Overview — Mr. Kancilia

III. Other

IV. Executive Session (if necessary)

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE EDUCATION COMMITTEE WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT MS. LISA CAVALLERO, EXECUTIVE DIRECTOR OF SUPPORT SERVICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6190 OR (321) 383-9829 (TDD).

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE. TO THE EXTENT OF SUCH DISCUSSION, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT, BOARD OF DIRECTORS EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE AND NORTH BREVARD MEDICAL SUUPORT, INC. SHALL BE CONDUCTED.

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS
COMMITTEE**

A regular meeting of the Educational, Governmental and Community Relations Committee of the North Brevard County Hospital District operating Parrish Medical Center was held on March 4, 2019 in Conference Room 2/3/4/5, First Floor. The following members were present:

Billie Fitzgerald, Chairperson
Herman A. Cole, Jr.
Elizabeth T. Galfo, M.D.
Maureen Rupe
Ashok Shah, M.D.
Joseph Rojas, M.D.
George Mikitarian (non-voting)

Member(s) Absent:
None

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Ms. Fitzgerald called the meeting to order at 3:10 p.m.

ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

Ms. Fitzgerald opened the floor for nominations of Chairperson of the Committee. Mr. Jordan nominated Ms. Fitzgerald; Mr. Retz seconded the nomination and moved to close the nominations on said name.

ACTION TAKEN: MOTION TO APPROVE THE APPOINTMENT OF BILLIE FITZGERALD AS CHAIRPERSON OF THE EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE.

Ms. Fitzgerald opened the floor for nominations of Vice Chairperson of the Committee. Ms. Crooks nominated Dr. Shah; Dr. Galfo seconded the nomination and moved to close the nominations on said name.

ACTION TAKEN: MOTION TO APPROVE THE APPOINTMENT OF ASHOK SHAH, M.D. AS VICE CHAIRPERSON OF THE EDUCATIONAL, GOVERNMENTAL AND COMMUNITY RELATIONS COMMITTEE.

REVIEW AND APPROVAL OF MINUTES

The following motion was made by Mr. Jordan, seconded by Dr. Galfo, and approved (6 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE MINUTES OF AUGUST 6, 2018, AS PRESENTED.

OTHER

Ms. Fitzgerald asked the committee to please let her know of any topics they would like to have presented in Education Committee.

Mr. Mikitarian noted Mr. Loftin was currently attending the ACHE conference, and presenting while there. He explained he has requested Edwin to give this presentation to the Education Committee as well.

Mr. Cole stated he recently attended a presentation on The Hunger Project at St. Gabriel's Church. He requested that Chaplain Jerald Smith, who assisted in the presentation, also present it to the Education Committee.

Mr. Jordan requested the Guardian Ad Litem representative present to the committee. He stated the organization does so much for children and he would like to learn more about it.

Mr. Boyles noted it was time again for the Sunshine Law review presentation regarding public records and open meeting laws, and would schedule this for a future committee meeting.

Dr. Galfo shared how much she enjoys hearing from the different departments and learning about each process improvement initiative.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 3:16 p.m.

Billie Fitzgerald
Chairperson

**DRAFT AGENDA
BOARD OF DIRECTORS MEETING - REGULAR MEETING
NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
MAY 6, 2019
NO EARLIER THAN 3:00 P.M.,
FOLLOWING THE LAST COMMITTEE MEETING
FIRST FLOOR, CONFERENCE ROOM 2/3/4/5**

CALL TO ORDER

- I. Pledge of Allegiance
 - II. PMC's Vision – *Healing Families – Healing Communities*
 - III. Approval of Agenda
 - IV. Review and Approval of Minutes (March 4, 2019)
 - V. Recognitions(s)
 - VI. Open Forum for PMC Physicians
 - VII. Public Comments
 - VIII. Unfinished Business
 - IX. New Business
 - X. Medical Staff Report Recommendations/Announcements – Dr. Rojas
 - A. **Motion to Recommend the Board of Directors approve the Medical Staff Rules & Regulations as presented.**
- Resignations – **For Information Only**
1. **Sean Crowley – Emergency Medicine**
- XI. Public Comments (as needed for revised Consent Agenda)
- XII. Consent Agenda
 - A. Finance
 1. Recommend the Board of Directors approve the Resolution for the Parrish Medical Center Pension Plan and Trust Agreement as presented.
 2. Recommend the Board of Directors approve the Scout Investments Resolution to add Kent Bailey, VP Finance, as an authorized signer.

BOARD OF DIRECTORS MEETING

MAY 6, 2019

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3. Recommend the Board of Directors approve the renewal of membership for Michael Allen for a three-year term from July 1, 2019 through June 30, 2022.
4. Recommend the Board of Directors approve the renewal of membership for Julia Reyes-Mateo for a three-year term from July 1, 2019 through June 30, 2022.
5. Recommend the Board of Directors approve the Moore Stephens Lovelace Engagement Letter for the FY19 as presented

XI. Committee Reports

- A. Quality Committee – Mr. Cole
- B. Budget and Finance Committee – Mr. Retz
- C. Executive Committee – Mr. Jordan
- D. Educational, Governmental and Community Relations Committee – Ms. Fitzgerald
- E. Planning, Physical Facilities & Properties Committee (Did Not Meet)

XII. Process and Quality Report – Mr. Mikitarian

- A. Other Related Management Issues/Information
- B. Hospital Attorney - Mr. Boyles

XIII. Other

XIV. Closing Remarks – Chairman

XV. Executive Session (if necessary)

XVI. Open Forum for Public

ADJOURNMENT

NOTE: IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING, HE/SHE WILL NEED A RECORD OF PROCEEDINGS AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE A VERBATIM RECORD OF THE PROCEEDINGS IS MADE AND THAT THE RECORD INCLUDES TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

PERSONS WITH A DISABILITY WHO NEED A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHOULD CONTACT MS. LISA CAVALLERO, EXECUTIVE DIRECTOR OF SUPPORT SERVICES, AT 951 NORTH WASHINGTON AVENUE, TITUSVILLE, FLORIDA 32796, AT LEAST FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING. FOR INFORMATION CALL (321) 268-6190 OR (321) 383-9829 (TDD).

THIS NOTICE WILL FURTHER SERVE TO INFORM THE PUBLIC THAT MEMBERS OF THE BOARD OF DIRECTORS OF NORTH BREVARD MEDICAL SUPPORT, INC. MAY BE IN ATTENDANCE AND MAY PARTICIPATE IN DISCUSSIONS OF MATTERS BEFORE THE NORTH BREVARD COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS. TO THE EXTENT OF SUCH DISCUSSIONS, A JOINT PUBLIC MEETING OF THE NORTH BREVARD COUNTY HOSPITAL DISTRICT AND NORTH BREVARD MEDICAL

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
BOARD OF DIRECTORS – REGULAR MEETING**

A regular meeting of the Board of Directors of the North Brevard County Hospital District operating Parrish Medical Center was held on March 4, 2019 in Conference Room 2/3/4/5, First Floor. The following members were present:

Herman A. Cole, Jr., Chairman
Stan Retz
Jerry Noffel
Peggy Crooks
Billie Fitzgerald
Robert L. Jordan, Jr., C.M.
Ashok Shah, M.D.
Elizabeth Galfo, M.D.

Member(s) Absent:

Maureen Rupe (excused)

A copy of the attendance roster of others present during the meeting is appended to the file copy of these minutes.

CALL TO ORDER

Mr. Cole called the meeting to order at 3:16 p.m.

PLEDGE OF ALLEGIANCE

Mr. Cole led the Board of Directors, staff and public in reciting the Pledge of Allegiance.

PMC'S VISION – *Healing Families – Healing Communities*®

Mr. Cole led the Board of Directors, staff and public in reciting PMC's Vision – *Healing Families – Healing Communities*®.

APPROVAL OF AGENDA

Mr. Cole asked for approval of the agenda in the packet. Discussion ensued and the following motion was made by Mr. Jordan, seconded by Ms. Crooks and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE AGENDA AS PRESENTED.

REVIEW AND APPROVAL OF MINUTES

Discussion ensued and the following motion was made by Ms. Crooks, seconded by Mr. Jordan and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE JANUARY 7, 2019 MEETING MINUTES AS PRESENTED.

RECOGNITIONS

There were no recognitions.

OPEN FORUM FOR PMC PHYSICIANS

There were no physician comments.

PUBLIC COMMENTS

There were no public comments.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

Policy 9500-18, Non Solicitation and Distribution Policy

Discussion ensued and the following motion was made by Mr. Jordan, seconded by Mr. Retz and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO RECOMMEND THE BOARD OF DIRECTORS APPROVE POLICY 9500-18, NON SOLICITATION AND DISTRIBUTION POLICY, AS PRESENTED.

MEDICAL STAFF REPORT RECOMMENDATIONS/ANNOUNCEMENTS

Resignations – **For Information Only**

1. Brian Dowdell, MD – Medicine/Pain Management
2. George Gomez-Del Rio, MD – Medicine/Hospitalist

PUBLIC COMMENTS

There were no public comments regarding the revised consent agenda.

CONSENT AGENDA

Discussion ensued regarding the consent agenda, and the following motion was made by Mr. Jordan, seconded by Ms. Crooks and approved (8 ayes, 0 nays, 0 abstentions).

ACTION TAKEN: MOTION TO APPROVE THE FOLLOWING REVISED CONSENT AGENDA ITEMS:

A. Finance

1. Recommend the Board of Directors approve the Scout Investments Resolution to remove Michael Sitowitz as an authorized signer and add Christopher Mc Alpine, Sr. VP Administration/CTO, as an authorized signer.
2. **Recommend the Board of Directors approve an amount not to exceed \$1,750,000.00 to purchase specified diagnostic imaging equipment as presented with the transaction including a possible lease component for the equipment.**
3. **Recommend the Board of Directors accept the Financial Report as presented to the Finance Committee.**

COMMITTEE REPORTS

Quality Committee

Mr. Cole reported all items were covered during the meeting.

Budget and Finance Committee

Mr. Retz reported all items were covered during the meeting.

Executive Committee

Mr. Jordan reported all items were covered during the meeting.

Educational, Governmental and Community Relations Committee

Ms. Fitzgerald reported all items were covered during the meeting.

Planning, Physical Facilities and Properties Committee

Mr. Jordan reported the Planning Committee did not meet.

PROCESS AND QUALITY REPORT

No additional information was presented.

Hospital Attorney

Legal counsel had no report.

OTHER

No other business was discussed.

CLOSING REMARKS

There were no closing remarks.

OPEN FORUM FOR PUBLIC

No members of the public spoke.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 3:18 p.m.

Herman A. Cole, Jr.
Chairman

**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING
PARRISH MEDICAL CENTER
MEDICAL EXECUTIVE COMMITTEE MEETING – REGULAR**

April 16, 2019

Present: V. Hate', C. Manion, K. Modi, A. Ochoa, R. Patel, J. Rojas, M. Sorbello, M. Storey, P. Tronetti, V. Williams, G. Mikitarian, H. Cole, E. Head
Absent: D. Barimo, P. Carmona, G. Cuculino, B. Mathews

The regular meeting of the Medical Executive Committee of the North Brevard County Hospital District operating Parrish Medical Center was held Apr. 16, 2019, at 5:30 PM in the Conference Center. A quorum was determined to be present.

CALL TO ORDER

Dr. Joseph Rojas, called the meeting to order at 5:34 pm.

REVIEW AND APPROVAL OF MINUTES

The following motion was made, seconded, and unanimously approved:

ACTION TAKEN: Motion to approve the previous meeting minutes (Mar. 19, 2019) as written and distributed.

UNFINISHED BUSINESS

Hospital Consumers Assessment of Healthcare Providers and Services (HCAHPS) --

The Committee reviewed the current Hospital Consumers Assessment of Healthcare Providers and Services (HCAHPS) report. We have seen some improvement.

ACTION TAKEN: Noted by the Committee.

Quality

The Committee reviewed the Board Quality minutes (Feb. 4, 2019), and the Quality Value Dashboard for April 2019. Copies are appended to the file copy of these minutes.

ACTION TAKEN: Noted by the Committee.

FOLLOW-UP MEC ITEMS

- A. Financial Interest Disclosure forms – Forms were provided to the MEC and are still being collected.

ACTION TAKEN: Noted by the Committee.

- B. 2018 Medical Staff Dues- Unpaid Medical Staff dues were reviewed. Only 2 physicians have not paid 2018 dues.

ACTION TAKEN: The 2 remaining unpaid physicians have been contacted to determine if they wish to maintain Medical Staff membership.

NEW BUSINESS

- A. Notice was provided regarding the upcoming physician parking lot resurfacing project taking place on the weekend of May 4-5, 2019.

ACTION TAKEN: Noted by the Committee.

INFORMATION/EDUCATION:

Joint Commission Perspectives – April 2019 – Information was emailed for review prior to meeting. *ACTION TAKEN:* Noted by Committee

Information /Education items to the Medical Staff to Be Noted in Minutes –

1. *Meditech Enhancements* – Information was emailed for review prior to meeting.

ACTION TAKEN: Noted by Committee.

REPORT FROM ADMINISTRATION: Nothing to report.

REPORT FROM THE BOARD: Nothing to report.

CONSENT AGENDA: None

MEDICAL STAFF RESIGNATIONS:

- A. Sean Crowley- Emergency Medicine (3/31/19)

ACTION TAKEN: Noted by Committee.

COMMITTEE REPORTS: None

CLINICAL DEPARTMENT REPORTS: None

OPEN FORUM

ADJOURNMENT

There being no further business, the meeting adjourned to the executive session at 6:05 PM.

Joseph Rojas, MD
President/Medical Staff

Christopher Manion, MD
Secretary - Treasurer



DRAFT

MEDICAL STAFF
GENERAL RULES AND REGULATIONS

DRAFT: March 15, 2019

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**NORTH BREVARD COUNTY HOSPITAL DISTRICT
OPERATING PARRISH MEDICAL CENTER**

MEDICAL STAFF GENERAL RULES AND REGULATIONS

All departments are required to review the Medical Staff General Rules and Regulations by the first department meeting of the calendar year, and forward recommended changes, if any, to the Medical Executive Committee. This review must be reported in the department minutes.

I. ADMISSION

The hospital shall accept patients for care and treatment based on their medical needs and the attending physician's privileges. Physicians shall admit patients only to their own service.

Who May Admit

Patients may be admitted only by or under the supervision of a qualified physician of the medical staff with the appropriate admitting privileges.

Attending Physician's Responsibilities

Only credentialed medical staff members and allied health professionals, who have completed the necessary training (including future updates/upgrades) shall have the authority to access the Hospital's EMR system. The attending physician shall be responsible for the medical care and treatment of the patient and for the prompt completeness and accuracy of the meditech electronic medical record (EMR). The attending or covering physician must visit the hospitalized patient at least daily, and must be seen within 24 hours prior to discharge. The attending physician shall be responsible for providing the hospital with such information as may be necessary to assure the protection of the patient, other patients, and hospital personnel from infection, disease, or other harm.

Privacy and Security

Every physician agrees to abide by all federal, state and local privacy laws. Every physician is responsible for maintaining personal health information (PHI) and electronic personal health information (ePHI). Physicians are responsible for maintaining the integrity of PHI and ePHI by using appropriate measures in protecting their network and system passwords, while immediately notifying Information Systems of any lost or stolen computing devices and passwords.

Transfer between Physicians

Unless the attending physician transfers the patient to another by an order entered in the EMR, the attending physician will remain responsible for the care and treatment of the patient. No transfer shall be carried out until the receiving physician accepts the transfer.

General Consent for Treatment

A General Consent form shall be signed by, or on behalf of, every patient at the time of admission to the hospital and scanned into the EMR. In the event that such consent cannot be obtained, the attending physician shall be notified and he/she shall be obligated to obtain proper consent before the patient is treated in the hospital.

Consent to Release Information

The written consent of the patient and the attending physician is necessary and required for the release of any medical information to individuals not otherwise authorized to receive this information. The document will be scanned into the EMR.

Admission Routing

All direct admissions shall be routed through Patient Registration; not through the Emergency Department, unless the patient is in need of acute medical care by the Emergency Department physician.

Coverage

Any medical staff member who shall be unavailable on a temporary basis shall designate a member of the medical staff in the same specialty or subspecialty who is to be called to attend his/her patients in an emergency or until the absent member returns. This arrangement shall be reported to the Medical Staff Services Office. In circumstances when this is not possible, coverage arrangements must be approved by the President of the Medical Staff. In case of failure to arrange for coverage, the President of the Medical Staff, or the Chief of the Service concerned, shall have the authority to call any member of the active staff to provide such coverage.

If, for any reason, it becomes necessary for a physician to admit a patient that is under the active care of another physician, the following procedure will be followed: The physician ordering the admission assumes responsibility for the care of the patient until he/she contacts the patient's physician directly and transfers the patient. The transfer of care will be done in accordance to the Rules and Regulations.

Cross coverage for a subspecialist may be provided by a physician of the same specialty (not subspecialty) to the extent provided by their clinical privileges and demonstrated expertise. The covering physician is required to consult outside his/her group if necessary to obtain needed specialty care. All specialties and subspecialties with two (2) or more members will establish and maintain a call schedule for urgent/emergency consultations on Emergency Department patients and inpatients. The call schedule for the upcoming month will be provided to the Medical Staff Services Office not less than fifteen (15) days prior to the first day of the month. Participation by active and associate staff members is mandatory except as otherwise stated in the Medical Staff Bylaws or Rules and Regulations.

Priorities of Admission

Internal patient transfer priorities shall be in the following order:

- A. From a general care area to Intensive Medical/Surgical Care Unit
- B. From Emergency Department to appropriate patient bed
- C. From Intensive Medical/Surgical Care Unit to a general care unit
- D. From Obstetrical/Gynecology wing to a general care unit when it is medically indicated
- E. From a temporary placement in an unsuitable area to the appropriate area

MEDICAL STAFF GENERAL RULES AND REGULATIONS

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Except for those on NO CODE STATUS, all patients with an admitting diagnosis of acute myocardial infarction shall be admitted to a monitored bed for the first twenty-four (24) hours.

Restraints

Any order for patient restraints shall be time limited.

- Restraint Protocol Orders for Tubes are limited to the time the medical tube is in place and the time the patient threatens to disrupt the treatment and has fluctuating, or lacks, decision-making capacity to be able to understand the benefits, risks, and alternatives for treatment;
- Violent-self destructive Restraint Orders are renewable every 4 hours.

Orders must be electronically authenticated at the time of entry or within 24 hours. Evaluation of the patient and documentation must be in compliance with the hospital's Policy No. 9500-2022 "Use and Management of Patient Restraints."

Any patient known or suspected to be suicidal in intent, shall have a Baker Act (FS 394.451 – 394.4789) initiated. All appropriate suicide precautions shall be taken while the acute medical emergency is managed. Once the patient's medical emergency has been stabilized, a staff psychiatrist shall be consulted to determine the voluntary or involuntary status of the Baker Act. If deemed an involuntary Baker Act, the patient shall be transferred to an appropriate Baker Act facility for further evaluation.

No Code

The Code Blue procedure shall be initiated on any patient experiencing a respiratory or cardiac arrest, unless there is a written and signed "No Code" order by the physician.

Leave of Absence

Leave of Absence shall be granted to a patient only when he/she is begin transferred to another facility, another physician's office, or has an emergency in which they will not be out of the hospital for more than four (4) hours. This will be allowed only by the attending physician's order.

II. MEDICAL ORDERS

General Requirements

All medical orders, after Go-Live date shall be entered into the EMR computerized provider order entry (CPOE) system at the point of care or remotely through a secure process. In case of computer downtime, paper order entry is acceptable and necessary under downtime policy and procedures.

The use of "renew", "repeat", "resume" and "continue orders" are not acceptable. Any questions arising from an order involving interpretation, legibility, or completeness shall be referred to the physician writing the order. The order will not be carried out until the question is resolved.

MEDICAL STAFF GENERAL RULES AND REGULATIONS

PAGE 6

In the best interest of patient safety and quality of care, the medical staff supports the use of standardized abbreviations, acronyms, and symbols, and verbal order requirements to be read back to ensure accuracy and to avoid potential patient safety issues.

All previous orders are canceled when patients go to surgery or are admitted to, or discharged from, the Intensive Care Unit (ICU). Exception: minor surgery under local anesthetic, and when patients are taken to the ICU for a procedure, e.g., cardioversion.

A complete outpatient order should contain the following information: patient's name, date, name of test being ordered, diagnosis for performance of the test, and the physician's signature. No outpatient testing will be performed on a patient whose order does not meet these requirements.

Who May Write Orders

Only credentialed medical staff members and allied health professionals who have completed the necessary training (including future updates/upgrades) shall have the authority to access the Hospital's EMR system and enter orders and only within the scope of their clinical privileges delineated in Policy No. 9500-98, Physician's Telephone and Faxed Orders".

Verbal Orders

A verbal order is a verbal request for care activities from a provider who is physically present in the care area and is rendering emergency care or is performing an operative procedure.

Telephone Orders

A telephone order is a verbal request for care activities from a provider who is not physically present but is necessary to provide urgent care when a provider is not physically present in the facility and/or when a provider is unable to access the EMR in a timely fashion.

All verbal/telephone orders shall be considered acceptable if dictated by the responsible physician to a duly authorized person functioning within their scope of competence, but in any case limited to an allied health professional or a licensed registered nurse working under the physician's direct supervision. The ordering physician must be clearly identified and noted

All verbal/telephone orders must be communicated clearly and concisely, and the patient identified. All verbal orders will be read back and confirmation received for the verification and must be noted in the EMR.

Verbal orders for chemotherapy shall not be accepted.

ZYNX Order Sets, Specialized Order Sets and Special Protocols

Universal standing orders/protocol, for the purpose of treatment and diagnostic testing, may be formulated by individual departments and approved by the Medical Executive Committee. Upon initiation of standing orders/protocols, they must be electronically authenticated in the EMR by the physician within 48 hours of initiation. All standing orders/protocols shall be reviewed by the individual departments on a **triennial** basis, and any changes referred to the Medical Executive Committee for approval.

Medication Orders

Medication orders will be restricted to the drug formulary regularly maintained and reviewed by the hospital through Pharmacy and Therapeutics Committee of the medical staff, per medical staff Policy No. 9900-17, "Rules Governing the Hospital Formulary". Items not listed on the formulary will not be stocked, and notice to the pharmacy of non-formulary needs prior to prescribing is necessary to avoid interruption of therapy.

Automatic Drug Stop Orders – All drugs in the categories listed below for patients in the hospital will be discontinued after the stated time period in the absence of specific medication orders.

A. All Schedule II Controlled Substances – Five (5) days

An exception to this rule would be non-PRN long acting opioids used for chronic pain, such as:

- Duragesic – Transderma Fentanyl
- Oxycontin - Sustained Released Oxycodone
- MS Contin – Sustained Released Morphine
- Oramorph SR – Sustained Released Morphine
- Kadian – Sustained Released Morphine

B. All Systemic Antibiotics - Seven (7) days

C. Oxytocin Injection – Twenty-four (24) days

III. CONSULTATIONS

Who May Give Consultations

Any qualified physician with the appropriate clinical privileges in this hospital may be called for consultation within his/her area of expertise. The attending physician is responsible for requesting consultation when indicated and for calling in qualified consultants.

Required Consultations

Except in an emergency, consultation is required in the following situations:

- Termination of pregnancies over twelve (12) weeks
- In any instance where a patient requests a consultation
- In unusually complicated situations where specific skills of other practitioners may be needed
- In instances in which the patient exhibits severe psychiatric symptoms
- NO CODE determination
- Brain death and discontinuation of medical or mechanical life support

Consultations, on other than critical patients, should be done by the requested physician within twenty-four (24) hours of the request. If this cannot occur, it is the attending physician's responsibility to provide for another consult or make other arrangements.

IV. MEDICAL RECORDS

General Rules

The EMR provides data and information to facilitate patient care, serves as a financial and legal record, aids in clinical research, supports decision analysis, and guides professional and organizational performance improvement. The medical record must contain appropriate information to justify admission or medical treatment, to support the diagnosis, to validate and document the course of treatment and results of treatment, and to facilitate continuity of care. The medical record must be carefully and accurately recorded. Only authorized individuals may have access to and make entries into the EMR. The Attending/Consulting physician and Allied Health Practitioner rendering care shall be responsible for the preparation of a careful, accurate, complete and legible medical record for each patient.

The correct usage of abbreviations in the EMR is outlined in the organizational Policy No. 9500-6003 “Abbreviations Management Policy and Procedure”.

Scribes

Scribes may be employed and work under the direct supervision of the Medical Staff appointee to document only the History, Progress Notes and Physical Examination only. Scribes are not permitted to enter orders, medications, or update the Problem List. (See Who May Write Orders). Scribes must receive training in the Hospital’s EMR’s and must meet all information management, HIPAA, HITECH, confidentiality and patient rights standards as do other hospital personnel. Scribes must electronically sign and date all entries into the EMR before leaving the patient area for each patient seen and such entry must be clear and distinguishable from the licensed provider’s entries.

Authentication

All clinical entries in the patient’s medical record shall be electronically authenticated before leaving the patient area for each patient seen. The Attending/sponsoring Consulting physician, as applicable, shall electronically authenticate all entries, orders, the H&P, and Discharge Summary when an Allied Health practitioner has recorded them.

Contents

The entire content of the legal health medical record is outlined in organizational policy No. 9500-7680 “Content of the Medical Record”.

History and Physical

An appropriate History and Physical examination and management plan shall be performed and documented no more than 30 days prior to admission and updated within twenty-four (24) hours following admission by a Physician Medical Staff Appointee or an Allied Health practitioner.

The H&P shall include

- Name
- Account Number
- Admit Date

- Chief Complaint
- History of Present Illness
- Medications/Allergies
- Past Medical/Surgical History
- Family History
- Social History
- Inventory by body system
- Review of systems:
 - HEENT
 - Pulmonary
 - Cardiovascular
 - Gastrointestinal
 - Genitourinary
 - Musculoskeletal
 - Neurological
 - Hematologic/Lymphatic
 - Endocrine
- Comprehensive physical assessment to include at a minimum:
 - Vital Signs
 - ENT
 - Respiratory
 - Neck
 - Lungs
 - Abdomen/GI
 - Neurological
 - Extremities
 - Skin
 - Cardiovascular
- Recommendations/Plan

If the H&P has been performed prior to admission, an updated physical examination must be performed and documented using the computerized EMR. An H&P can be updated utilizing the following:

- The anesthesia assessment note on the day of the surgery/procedure for those patients undergoing procedures requiring anesthesia
- The moderate sedation assessment/reassessment note on the date of the procedure for those patients undergoing procedures utilizing moderate sedation.

A. Inpatient:

- Inpatient stays ~~more than~~ of 24 hours require an H&P documented using the computerized EMR.
- Inpatient stays less than 24 hours may require an H&P documented in the EMR or legible copy of a complete H&P including all of the required items listed above, performed no more than 30 days prior to admission.

- The H&P update must include an appropriate assessment to include a physician examination of the patient to update any components of the patient's current medical status that may have changed, if applicable.

B. Inpatient/Outpatient Surgery

- Inpatient and Outpatient surgeries require an H&P documented in the EMR or a legible copy of a complete H&P, performed no more than 30 days prior to the procedure.
- The H&P, including all updates and assessments, must be included in the patient's medical record, except in emergency situations, prior to the start time of the procedure/surgery.

C. Obstetric:

- The current obstetrical record shall include a complete prenatal record. The prenatal record may be a legible copy of the attending physician's office record. This record should be provided to the Hospital before admission. An updated H&P must be entered in the EMR that includes pertinent additions to the history and subsequent changes in the physical findings.
- For antepartum admissions/observation visits, a prenatal H&P can be utilized as long as it is updated within 24 hours of admission. The H&P update must include an appropriate assessment to include a physical examination of the patient to update any components of the patient's current medical status that may have changed, if applicable.

D. Outpatient blood transfusions, diagnostic procedures performed under local anesthesia and IV conscious sedation, therapeutic epidural blocks, therapeutic blocks, central lines, central venous catheters, and chest tubes require an electronic progress note documenting the reason for procedure/diagnostic test and any pertinent historical or physical findings all of which shall be entered into the EMR in lieu of an H&P.

E. Dentistry/Podiatry/Psychology:

- For dentistry and podiatric patients, a Physician Medical Staff Appointee shall document an H&P into the EMR prior to surgery. Dentists, podiatrists, and psychologists are responsible for the part of their patient's history and physical examination that relates to dentistry, podiatry, or psychology. Oral and maxillofacial surgeons who admit patients without underlying health problems may perform a complete admission history and physical examination, and assess the medical risks of the procedure on the patient if they have been granted clinical privileges to do so.

F. Emergency Procedure/Surgery:

- An admission note should contain a statement from the surgeon that delaying the surgery would constitute a hazard to the patient. The note should document a brief history and the physical findings. This admission note may be entered in by using the EMR. The preoperative diagnosis must be documented by using the EMR's problem list.

General Rules

- In those cases which require a consultation or a specific procedure, the H&P must be in the EMR at the time the consult and/or procedure is performed. When the H&P has not been entered before an operation or any potentially hazardous procedure, the procedure will be cancelled unless the Medical Staff appointee states in writing that an emergency situation exists and follows section IV.F. above.

Progress Notes

Progress notes shall be documented in the EMR at least daily and should be recorded at the time of observation. Progress notes shall give a pertinent chronological report of the patient's hospital course, reflect any changes in condition, justify continued necessity for the level of care received by the patient, and contain sufficient content to ensure continuity of care.

Operative/Procedure Reports

Operative Reports shall be documented in the EMR within six (6) hours after the procedure has been completed. All operations performed shall be fully described by the surgeon of record. A comprehensive Operative Report shall be documented into the EMR for outpatients as well as inpatients.

In order to provide pertinent information for use by any health care professional and to comply with CMS regulations, the surgeon shall complete the Immediate Post Op note immediately after the procedure/surgery.

The Operative Reports shall include:

- Name
- Account Number
- Date of Operation
- Surgeon
- Assistants
- Anesthesiologists
- Anesthesia Type
- Pre-Operative Diagnosis
- Post-Operative Diagnosis
- Procedure
- Indications for Procedure
- Detailed Findings
- Details of Surgical Technique
- Specimen(s) Removed
- Estimated Blood Loss
- Complications

Informed Consent

When obtaining consent for any procedure, the physician shall document the following:

- General information about the procedure and its expected benefits
- Medically acceptable and reasonable alternatives to treatment through the procedure
- Significant risks and hazards associated with the procedure.

Consultation Reports

Consultation Reports shall be documented in the EMR within 24 hours of the Consultation Request order. When operative and other procedures are involved, the Consultation Report shall, except in a documented emergency situation, be documented in the EMR prior to the operation. In the request for consultation, the attending physician will state the desired level of involvement of the consultant in the care of the patient.

The Consultation Report shall include:

- Name
- Account Number
- Date of Consultation
- Reason for Consultation
- Detailed Findings
- Primary and Secondary Diagnoses
- Impression and Recommendations

Discharge Summaries

Discharge Summaries shall be documented in the EMR at the time of discharge or no later than fourteen (14) days after discharge. A Discharge Summary shall be entered on all medical records of patients hospitalized over forty-eight (48) hours from the time of admission to the time of discharge. A discharge/death summary, including all of the required elements listed below, is required on all patients who expire and should indicate the events leading to death.

A final progress note may be documented in place of the Discharge Summary only in the cases of patients with problems of an uncomplicated nature who are hospitalized less than forty-eight (48) hours from the time of admission to the time of discharge. This final progress note should include discharge instructions given to the patient or family, the patient's condition at discharge, and follow-up required.

The Discharge Summary shall include:

- Name
- Account Number
- Admit Date
- Discharge Date
- Principal Diagnosis
- Secondary Diagnosis(es)
- Hospital Course
 - Significant Findings
 - Procedures Performed
 - Treatment Rendered
- Condition of Patient at Discharge
- Discharge Medications

- Discharge Instructions
- Discharge Disposition

In order to provide pertinent information for use by any health care professional, the provider shall also complete the Discharge Plan.

Cancer Staging Form

Each primary cancer that is diagnosed, has a treatment plan developed, and/or is treated at Parrish Medical Center, is required to be staged according to the current standards outlined in the AJCC Cancer Staging Manual. A complete staging form should include the following documentation: Values for T, N, M, stage grouping, physician signature, and date of completion. If the managing physician/surgeon is uncomfortable in completing the Cancer Staging form, then he/she will record in the medical record to be completed by the Cancer Program Director.

Notification and Completion of Incomplete Medical Records and Suspension

All requirements regarding the documentation timeframes, notification of deficient medical records, notification of delinquent medical records, suspension, and multiple suspensions can be found in organizational Policy No. 9500, "Medical Records Completion".

It is the responsibility of the provider to check the aging status of any and all deficiencies (any incomplete portion of the medical record requiring a Medical Staff member's action such as dictation, signature, orders, etc.) by accessing the electronic medical records system. A medical record shall not be considered complete until all elements are completely documented and authenticated by the Medical Staff Appointee or until it is ordered administratively closed by the Utilization Management/Medical Records Committee.

Medical Records are considered delinquent if not complete within fourteen (14) days from the date deficiencies are assigned and will lead to suspension of the provider's clinical privileges as outlined in organizational Policy No. 9500, "Medical Records Completion".

Possession and Access

Records may be removed from the hospital's jurisdiction and safekeeping only in accordance with a court order, subpoena or statute. All records are the property of the hospital and shall not otherwise be taken away without the permission of the Chief Executive Officer or his designee. Unauthorized removal of medical records from the hospital shall be turned over to the Medical Executive Committee for appropriate action.

In case of readmission of a patient, all previous records shall be available for the use of the attending physician. This shall apply whether the patient is attended by the same physician or by another physician.

Medical Staff Appointees may have access to all of the records of patients under their direct care for the purpose of bona fide study and research consistent with preserving the confidentiality of personal information pertaining to any individual patient. Subject to Chief Executive Officer approval, former Medical Staff Appointees may be afforded the same record access under the same conditions. Publication of compiled data from the hospital's patient records may be

permitted, provided the same respect of confidentiality is preserved and after notification of the Chief Executive Officer.

Written consent of the patient is required for release of medical information to those not otherwise authorized to receive this information.

V. DISCHARGE

Who May Discharge

Patients shall be discharged only by electronic order of the attending physician. Should a patient leave the hospital against the advice of the attending physician, or without a proper discharge order, the attending physician shall be notified and a dictated or electronically entered notation made in the patient's medical record. No telephone discharge orders will be allowed unless a physician has seen the patient within the past twenty-four (24) hours.

It shall be the responsibility of the attending physician to discharge his patients so that they may vacate their room no later than 1200 hours on the day of discharge whenever possible.

Discharge Planning

Discharge planning shall be an essential part of the hospitalization of every patient and shall commence as soon as possible after admission.

Transfer of Patients

A patient shall not be transferred to another medical care facility unless prior arrangements have been made with that facility. Clinical records of sufficient content to assure continuity of care shall accompany the patient. All transfers must comply with federal antidumping statutes (COBRA) as stated in Policy No. 9500-68, "Acute Care Patient Transfers To/From Other Health Care Facilities".

Autopsies

No autopsy shall be performed without the written consent of a legally authorized person, and in cases of minors, by either parent or the legally appointed guardian. All autopsies shall be performed by the hospital pathologist or his designee, except in Coroner or Medical Examiner cases. Provisional anatomic diagnosis shall be recorded on the medical record within forty-eight (48) hours and the complete protocol shall be made part of the medical record within sixty (60) days.

VI. GENERAL RULES

Conflict Resolution

If a nurse has any reason to doubt or question the care provided to a patient in his/her care, or believes that appropriate consultation is needed and has not been obtained, and if the nurse is unable to resolve the issue with the attending physician or consultant, he/she shall call this to the attention of his/her superior. The nursing supervisor in turn, may refer the matter to the Vice President of Nursing. If warranted, the Vice President of Nursing may bring the matter to the attention of the Chief of Service, wherein the physician has privileges, or the President of the

Medical Staff. Where circumstances are such as to justify such action, the Chief of Service may himself/herself request a consultation.

Any complaints or misunderstandings between a member of the medical staff and a hospital employee shall be dealt with in accordance to Policy No. 9500-64, "Guidelines for Resolving Medical Staff/Hospital Personnel Communications Problems".

Disruptive Behavior

Pursuant to Section 15.1 of the Parrish Medical Center Medical Staff Bylaws, the following regulation regarding disruptive behavior is adopted:

A. Background

The Parrish Medical Center medical staff recognizes the importance of having a procedure to address behavior which is abusive, derogatory, and disruptive of the hospital's operation and/or medical staff's ability to render quality care in an environment of respect and cooperation.

Disruptive behavior is a matter of judgment and interpretation. Each case must be investigated and judged without superseding the individual rights granted by U.S. and State laws, Medical Ethics, Employee Manual, Patient's Bill of Rights, the Medical Staff Bylaws, and the Medical Staff Rules and Regulations. The involved parties must be confident that the procedural remedies will be applied in a fair and non-prejudicial manner to all.

B. Definition of Disruptive Behavior

Any behavior reported as disruptive behavior is subject to assessment and interpretation as to its nature and severity.

The following types of behavior are likely to be considered disruptive:

1. Intentional physical, verbal, and sexual harassment.
2. Abusive and demeaning treatment of personnel by the use of:
 - Threats
 - Intimidation
 - Obscene and/or profane gestures and/or language
3. Dishonest, malicious, inappropriate, and unsubstantiated comments in patient's charts or other hospital documents seemingly intended not to correct a problem, but to cause harm to others. Extreme caution should be exercised in applying this to a physician making truthful comments or corrections in order to protect either himself/herself, the patient, the hospital, or others.

C. Procedure

Any report of an incident of disruptive behavior involving a member of the Medical Staff will be governed by the following procedure:

1. Informal – An initial attempt should be made to resolve the conflict informally on a person-to-person level. If this fails, a further attempt should be made to

resolve the conflict informally at the departmental level. The matter of who may participate in the conflict resolution meeting is left to the discretion of the Department Chairman, although the offended party, if an employee, may have his/her supervisor present.

Results of the investigation of the incident should be reported verbally to the President of the Medical Staff. No permanent records will be kept, unless the Department Chief and/or the offended party consider the incident severe. If the conflict is not resolved to the satisfaction of either party, then the formal procedure should be followed.

2. Formal – Any person wishing to make a formal report of alleged disruptive behavior shall do so in writing within ten (10) working days of the incident, to the hospital Chief Executive Officer, with a copy to the President of the Medical Staff. The hospital Chief Executive Officer and the President of the Medical Staff will review the complaint within ten (10) working days from the date of receipt of the written complaints, and to determine which of the three levels the complaint should be assigned. Once the review is completed, both parties involved in the alleged incident will be informed of the decision reached.
 - (a) Level One – When isolated or minor incidents are identified, the hospital Chief Executive Officer and President of the Medical Staff will determine the optimal mechanism for resolving the incident. Mechanisms may include discussion of the event with all parties, mediation amongst the parties to resolve the problem, or appropriate verbal or written counseling.
 - (b) Level Two – When a pattern of disruptive behavior, or an event grave enough to warrant an added response is identified, or the conflict is not resolved at lower levels, the incident will be referred to the Medical Executive Committee. The Medical Executive Committee, after evaluating the incident, will recommend actions to be taken to resolve the conflict and prevent recurrences. Actions and discussions by the Medical Executive Committee shall be deemed part of the Medical Staff Peer Review Process, and shall take place under Executive Session. The hospital Chief Executive Officer shall be entitled to participate in any meetings conducted by the Medical Executive Committee for this purpose.
 - (c) Level Three – In cases of patterns of behavior, or a serious single event which the Medical Executive Committee has judged to be disruptive, and has not been resolved at lower levels, initiation of corrective action pursuant to Section 8.1 of the Medical Staff Bylaws shall be initiated.

Disaster Plan

The medical staff will cooperate fully with the hospital Disaster Plan.

VII. MISCELLANEOUS GENERAL RULES

Transfusion of Blood and Blood Products

Except for an emergency, informed consent must be obtained by a physician or a registered nurse from the patient prior to administering any blood or blood products.

Smoking

Smoking is not allowed within the confines of the hospital.

Possible Adverse Drug Reactions

Any possible adverse drug reaction shall be dealt with in accordance with Policy No. 9500-37, "Variance/Incident Reporting".

Pronouncement of Death

In the event of a hospital death, the deceased shall be pronounced dead by the attending physician, or his designee, within a reasonable time. The designee shall be another physician or a registered nurse. The body shall not be released until an entry has been made and signed in the medical record of the deceased by the person making the pronouncement.

Medical Staff Resignation

A staff member who wishes to voluntarily resign from the medical staff should give at least one month's notice in order to finalize medical record documentation, make changes to the hospital call schedule, adjust department and committee assignments and have Medical staff Services prepare for possible requests for information from prospective employers.

VIII. STANDING COMMITTEES

Bylaws Committee

A. Composition

The Bylaws Committee shall be comprised of not less than four (4) members of the active medical staff, one being designated as chairman.

B. Duties

1. To maintain the appropriate bylaws, rules, regulations, and other organizational documents pertaining to the staff.
2. To conduct an annual review in February of each year of the bylaws and the rules, regulations, procedures, and forms promulgated in connection therewith.

3. To submit recommendations to the Medical Executive Committee and the Board of Directors for necessary changes in these documents, within ninety (90) days.
4. To receive and to consider all matters specified in Paragraph 2, as may be referred by the Board of Directors, the Medical Executive Committee, the departments, the President of the Medical Staff, the Chief Executive Officer, and the committees of the staff.

C. Meetings

The Bylaws Committee shall meet at the call of the chairman, but not less than once per year, and shall maintain a permanent record of the proceedings and actions.

Cancer Committee

A. Composition

The Cancer Committee is to be a multi-disciplinary committee responsible to the Medical Executive Committee, the medical staff, and the hospital Board of Directors. Membership is comprised of at least six (6) members of the active medical staff, representing the major departments of Surgery, Internal Medicine, Family Practice, OB/GYN, Diagnostic Imaging, Pathology, Cancer Physician Liaison, Medical Oncology, and Radiation Oncology. There shall also be four (4) non-physician members appointed by the hospital Chief Executive Officer. The hospital staff members shall represent hospital Administration, Nursing Service, Social Service, Medical Records/Tumor Registry, and Quality Resource Management; and each shall have a vote. Other hospital members may be appointed ex officio, without a vote, at the discretion of the chairman.

The medical director of the Community Cancer Program shall serve as the chairman.

B. Duties

The purpose of the Cancer Committee is to:

1. Assure that consultative departments in the major disciplines are available to cancer patients in the hospital.
2. Establish standards of care concerning the delivery of medical care to cancer patients in the hospital.
3. Serve as an advisory group to the community cancer program on matters pertaining to cancer care.
4. Review, discuss, and report on a quarterly basis, all ongoing and completed cancer patient care evaluations and monitoring conducted by the committee to the Medical Staff Review Committee.
5. Oversee the Quality Management Program. Identify and initiate two long-term and two short-term studies.

6. Identify and perform two patient care initiatives annually.
7. Act upon, as necessary, the factors affecting quality and efficiency of the patient care provided to cancer patients.
8. Organize, publicize, implement, and evaluate regular educational cancer conferences (tumor board) that are multi-disciplinary, hospital-wide, and case-oriented.

Credentials and Medical Ethics Committee

A. Composition

There shall be a Credentials and Medical Ethics Committee, comprised of at least five (5) members of the active medical staff. One member shall be designated chairman. All physicians on the committee shall be certified by an appropriate specialty board. The Chief Executive Officer or his designee shall be represented ex officio, without a vote.

B. Duties

1. To review and to investigate the applications for initial medical staff appointment, to review all applications for reappointment and/or modifications of membership status or staff privileges in accordance with Article VI.
2. To review alleged violations of professional ethics and performance when requested by the Medical Executive Committee. Investigate the basis of such allegations, and submit recommendations to the Medical Executive Committee.

C. Meetings

The Credentials and Medical Ethics Committee shall meet at the call of the chairman, but not less than quarterly, and shall maintain a permanent record of its proceedings and actions.

These meetings will, by their very nature, be conducted in executive session in accordance with Section 13.9 of the Parrish Medical Center Medical Staff Bylaws.

EMR Governance Committee

A. Composition

There shall be an EMR Governance Committee composed of at least 4 members of the active medical staff (1 of which may act as chairman as designated by the President of the Medical Staff) with vote. The Director of Health Information Services, Director of Information Services, Vice President of Acute Care CNO, and representatives of other ancillary and support departments may also be on the

committee as needed but will serve as ex-officio members without vote. The CMIO and Director of Informatics will also serve as ex-officio, and voting members of the committee.

B. Duties

1. The EMR Governance Committee may refer to Medical Executive Committee (MEC) any medical staff member who does not obtain training or who does not maintain competence.
2. The EMR Governance Committee is charged with providing guidance regarding EMR content development, integration with other applications and recommendations regarding updates and upgrades. The Committee shall, as necessary and appropriate, consult with Departments and Committees of the Medical Staff to obtain guidance.
3. The Committee may, as necessary and appropriate, make recommendations to the Appropriate Access Committee to ensure compliance with State and Federal Privacy Laws.
4. The Committee shall reconcile enhancements requests of clinical rules, clinical decision support, electronic order set formats and documentation templates. The Committee shall ensure participation and consensus by and among super users in the development of appropriate content. The term “appropriate content” in this instance is to be distinguished from the term “appropriate content” as used by Risk Management Committee.
5. The Committee is charged with the development, implementation and oversight of a Communication Strategy and accountability for appropriate use by members of the Medical Staff. The Committee shall periodically report to the MEC and to the General Medical Staff on matters related to EMR development, support and application.

C. Meetings

The EMR Governance Committee shall meet at the call of the chairman as required, but not less than quarterly, and shall maintain a permanent record of its proceedings and actions.

Infection Control Committee

A. Composition

The Infection Control Committee is to be a multi-disciplinary committee, responsible to the medical staff, comprised of not less than five (5) members of the active medical staff. Other members shall include the surveillance professional, and one representative from Administration, Nursing, Pharmacy, and Laboratory departments; and each shall have a vote. The committee shall be chaired by one of the physician members. A quorum is four (4) voting members (two physicians and two non-physicians).

Representatives from Central Service, Food and Nutrition, Perioperative Services, Cardiopulmonary, ICU, Environmental Services (EVS), Emergency Department and Plant Services shall be available on a consulting basis.

B. Duties

1. To maintain surveillance over the hospital Infection Control program.
2. To develop a system for reporting, identifying, and analyzing the incidence and cause of all infections.
3. To develop and implement a preventive and corrective program designed to minimize infectious hazards; including establishing, reviewing, and evaluating aseptic, isolation, and sanitation techniques.
4. To develop, evaluate, and devise preventive surveillance and infection control policies and procedures relating to all phases of the hospital's activities, including: operating rooms, delivery rooms, special care units, central service, housekeeping and laundry, sterilization and disinfection procedures by heat, chemicals, or otherwise; isolation procedures, prevention of cross-infection by anesthesia apparatus or inhalation therapy equipment, testing of hospital personnel for carrier status, disposal of infectious material, food sanitation and waste management, and other situations as requested.
5. To act upon recommendations related to infection control received from the President of the Medical Staff, the medical director (if appointed), the Medical Executive Committee, the departments, and other staff and hospital committees.
6. To maintain a record of all activities relating to infection control, and to submit periodic reports thereon to the Medical Executive Committee and to the Chief Executive Officer.

C. Meetings

The Infection Control Committee shall schedule quarterly meetings, and shall maintain a permanent record of its proceedings and of its actions. The Committee Chair can approve one annual meeting be performed electronically due to special circumstances with 60% member approval.

Intensive Care Committee

A. Composition

The Intensive Care Committee shall be comprised of at least six (6) members of the active medical staff with representation from the departments of Surgery, Medicine, Anesthesia, and Family Practice; preferably those members who provide patient care in the ICU/Medical Telemetry units. The medical director of the ICU/Medical

Telemetry units shall serve as chairman of the committee. A qualified designee shall be readily available for administrative and consultative decisions when the medical director of the special care units is unavailable. Representatives of Nursing and Administration shall be ex officio members, without vote.

B. Duties

1. To establish policies for the critical care, and special care nursing units in order to assure the highest caliber of patient care.
2. To review, on a regular basis, and act upon as necessary, factors affecting the quality and efficiency of patient care provided in the critical care nursing units, reporting results periodically to the Quality Assurance Committee.
3. To routinely review all standing orders for ICU and the acute medical telemetry unit at least once per year, and make any necessary modifications.
4. To report periodically and to make policy/procedure recommendations, to the Medical Executive Committee, and act on other matters as recommended by the Medical Executive Committee.

C. Meetings

The Intensive Care Committee shall meet at the call of the chairman as required, but not less than quarterly, and shall maintain a permanent record of its proceedings and actions.

Medical Staff Review Committee

A. Composition

There shall be a Medical Staff Review Committee, which shall be comprised of members of the active medical staff, the departmental liaison officers, and medical directors of Cardiopulmonary, ICU, and Home Health, with one designated chairman. Each department will have at least one representative. The Chief Executive Officer or Chief Operations Officer and a representative of Risk Management Assurance shall be ex-officio without a vote.

B. Duties

The committee shall be responsible for coordinating, conducting, and evaluating the quality assurance activities performed within the hospital for the purpose of assuring that an optimal level of patient care is being provided. The responsibilities assigned to the committee are as follows:

1. Adopt, subject to the approval of the Medical Executive Committee and the Board of Directors, specific programs and procedures for reviewing and evaluating the quality of patient care within the hospital, including mortality review.

2. Report to the Medical Executive Committee on the overall quality and efficiency of the medical care provided in the hospital.
3. Accomplish monitoring and evaluation of all major clinical functions of the departments and subsections through:
 - (a) Routine collection of information about important aspects of each and;
 - (b) Periodic assessment by each service of the collected information in order to identify important problems in patient care, utilizing objective criteria that reflect current knowledge and clinical experience.
4. The physician director or chief of each department or subsection will be responsible for assuring that this process is implemented and maintained.

C. Meetings

The committee shall meet not less than six (6) times a year and maintain a permanent confidential record of its proceedings and actions.

Patient Blood Management Committee – The Patient Blood Management Committee is a committee of the Medical Staff responsible for ensuring the safe and effective use of blood and blood products. This Committee reports to the Medical Staff Review Committee.

A. Composition

There shall be a Patient Blood Management Committee, which shall be comprised of The Blood Bank Medical Director, the Blood Bank Section Chief, the One Blood Medical Director, Quality Risk Management, Representative from Hematology-Oncology, ICU/Hospitalist Service, Surgery, Patient Care Areas such as Nursing, Anesthesia, and other service as recommended by the committee. If a member is unavailable to attend a meeting, a designee will attend in their place. The Chair will preferably be a clinician with interest in Transfusion Medicine. Only physicians will be voting members.

Criteria for membership include the following:

- Respected by fellow care partners
- Problem-solving attitude
- Availability to serve of the committee
- Commitment to the purpose and objective of the committee and participation in decision-making

B. Duties

Establish protocols and reviews/revises policies/procedures for blood product utilization management, including but not limited to:

- Single unit transfusion practices
- Hemoglobin levels before transfusions
- Blood Warmers

Implement interdisciplinary blood conservation modalities, including but not limited to:

- Reductions of unnecessary lab tests, frequency of blood sampling, and discard/waste volumes.
- Red cell recovery program in the Operating Room (Cell Saver)
- Establishes criteria and monitors blood and blood product usage for appropriate utilization and cost effectiveness.
- Develop and provide Patient Blood Management education for emergency and elective hospital admissions, targeting physicians, nurses, pharmacists and other healthcare staff.
- Report Transfusion Reactions and any adverse events.
- Oversee operational and clinical practices to ensure compliance to regulatory standard dictated by outside agencies such as TJC, FDA, and CAP.
- Collaborates with other committees and departments as needed to ensure the safe and effective use of blood and blood products.
- Continuously monitor the effectiveness of the Patient Blood Management program, and use the results of this monitoring in medical staff educational sessions as part of continuous quality improvement (CQI) and provide an annual report to the Medical Staff Review Committee.

C. Meetings

The Patient Blood Management Committee will meet as deemed necessary by the Chair, but not less than quarterly.

Pharmacy and Therapeutics Committee

A. Composition

The Pharmacy and Therapeutics Committee shall consist of at least four (4) members of the active medical staff, with one being designated as the chairman. Other voting members shall include the director of Pharmacy, a qualified registered nurse, and a representative of Administration.

B. Duties

1. The development or approval of policies and procedures relating to the selection, distribution, handling, use, and administration of drugs and diagnostic testing materials
2. The development and maintenance of a formulary or drug list. Review all clinical data on new drugs proposed for addition to the formulary.
3. The definition and review of all significant untoward adverse drug reactions (ADR's).

4. Perform Drug Usage Evaluations (DUE), and antibiotic utilization review as part of the hospital's Quality Assurance program.
5. Perform such duties and assignments as assigned by the President of the Medical Staff, or Medical Executive Committee.

C. Meetings

The Pharmacy and Therapeutics Committee shall meet at the call of the chairman, but not less than quarterly. A permanent record of its proceedings and actions is to be maintained, and is to be submitted to the Medical Executive Committee.

Utilization Management/Medical Records Committee

A. Composition

There shall be a Utilization Management/Medical Records Committee, which shall be comprised of at least five (5) members of the active medical staff, with one designated chairman. The medical director of Home Health shall be one of the physician members. Also, the committee shall include four (4) non-physician members appointed by the Chief Executive Officer of the hospital, with the approval of the chairman. The non-physician members shall represent Nursing, Medical Records, Finance/Administration, and Social Service departments, and shall have a vote.

B. Duties

1. Be responsible for assuring that appropriate allocation of the hospital's resources in providing optimal quality patient care in the most cost-effective manner.
2. Develop a Utilization Management Plan that is appropriate to the hospital, and that meets the requirements of law. Such a plan must include provisions for at least: (a) review of the appropriateness and medical necessity of admissions, continued hospital stays, and supportive departments; (b) discharge planning - diagnostic and therapeutic; and (c) data collection and reporting for the purposes of monitoring the financial impact associated with physician practice patterns; (d) requiring and monitoring that the Utilization Management Plan is in effect, known to the staff members, and functioning at all times, and (e) conducting such studies, taking such actions, submitting such reports, and making such recommendations as are required by the Utilization Management Plan.
3. Review patterns of practices or repeated occurrences on issues identified to the Utilization Management/Medical Records Committee in writing, by any department or individual that affects the efficient provision of patient care, and comply with the hospital's policies and procedures as they relate to the above.

4. Assure that the medical record is completed timely in compliance with the Medical Staff Rules and Regulations.
5. Provide liaison with hospital administration, nursing service, and the medical records professionals in the employ of the hospital on matters relating to medical records practices.
6. Review staff and hospital policies, rules and regulations relating to medical records, including medical records completion, forms, formats, filing, indexing, storage, destruction, and availability; and recommend methods of enforcement thereof and changes therein.
7. Report, at least quarterly, all ongoing and completed monitoring conducted by the committee, to the Medical Staff Review Committee, as well as report a summary of the findings of, and specific recommendations resulting from, the Utilization Management Plan and medical record practices.

C. Meetings

The Utilization Management/Medical Records Committee shall meet quarterly and maintain a permanent record of its proceedings and actions.

IX. DEPARTMENTAL RULES AND REGULATIONS

Department of Surgery – Perioperative Services/PMC Operating Rooms, and Special Procedure Rooms.

Department of Medicine – Cath Lab

A. Scheduling

1. Block Schedules

(a) The block scheduling system is used for scheduled cases Monday through Friday, starting at 0730 hours.

(b) Assigned Blocks

(1) The day's published first shift cases shall strive to be initiated by 0730 hours and completed by 1700 hours.

(2) Rooms will not be held for "Not Before" requests. Whenever possible "Not Before" requests will be honored.

(3) Only the first start time should be considered the actual start time for the case. All subsequent cases are "to follow" and will be started as soon as possible following the completion of the prior case. Surgeons must be flexible in either beginning a case earlier or later than the expected start time.

- (4) Vacancies in blocks are released at 1000 hours one day prior.
- (5) Once released, the blocks may be filled by other specialties. Previously booked cases are given preference for available space in the order in which they were scheduled, unless that surgeon is already booked in another room.
- (6) Every attempt will be made to allow all surgeons to follow themselves until the block is completed.
- (7) Surgeons posting cases after block release are obligated to follow themselves if no other cases were posted in the released block time.

2. Add-on Cases

(a) Elective

- (1) Monday through Friday, 0700 hours to 1700 hours; schedule with the O.R. secretary.
- (2) After hours and weekends; schedule by leaving all pertinent information on the scheduling phone mail extension (6828).

(b) Emergent

- (1) Monday through Friday 0700 hours to 1700 hours; schedule with the O.R. secretary.
- (2) After hours (1500-2300) and weekends; schedule by notifying the Anesthesiologist On-Duty/On Call or the Administrative Supervisor.
- (3) Requests for the next day are put on a waiting list by O.R. desk staff, and facilitated on the day of surgery by the Surgery Coordinator and Anesthesiologist On-Duty/On-Call based on the order in which they were scheduled.

3. Special Situations

- (a) There will be no pre-admitted elective cases scheduled for Saturday, Sunday, or holidays.
- (b) Pediatric surgical procedures will be scheduled as early as possible within the block, up to the age of twelve (12).

4. Roles and Responsibilities

(a) Anesthesia

- (1) Will communicate with the Surgery Coordinator/Administrative Supervisor proposed changes in the O.R. schedule. Approval of schedule changes will be done collaboratively.

- (2) Assign anesthesiologist coverage to each O.R. suite, and other areas requiring anesthesia coverage (i.e., Special Procedures, Labor and Delivery, and Endoscopy), maximizing utilization of available O.R. suites and personnel.
- (3) Provide coverage for all O.R. suites and other anesthetic locations where hospital nursing personnel is also available.

(b) Perioperative Management

- (1) Reviews O.R. scheduling system and O.R. utilization statistics quarterly with Surgical Services Advisory Team (SSAT)
- (2) Assures that O.R. scheduling practices maximize utilization of O.R. suites and personnel.
- (3) Communicates changes in O.R. scheduling system to Perioperative Director and the SSAT.

(c) Surgery Coordinator

- (1) Communicates with anesthesia on-call physician concerning proposed changes in O.R. schedule.
- (2) Notifies anesthesia when changes are made to the O.R. schedule.
- (3) Assigns staff coverage to each O.R. suite, maximizing utilization of available suites and personnel.
- (4) Assures equipment availability for scheduled and urgent or emergency cases. Prints the physician's preference sheet to Sterile Processing Department (SPD) and informs SPD of changes to the master schedule.
- (5) Maintains up-to-date daily O.R. utilization information and is available to the O.R. to problem-solve scheduling requests.
- (6) Evaluates "Not Before" requests based on surgical needs.
- (7) Assigns add-on cases in order of receipt of requests in first empty rooms (See Paragraph (4) of this section).
- (8) If required, will notify the "call-team".
- (9) Accepts O.R. schedule request cards and inputs information into computer to generate O.R. schedule.
- (10) Provides for printing of accurate Physician's Preference Sheets.
- (11) Obtains anesthesia assignments prior to finalizing and printing the schedule for distribution.
- (12) Notifies the Perioperative Materials Management Coordinator if there is a request for special equipment or implants.
- (13) Notifies Diagnostic Imaging and Pathology if there is a request for their presence.
- (14) Coordinates the patient's transfer to the O.R. to accommodate the O.R. schedule.
- (15) Assembles the final schedule, taking in consideration maximum efficiency and the best interests of the patients.

5. Scheduling Process and Required Information

- (a) Surgical case scheduling is done in one phone call that also includes the Patient Registration and Pre-Admission Testing (PAT) appointment. The PAT appointment should be scheduled optimally 48 – 72 hours prior to the planned procedure.
- (b) Patient Information Requirements include: name, SSN, date of birth, phone number, surgeon, diagnosis, procedure(s) and specific order preference, date, patient status (SDC or lap) in compliance with the patient's insurance guidelines, anesthesia type insurance(s) name, phone number, policy number, insurance authorizations as appropriate (by 1500 hours the prior day, subject to rescheduling), and special instructions; include all necessary equipment, materials; i.e., x-ray fluoro, ultrasound, laser (specific laser must be identified), grafts, vendors, or technicians to be present, or items to be obtained, surgical assistant's name, if applicable, and inpatient room number, if applicable.
- (c) The physician must forward the required information at least 24 hours before the scheduled elective procedure, in order to avoid rescheduling of the case. Surgeons with special requests are encouraged to review the schedule prior to finalization (1100 hours).

6. Scheduling Conflicts

- (a) At the O.R.'s discretion, elective add-on cases that create gaps of more than 90 minutes in the block schedule, or which may result in "short rooms" running past 1500 hours, may be moved to follow cases in the designated "long rooms".
- (b) A surgeon may not be scheduled in different procedural sites within PMC at the same time. The surgeon must determine which slot to release.
- (c) Should anesthesia be required for insertion of epidural catheters for labor and delivery patients, scheduled cases of the requesting specialty will be delayed, if necessary.
- (d) Cysto rooms are available for local or non-anesthesia cases. Should any case requiring anesthesia be scheduled in the Cysto rooms, these cases are scheduled around Anesthesiologists, Urologists, and surgery staff availability.
- (e) Elective

- (1) Elective scheduling issues that cannot be resolved by the Perioperative Nursing Management are referred to the Chief of Anesthesia for resolution.
- (2) The Chief of Surgery and OB/GYN may be consulted for assistance in matters involving members of their respective departments.
- (3) All decisions will be reviewed by the Peer reviewer for the specialty, and if necessary, dealt with in accordance with the Medical Staff Review Plan.
- (4) Addendum "A" contains definitions of emergent, acute, urgent, and elective cases.

(f) Emergent

- (1) Life and limb threatening emergencies during regular hours go to the first available room. Every effort will be made to bump the same specialty of the surgeon scheduling the emergency and/or the case with the highest schedule number.
- (2) Whenever two or more cases are scheduled simultaneously as emergencies, the order in which they will be performed will be in accordance with Policy No. 9900-48, "Emergency Trauma Surgery Scheduling". In the event a conflict arises concerning priority of emergency and urgent cases, the Assistant Director of Perioperative Services and the two involved surgeons resolve it. If needed, it goes to Department Chair(s) and then to the President of the Medical Staff. Their decision will be final, and any complaints or variances will be reviewed by the departmental peer reviewer, and dealt with in accordance with the Medical Staff Policy No. 9500-07, "Improving Organizational Performance".

- (g) Over-utilization of second crews may be subject to review in accordance with the "Improving Organizational Performance", Policy No. 9500-07.

7. Published Schedule

- (a) The O.R. schedule will be made daily by the Surgery Coordinator.
- (b) The finalized schedule will be published at 1000 hours. After the schedule is posted, any case request for the following day's schedule will be directed to the Surgery Coordinator for timing of the case and prioritization.
- (c) Any case on the existing schedule that is rescheduled will be assigned a new case number.

PRE-ADMISSION TESTING

A. Scheduling

1. Surgical case scheduling is done in one phone call that also includes the Patient Registration and Pre-Admission Testing (PAT) appointment. The PAT appointment should be scheduled optimally 48 – 72 hours prior to the planned procedure.
2. All patients going through PAT are to be scheduled by appointment only. Emergent cases will be dealt with on a case-by-case basis.
3. The physician must provide a pre-admission assessment appointment to the patient, or provide the patient with the appropriate paperwork and advise to call to make the PAT appointment.

B. Diagnostic Studies

1. Lab tests will be ordered by the surgeon as indicated by the patient's physical status, diagnosis, and planned procedure. These tests must be performed by a state certified laboratory.
2. Pre-operative EKG's will be ordered per Policy No. 9900-15, "Elective Surgery Pre-Admission Requirement".

C. Pregnancy Testing

1. All fertile females will be asked if they are pregnant, or if there is a possibility that they might be pregnant. A serum pregnancy test may then be ordered if indicated or desired, or a refusal form may be signed.
2. For diagnostic and therapeutic interventions involving uterine bleeding, including sterilization procedures, pregnancy tests are required even in the face of a previous tubal ligation (exception: post-menopausal patients).

PRE-OPERATIVE

A. Physician Assessment and Documentation

1. No elective surgical procedure, including conscious sedation, may be started without documentation of an H&P in the EMR.
2. For urgent or emergency (life threatening) cases, see Section on History and Physical (F).
3. The pre-anesthesia evaluation shall be appropriate to the patient's needs, risks, planned surgery, severity of disease, condition, impairment, or disability.

4. Surgical Consent. No patient should be brought to the surgical suite without a properly executed consent in accordance with hospital Policy No. 9500-43, "Emergency Operations Plan". The anesthesia consent may be completed in the surgical holding area.
5. Do Not Resuscitate Orders. It is the hospital's policy, Policy No. 9500-32, "Ethics", to suspend all orders, including DNR orders, during surgery and during the period of recovery from anesthesia. However, this policy is subject to individual modification by the surgeon and anesthesiologist after discussion with the patient or the patient's family regarding how they should deal with any complications which may arise during surgery and during the immediate recovery period. Modifications must be documented in the progress notes prior to the procedure and continued during surgery. Discussion between Surgery, Anesthesia, patient, and family is required to determine the extent of DNR or modifications during surgery.

B. Pre-Procedure Verification

1. The surgeon will identify the patient, reassess clinical status, and verify site prior to induction, to participate in the required pre-procedure reassessment.
2. A reassessment of the patient, including verification of patient identity, operative procedure, and anatomic site will be performed in the O.R. or procedure room by the surgeon, nurse, and the anesthesiologist.

OPERATING ROOM

A. Start Times

1. Regular workday start time is 0730 hours.
2. Weekend/holiday start time is 0900 hours.

B. Attire

Proper surgical attire must be worn in the surgical suite.

C. Surgical Assistants

It is the responsibility of the surgeon to arrange for the services of an assistant, if one is needed.

D. Counts

1. In the majority of instances where there is an incorrect sponge, needle, or instrument count, an x-ray of the operative area shall be obtained. The only exceptions will be when the surgeon and anesthesiologist confer and agree that there is no anatomical way for the “missing” item to be located in or near the surgical site or area.

- (a) If patient condition permits, intraoperative x-rays will be taken and read before the patient leaves the O.R., or, if the patient’s condition is unstable, an x-ray should be taken as soon as possible.
- (b) Final x-ray reading is to be done by a radiologist.

E. Removal of Tissue and Explanation of Devices

All tissues removed at the operation shall be sent to the hospital pathologist, who shall make such examination as he may consider necessary to arrive at a tissue diagnosis. If tissue is not sent to Pathology, specific documentation shall be made of the removal/explanation in the patient’s medical record. The authenticated report shall be made a part of the patient’s medical record. The pre- and post-operative diagnosis must be documented on the pathology request accompanying the specimen.

F. Documentation

The Operative Procedure Note must be entered in the EMR immediately post-op, before the surgeon leaves the patient, and the detailed operative note dictated within six (6) hours of finishing the procedure.

POST-OPERATIVE

A. Discharge

1. Patients may be discharged from the Post Anesthesia Care Unit when the patient meets discharge criteria approved by the medical staff.
2. Any deviation from criteria must be approved by the anesthesiologist and/or surgeon.

B. Documentation

Post-anesthesia notes should be entered/scanned in the patient’s electronic medical record within twenty-four (24) hours.

ADMINISTRATIVE

A. Block Utilization Review

1. The scheduling blocks are based on utilization and need by surgical specialties.
2. The blocks are reviewed periodically by SSAT and OB/GYN.

3. Proposed changes and recommendations are forwarded to the Department of Surgery, OB/GYN, and Anesthesia for their advice.

B. Timeliness

1. The surgeon will check in with the pre-operative area nurse fifteen (15) minutes prior to the start of his/her procedure.
2. Except in medical emergencies, the surgeon will inform the O.R. desk at least forty-five (45) minutes prior to the posted schedule time that he/she will be fifteen (15) or more minutes late. If a surgeon is thirty (30) minutes late for a scheduled operation, the event will be reviewed for appropriate action by the Department Chief.
3. When a surgeon begins his/her schedule block, all consecutive cases are to be completed before departing the hospital.
4. A surgeon or an assistant surgeon may not schedule cases for him/her, as well as assist another surgeon at the same time. If this occurs, he/she must notify the Surgery Coordinator at least 24 hours in advance and choose either to proceed with their own cases, thereby giving the other surgeon time to find another assistant, or he/she may decide to assist and thereby release the room to other surgeons. The other surgeons will proceed to finish all their cases, at which time the surgeon who released the room may proceed with his/her own cases.

C. Penalties for Tardiness

1. Surgeons/Cardiologist
 - (a) 1st occurrence - \$25.00 fine
 - (b) 2nd occurrence - \$50.00 fine
 - (c) 3rd occurrence - \$75.00 fine
 - (d) 4th occurrence - loss of block time for a three months.
 - (e) This process will be monitored on a quarterly basis.
 - (f) The Chief of the Department will determine if delays are acceptable.
 - (g) Money collected will be delegated for appropriate use per the approval of the members of the surgical staff.

- (h) Payment is to be received within 30 days of occurrence, or the surgeon will lose his/her block time for one month.
- (i) If any surgeon leaves the hospital when they have a case scheduled or is more than 30 minutes late for four (4) scheduled or add-on procedures within any six (6) month period, all block schedule privileges will be suspended for a period of six (6) months. At the end of six (6) months, the surgeon's compliance with scheduling procedures, including punctuality, will be reviewed and a determination will then be made regarding reinstatement of block privileges. No guarantee exists as to the resumption of a particular block of scheduled time.
- (j) Involvement in an emergency situation in the hospital is an acceptable reason for tardiness, once verified by the Perioperative Director.
- (k) The Perioperative Director or designee will be informed of the reasons for the late arrivals by surgeons.

2. Anesthesia

- (a) The anesthesiologist is to be in the department by 0700 hours.
- (b) If the anesthesiologist is not in the department by 0700, then his pre-op work-up must be completed by 0715, or the following penalties will apply:
 - (1) \$10.00 fine (first occurrence)
 - (2) \$25.00 fine (second occurrence)
 - (3) \$50.00 fine (third occurrence)
 - (4) Additional 1st call (fourth occurrence)

The Chairman of Anesthesia will determine if any delay is excusable. (Amended and Approved by Board of Directors: 09/14/15) (Amended and Approved by MEC: 06/16/15)

- (c) The occurrences will be monitored on a quarterly basis.
- (d) Fines collected will be delegated for appropriate use per the approval of the members of the Department of Anesthesiology.

PEER REVIEW

Deviations and non-compliance with these rules and regulations will be referred to the departmental peer reviewer and be subject to review by the Medical Staff Review Committee in accordance with Policy No. 9500-07, "Improving Organizational Performance", or subject to the disruptive behavior procedures in these Rules and Regulations.

Obstetrics, Labor and Delivery

A. Oxytocin Use

The Department of Obstetrics/Gynecology shall maintain and periodically review policies and procedures regarding the use of oxytocin.

B. Nurse Midwives

The Department of Obstetrics/Gynecology shall maintain and periodically review policies and procedures regarding the duties and prerogatives of certified nurse midwives. Universal standing orders for certified midwives shall be maintained and periodically reviewed by the Department of Obstetrics/Gynecology; and shall conform to state standards.

C. C-Sections

No primary cesarean section shall be done on any patient without consultation with a member who has active or consulting privileges in Obstetrics/Gynecology.

D. Assessment of Patients

All laboring, as well as questionably laboring patients who present to PMC, are immediately taken to the Women's Center for assessment and evaluation. For EMTALA purposes, "labor" is defined in the Code of Federal Regulations as: "the process of childbirth beginning with the latent or early phase of labor and continuing through the delivery of the placenta. A woman experiencing contractions is in true labor, unless a physician certifies that after a reasonable time of observation, the woman is in false labor." The regulations require that a "reasonable time of observation" take place, as well as a physician certifying that a patient is in "false labor" in order for a patient to be discharged from the hospital. A medical screening examination is performed by qualified nursing staff who report their findings to a physician or certified midwife. Obstetrical patients not in labor, but having other illnesses or injuries, are seen in the Emergency Department. Central logs are maintained in accordance with regulatory requirements for all patients who present to PMC for emergency care and services. Final disposition is noted and maintained in the log.

E. Transfer of the High Risk Obstetrical Patient

A woman in labor is considered stable only if contractions stop, the baby and placenta are delivered, or a physician certifies that the labor is false. Any woman in active labor is generally considered unstable under EMTALA, preventing discharge or transfer, unless there is absolutely no capability to deliver the baby safely. Under this circumstance, a transfer is permitted when the benefits of the transfer outweigh the risk, or when a legally responsible person acting on the patient's behalf requests the transfer. Patients who are considered to be high risk may be transferred when the physician clearly documents the explicit medical benefits of the transfer. In other words, the transfer certification must contain a summary of the risks and benefits upon which the transfer is based. The attending physician of the patient must communicate to the receiving hospital, the need for transfer of the high-risk obstetrical patient, and must obtain agreement of a physician at the receiving hospital to accept the patient transfer.

The process for transfer for medical necessity, where the benefits outweigh the risks, requires the following elements:

- Physician certification as indicated above
- Written request for transfer by the patient, without suggestion or pressure by staff
- Advance acceptance by the receiving hospital that is documented in the record
- Written consent to transfer the patient
- Transfer by appropriate medical transfer vehicle (e.g., private passenger vehicles are not permitted unless ambulance transport has been refused in writing.)
- Medical orders for appropriate attendant personnel (e.g., must have licensure and skill level to maintain and/or initiate ordered treatment or drugs and deal with known potential adverse effects of the procedures or drugs)
- Medical orders for appropriate life support equipment (e.g. need to ensure that field ambulance equipment is sufficient for a specific transfer)
- Copies of medical records, tests, and x-rays must be sent with the patient, unless delay for records might jeopardize the patient, in which case records must be transported to the receiving hospital as soon as completed and on a STAT basis.

F. Family Attendance at L&D

Family members may be allowed in the Delivery Room at the discretion of the attending physician, under special conditions and regulations established by the Department of Obstetrics.

G. Pregnancy Termination

In all cases, termination of pregnancy will abide by current statutes pertaining to the termination of pregnancy in the State of Florida.

No procedure for the termination of pregnancy will be carried out upon a patient over sixteen (16) weeks gestation. Any termination of pregnancy over twelve (12) weeks shall have a consultation with a member who has active or consulting privileges in Obstetrics/Gynecology.

Nursery

A. Newborn Assessment

The minimal laboratory tests which must be accomplished for any normal newborn infant shall be a PKU, T-4, MSUD, and screens for Galactosemia, congenital adrenal hyperplasia, and hemoglobinopathy.

B. Newborn Admission

Those newborn infants who are born outside of the hospital may be admitted to the Nursery under specific guidelines, in the policies and procedures of the Nursery.

C. Consent

It is the responsibility of the attending physician who performs operative procedures on a newborn infant to obtain a proper informed consent for these procedures.

D. Rooming-In

Rooming-in privileges for the newborn infant are available on request from the mother. These privileges shall follow the guidelines of the policies and procedures of the Nursery.

E. Transfer of High Risk Infants

The determination as to the transfer of a high risk infant to a Level III center shall be made by the attending pediatrician and shall be based upon the degree of care required by the infant.

Emergency Department

A. Staff Emergency Department Coverage

All members of the medical staff, and those provisional staff members seeking appointment to the medical staff, who do more than 35 admissions/surgeries per annum, will be required to provide Emergency Department call.

Physicians seeing patients in the Emergency Department are responsible for observing normal Emergency Department policies and procedures.

The on-call day for the Emergency Department shall begin at 0700 hours on the day of call and end at 0700 hours on the following day.

In the event that one physician arranges for another physician to take his/her Emergency Department duty, it shall be the responsibility of the physician initially assigned for that particular day to notify the Emergency Department staff of any change in the schedule.

Physicians on call for the Emergency Department will be responsible for consultations on Emergency Department patients and shall be required to respond within thirty (30) minutes of an Emergency Department call. If unavailable within thirty (30) minutes, the Chief of that service or the President of the Medical Staff will be contacted for disposition of the patient. When a physician is on call for the Emergency Department, they cannot refuse a consultation in their specialty/subspecialty.

Physicians meeting the following criteria may be considered for exemption from emergency room call:

1. Age over sixty (60) and with a minimum of twenty (20) years of cumulative service on the Active Medical Staff of Parrish Medical Center.
2. Approval by the Medical Executive Committee

3. Approval by the Board of Directors; and
4. One year prior notice.

Exemption from emergency room call will be reviewed on an annual basis and at the time of reappointment, and the exemption from emergency room call may be terminated based on community and hospital needs, as determined by the Medical Executive Committee and the Board of Directors.

All active medical staff shall participate in the hospital disaster plan as designated.

B. Patient Assessment and Documentation

Any patient presenting himself/herself to the Emergency Department will be seen by the Emergency physician, unless their private physician has made prior arrangements and has notified the Emergency Department.

If the patient is not seen within thirty (30) minutes of arrival, without having already been evaluated that day by his attending physician, the Emergency Department physician may evaluate the patient and make appropriate determinations pertaining to the patient. The Emergency Department physician retains the right to evaluate any patient immediately if their condition warrants advanced life support.

All patients admitted to the Emergency Department will have a complete chart entered into the EMR and electronically authenticated by the physician in attendance. Consultants will also document their findings and recommendations in the EMR.

C. Referrals

Referrals will be made as determined by the Emergency Department physician to be in the best interests of the patient as delineated in the Policy and Procedure Manual. Physicians on call for the Emergency Department will be responsible for seeing Emergency Department referrals at least one time in follow-up, if the patient calls within one week of the Emergency Department visit, and preferably for the duration of the acute illness.

When an unattached patient is discharged from the hospital and readmitted within seven (7) days or less, the previous attending physician will be responsible for the readmission. Readmissions over seven (7) days will go to the physician on call.

D. Admissions Originating in the Emergency Department

The admitting physician is responsible for entering all admission orders on his/her patients using the Hospital's EMR system. Telephone orders are accepted and entered into the EMR by a staff nurse, but are requested to be only brief and necessary orders for admission. Emergency Department physicians will not enter admission orders, but may enter occasional orders on inpatients when indicated. On patients likely to be admitted, the admitting physician should be called early in order to expedite the admission process.

If the Emergency Department physician recommends admission of the patient and the on-call or private physician disagrees, then the on-call or attending physician must come to the Emergency Department, evaluate the patient, and discharge the patient himself/herself.

E. Procedures Performed in the Emergency Department

Only approved procedures may be performed in the Emergency Department. A list of approved procedures is available in the Emergency Department.

F. Intensive Care Unit

All admissions to the ICU shall be made by a member of the medical staff on the ICU Admitting Roster. Notwithstanding the requirements and provisions of the previous section, any member of the medical staff with patient care privileges may transfer a critically ill patient to the ICU under the care of an ICU physician, and may continue to participate in his/her patient's care.

Members of the medical staff shall be placed on the ICU Roster by virtue of demonstrated training and/or expertise in managing critically ill patients in an ICU setting. The ICU Roster shall also delineate the scope of privileges and the pertinent procedures the member may perform.

The ICU Committee shall, on a biannual basis, review the credentials of the ICU Roster physicians and make recommendations to the CMEC regarding same.

All patients admitted to the ICU must have ICU Admitting Orders on their chart. Items not needed, or deemed inappropriate, may be deleted by order of the ICU admitting physician. All patients must be evaluated and have a management plan initiated by the ICU admitting physician within four (4) hours of admission to the ICU.

Patients admitted with organ system dysfunction outside the area of expertise of the ICU admitting physician require a consultation by an appropriate member of the medical staff. The consulting physician, having accepted the consultation, will evaluate the patient and initiate a management plan within four (4) hours of notification.

All patients admitted to the ICU must meet ICU admission criteria.

It is the responsibility of the ICU admitting physician to transfer patients out of the ICU when the patient's condition reasonably permits.

All admissions to the ICU are subject to review by the medical director or his designee (from the ICU Committee) for appropriateness of diagnosis and management.

Triage of patient admissions is the responsibility of the ICU medical director, or when required, in consultation with the President of the Medical Staff (see Policy No. 9900-07, "Emergency Bed Policy").

G. Problem Resolution

Any problems encountered relating to Emergency Department function shall be addressed to the medical director or Emergency Department administrative director.

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