

MINUTES OF
THE REGULAR MEETING OF THE
CITRUS COUNTY HOSPITAL BOARD

DECEMBER 13, 2010 8:30 A.M.

(1) CALL TO ORDER

The regular monthly meeting of the Citrus County Hospital Board of Trustees [CCHB or Hospital Board] was held Monday, **December 13, 2010**, at the Citrus Memorial Hospital Administration Building, 2nd floor Boardroom, 502 W. Highland Blvd., Inverness, Florida. The Chairman called the meeting to order at 8:30 A.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies On File)

(3) ATTENDANCE

Board Members: V. Upender Rao, MD (Chairperson) Deborah L. Ressler, RN, BSN (Vice Chairperson) Michael A. Smallridge (Trustee)

Absent Board Members: Deborah Osmond Frankel, Esquire

Also in attendance:

William J. Grant, Esquire, CCHB General Counsel
Vickie LaMarche, CCHB Chief Operating Officer
Harry Kilgore, CCHB Director of Finance
Karla Dozier CCHB Staff

Susan Kirk (later confirmed as Trustee)
Mark Williams, Citrus Memorial Health Foundation, Inc., CFO
Lori Dennison, Citrus Memorial Health Foundation, Inc., Director of Nursing Operations
Prestige Court Reporter Services, (CCHB)

Members of the Public: Chris Van Ormer (Citrus County Chronicle), Rebecca Vaughn, Joe Chrietberg, and additional members of the public.

(4) APPROVAL OF MINUTES

MOTION by Mrs. Ressler, second by Mr. Smallridge to approve the November 15, 2010 Budget Hearing Minutes & Exhibits. The Motion passed unanimously, 3-0.

The September 29, 2010 Final Budget Hearing Minutes and November 15, 2010 Minutes were tabled for the next meeting.

(5) PUBLIC COMMENT

Rebecca Vaughn: Ms. Vaughn requested that the Trustees freeze taxpayer money and not use it. Ms. Vaughn opined that she did not believe that money should be spent to provide health insurance for CCHB staff. In addition, Ms. Vaughn requested that Dr. Rao and all of the Trustees step down from their positions on the Board.

(6) CORRESPONDENCE

The following correspondence items were received:

- A. 11.10.2010 Richardson/Rao: Request for meeting
- B. 11.29.2010 Deborah Frankel: Resignation letter.
- C. 11.22.2010 Stephanie Brussell: FEPA/EEOC Discrimination Charge.
(Correspondence Copies on File)

*1 (11) QUALITY ASSURANCE REPORT

Ms. Lori Dennison presented the Quality Assurance report replacing Ms. Leslie Hayes who is no longer employed at Citrus Memorial Health Systems. Ms. Dennison informed the Board that Ms. Lisa Sielski, Director of Risk Management will be taking over this process.

Dr. Rao inquired as to what the process is that provides the information shared on the QA report. Ms. Dennison replied on issues related to nursing that there are open and closed record reviews. Data is collected from each of the units by the team leaders and front line nursing staff. The charts are then presented to the quality department or the nursing department. A percentage of the charts provided are reviewed again and the information is then placed into a data base. Discussion ensued regarding the percentages on the QA report as compared to national averages. Mr. Smallridge discussed the issue of legible physician orders and verbal orders signed within 24 hours. Lengthy discussion ensued regarding these two topics.

Mr. Grant advised the Board that he received a call from Ms. Mavis Knight at the Governor's Appointment Office at 9:28am they received Mrs. Kirk's oath of office and it's been filed with the Secretary of State's Office and she is now eligible to vote as a sitting Trustee.

MOTION by Mr. Smallridge, Seconded by Mrs. Resler to send a letter to Dr. Shah, Chief of the Medical Staff regarding the legibility of orders and the importance signing verbal orders.

Motion to Amend Motion on Floor by Dr. Rao, Seconded by Mrs. Kirk to send the letter to the Foundation Member. The amend motion passed 3 – 1, with Mr. Smallridge voting Nay.

Original Motion, as amended to send the letter to the Foundation Members regarding the legibility of orders and the importance signing verbal orders. The motion passed 3-1, with Mr. Smallridge voting Nay.

(7) CCHB STAFF REPORT

Financial Report for October 2010: Mr. Kilgore presented the financial report for October 2010. The October 2010 financial report reflects that there is currently eight million seven hundred fourteen thousand dollars in cash (\$8,714,000). Mr. Kilgore stated that that reconciles the bank account. Mr. Kilgore stated that the current year's expenditures exceed revenues which he reported as normal for this time of year. Starting in November property taxes will be collected and the balance will increase at that time. Dr. Rao appointed Mrs. Kirk to be on the Finance Committee. A recess was taken for Mrs. Ressler and Mrs. Kirk to review all invoices.

MOTION by Mrs. Ressler, Seconded by Mr. Smallridge to accept the Financial Report for October 2010 and List of Payees/Invoices. Following the opportunity for public comment, the Motion passed unanimously, 4-0

MOTION by Mrs. Kirk, Seconded by Mrs. Ressler to create a regularly scheduled meeting to be held every second Monday at 9:00am, beginning February and the Finance Committee to meet an hour before the regular meeting. The Motion passed unanimously, 4-0

(b.) Status of Citrus County Hospital Board Banking: Mr. Kilgore expressed that at the last meeting on November 15th, 2010 the Trustees approved Old Florida National Bank based on a RFP that was sent out and

*1 Please be advised that numbering is consistent with the Agenda.
Chairman Rao approved the early presentation of the Quality Assurance Report by Ms. Dennison

received back by several local banking institutions. Since that time CCHB staff has met with the banks officers and staff and exchanged necessary documents. Mr. Kilgore asked the Board to sign additional documentation to do business with Old Florida National Bank as well as to sign signature authorization cards. Mr. Kilgore will be transferring eight million five hundred thousand dollars by check from Brannen Bank to Old Florida National. Discussion ensued regarding a portion of the paper work that approves debit cards. It was agreed that approval of the banking documents would be based on removal of the ATM portion of the documents. No ATM documents or cards will be signed or utilized by any Trustees or staff.

MOTION by Mrs. Ressler, to authorize the execution of the attached documents required to change incoming and outgoing ACH transactions and the payment of Eight Million Five hundred thousand by check from Brannen Bank to Old Florida National Bank.

Motion to Amend Motion on Floor by Mrs. Kirk Seconded by Mrs. Ressler to exclude the ATM and Credit Care provisions. The motion to amend passed 4-0.

Original motion, as amended to authorize the execution of the documents required to change incoming and outgoing ACH transactions except to exclude the ATM and credit card provision. The motion passed 4-0.

Discussion ensued regarding informing all of our consultants and/or attorneys by letter to ask that their bills be submitted on a timely basis at the end of each month. Mr. Grant will send out letter regarding same.

MOTION by Mrs. Ressler that all legal bills be done on a monthly basis and immediately submitted to Trustees for review. Seconded by Mrs. Kirk. The Motion passed 4-0.

(c.) Citrus County Hospital Board Audit RFQ: Mr. Kilgore stated that Dr. Rao already appointed Mrs. Kirk to be on the Finance Committee to replace Mrs. Frankel and by serving on the Finance Committee, Mrs. Kirk will also serve on the Audit Committee.

MOTION by Mr. Smallridge, Seconded by Mrs. Ressler to have the Finance Committee also serve as the Audit Committee. The Motion passed unanimously, 4-0.

(d.) Citrus County Hospital board Forensic Auditing ISQ:

Mr. Kilgore stated that an ISQ (Invitation to Submit Qualifications) was sent to eight firms. Advertisements were placed in the Citrus County Chronicle, the Orlando Sentinel and the Ocala Star Banner. On January 4th we will receive sealed proposal packets. Information will be brought back to the January 24th meeting of the Board.

MOTION by Mrs. Ressler, Seconded by Mr. Smallridge to send the ISQ. The Motion passed unanimously, 4-0.

(e) Citrus County Hospital Board Employee Insurance RFP:

Mr. Kilgore reminded the CCHB that the personnel committee made a recommendation that was approved on August 23rd to provide health insurance to CCHB staff. Mr. Kilgore asked the Board for authorization to obtain proposals from Keifer & Associates. It was also suggested that Mr. Kilgore exhaust all efforts by inquiring in writing as to why the County and or hospital is unable to offer insurance to CCHB staff.

MOTION by Mrs. Kirk, Seconded by Mrs. Ressler to authorize Mr. Kilgore to obtain proposals for Health Insurance to cover CCHB Employees through small group program with Keever & Associates. The Motion passed unanimously, 4-0.

(f) Compliance Line Update:

Ms. LaMarche reviewed two cases that came through the compliance line that Mr. Mavros had found to be in violation of hospital policies. One for HIPPA violations and the other for inappropriate billing to Blue Cross and Blue Shield.

(g) Citrus County Hospital Board Website:

Ms. LaMarche announced that the Citrus County Hospital Board website is up and active. It can be accessed by going to www.citruscountyhospitalboard.com. Ms. LaMarche reviewed the various points of access on the site. Mr. Smallridge made a recommendation to eliminate numbers ten and eleven from the frequently asked questions. Ms. LaMarche will have them removed. A recommendation was made to add a link to the current legislators on our website as well as a link to follow the Bill.

****RECESS****

UNFINISHED BUSINESS:

(8) INDIGENT CARE SERVICES PROGRAM / MEDICAL BAGS

Mr. Smallridge presented medical kits that included brochures and information on health department locations and community services. In addition, Mr. Smallridge was able to have the price per bag reduced from \$2.71 to \$1.99. Discussion ensued regarding the need and purpose of CCHB providing kits to the various community agencies. Mrs. Kirk requested that any agency in receipt of kits provide a brief needs and/or usage assessment and critique of how medical kits have been purposeful to their specific agency and population. Board agreed to an initial trial of distributing 2500 kits.

MOTION by Mr. Smallridge. Seconded by Dr. Rao to order and distribute 2500 medical kits to community agencies. The Motion passed unanimously, 4-0.

Ms. LaMarche discussed the research she had completed on community projects for the indigent population that are being done by other hospital districts. CCHB had discussed several potential ideas to assist the needy citizens in our county including reimbursing physicians for caring for indigent patients, opening charity care clinics. In addition there was a consideration for a full-time DCF worker to be in the field signing people up for Medicaid. Having researched all of these particular options in addition to staff spending the day at another hospital district it was Ms. LaMarche's recommendation to utilize the \$500,000 to purchase a mobile health unit that would be able to go to needed locations to provide physical exams, health screenings, labs, give prescriptions when needed as well as providing referrals for x-rays. In addition this mobile unit will provide well care education as well as care for the sick, immunizations and treatment for STD's.

Discussion ensued regarding the ability of the health department to be able to staff the mobile unit considering the possible cutbacks in reimbursement. The Board agreed to invite Dr. Goodman to the next Board meeting on the 24th of January to make her request as well as to answer questions about the mobile unit. Ms. LaMarche stated that Mrs. Goodman has information in great detail that she can provide to the CCHB.

Chairman Rao requested the formation of a Legislative Committee to include Trustee Smallridge in addition to Mr. Grant whose task it is to keep the Board informed of all legislative issues.

(9) FOUNDATION GOVERNANCE ISSUES / LEGAL

Mr. Grant informed the Trustees that on November 5th, 2010, the Foundation filed a lawsuit against CCHB for a writ of mandamus and it has been served. The Case Number is 2010-CA-5399. Mr. Grant advised the Trustees that he is working on preparing a response to the pleadings, which will include all of our counterclaims and actions against the Foundation. CCHB has filed a lawsuit against the Foundation for violation of the Sunshine Law in regards to the strategic plan. The Case Number is 2010-CA-5702. Mr. Grant went on to say that on November 12th an AGO request was filed regarding sovereign immunity but it has since been withdrawn. Mr. Grant stated that the CCHB lawsuit versus Ryan Beaty will probably be filed later this week.

Mr. Grant stated that the Foundation has requested that we mediate with them. Mrs. Ressler asked if we had something in writing and Mr. Grant responded that he has emails as well as a discussion and vote by the Foundation at their Board meeting on November 29th.

Chairman Rao stated that Joe Meek, County Commissioner came to see him several weeks ago and wanted to

have mediation. Dr. Rao stated that he would present this to the Trustees at the CCHB meeting and that Mr. Meek would present the same thing to the Foundation. No one has heard anything in reference to this subject matter to date.

On November 29th the Foundation voted to have two shade meetings. Lengthy discussion ensued regarding the potential shade meetings as discussed in the last Foundation meeting.

Mr. Grant discussed in length the window for possible negotiations with the Foundation would be January 15th and February 15th. His recommendation was to do the mediation first since it will essentially be court-ordered.

MOTION by Mrs. Ressler, Seconded by Mrs. Kirk to write a letter to the Chairman of the Foundation to inform them that CCHB made a decision to enter into a mediation, based upon the Foundation's meeting on November 29, 2010, the full process will be determined on January 10, 2011. The motion passed 3-1, with Mr. Smallridge voting Nay.

Mr. Grant requested legal advice pursuant to Florida Statute Section 286.011(8) that notwithstanding the provisions of (1) in any board or commission of any state agency or authority or any agency or authority of any county, municipal, political subdivision, chief administration or executive officer of a governmental entity may meet in private with the entities' attorney to discuss pending litigation to which the entity is presently a party before a court or administrative agency, provided that the following conditions are met; A, the entity's attorney shall advise the entity of a public meeting that he or she desires advice concerning litigation. Mr. Grant stated to the Board that as CCHB General Counsel and other external counsels are seeking advice on how the Board wants to proceed on the litigation matters. B, "The subject matter of the meeting shall be confined to settlement negotiations, or strategy sessions related to litigation expenditures." Mr. Grant stated that the advice that the lawyers are seeking from the Board are related solely to settlement negotiations or strategy sessions related to the cost of the litigation and litigation expenditures. C, "The entire session shall be reported by a certified court reporter." Mr. Grant stated that he intends to hire Prestige Court Reporting."The reporter shall record the times of commencement and termination of the session, all discussion and proceeding, the names of all persons present at anytime, and the names of all persons speaking when they speak. No portion of the session shall be off the record. The court reporter's notes shall be fully transcribed and filed with the entities clerk within a reasonable time after the meeting and she will keep it in the safe and it will be disclosed as a public record after the litigation is finished." Mr. Grant ended by saying the subject matter of the meeting shall be confined to settlement negotiations or strategy sessions related to litigation expenditures period. Mr. Grant continued to read that the entity shall give reasonable notice of the time and date of the attorney-client session and the names of persons who will be attending the session. A notice will be published for the public that will include the names of the lawyers, the court reporter, her company and the names of the Trustees. "The session shall commence at an open meeting, at which time the person chairing the meeting shall announce the commencement and estimated length of the attorney-client session and the names of the persons attending. At the conclusion of the attorney-client session, the meeting shall be reopened and the person chairing the meeting shall announce that the meeting session has been terminated. The transcript shall then be made part of public record upon conclusion of the litigation."

MOTION by Mrs. Kirk, Seconded by Mrs. Ressler to engage in a attorney-client session meeting between January 11 and February 18 for the purposes of discussing settlement negotiations or strategy sessions related to litigation an expenditures. The final decision will be made on CCHB meeting January 10, 2011. The motion passed 4-0.

Mr. Grant read to the Trustees that pursuant to Florida Statute Section 286.011(8) that notwithstanding the provisions of (1) in any board or commission of any state agency or authority or any agency or authority of any county, municipal, political subdivision, chief administration or executive officer of a governmental entity may meet in private with the entities' attorney to discuss pending litigation to which the entity is presently a party before a court or administrative agency, provided that the following conditions are met; A, the entity's attorney shall advise the entity of a public meeting that he or she desires advice concerning litigation. Mr. Grant stated to the Board that as CCHB General Counsel and other external counsels are seeking advice on how the Board wants to proceed on the litigation matters. B, "The subject matter of the meeting shall be confined to settlement negotiations, or strategy sessions related to litigation expenditures." Mr. Grant stated that the advice that the lawyers are seeking from the Board are related solely to settlement negotiations or strategy sessions related to

the cost of the litigation and litigation expenditures. C, "The entire session shall be reported by a certified court reporter." Mr. Grant stated that he intends to hire Prestige Court Reporting."The reporter shall record the times of commencement and termination of the session, all discussion and proceeding, the names of all persons present at anytime, and the names of all persons speaking when they speak. No portion of the session shall be off the record. The court reporter's notes shall be fully transcribed and filed with the entities clerk within a reasonable time after the meeting and she will keep it in the safe and it will be disclosed as a public record after the litigation is finished." Mr. Grant ended by saying the subject matter of the meeting shall be confined to settlement negotiations or strategy sessions related to litigation expenditures period. Mr. Grant continued to read that the entity shall give reasonable notice of the time and date of the attorney-client session and the names of persons who will be attending the session. A notice will be published for the public that will include the names of the lawyers, the court reporter, her company and the names of the Trustees. "The session shall commence at an open meeting, at which time the person chairing the meeting shall announce the commencement and estimated length of the attorney-client session and the names of the persons attending. At the conclusion of the attorney-client session, the meeting shall be reopened and the person chairing the meeting shall announce that the meeting session has been terminated. The transcript shall then be made part of public record upon conclusion of the litigation."

A discussion ensued with Trustee Kirk and Mr. Grant regarding Ms. LaMarche, COO of CCHB being able or unable to attend the executive session. Mr. Grant responded that staff is unable to attend. Later the matter was corrected and the Chief Administrative Officer is allowed participation in the Attorney-Client Executive Session Meeting.

(10) TRUSTEE SURETY BONDS

Mr. Grant informed that the Trustee Bonds were increased to \$10,000 pursuant to the Local Bill. Bonds are being filed and a new Bond will be requested for Mrs. Kirk.

NEW BUSINESS:

(12) SECRETARY / TREASURER ELECTION

Since Mrs. Frankel resigned from the Board, an election for Secretary/Treasurer is required to replace her.

MOTION by Mrs. Ressler. Seconded by Mrs. Kirk to nominate Mr. Michael Smallridge for Secretary/Treasurer. The Motion passed unanimously, 4-0.

(13) ATTORNEY REQUEST FOR TWO SHADE MEETINGS

Mr. Grant will be requesting an attorney client executive session meeting to discuss the litigation coming to the CCHB. Mr. Grant made it clear that the subject matter of the meeting shall be confined to settlement negotiations or strategy sessions related to litigation expenditures only. Meeting planned for January 10th 2011.

MOTION by Mr. Smallridge. Seconded by Mrs. Kirk to that attorney executive session meeting be held on January 10, 2011 at 9:00am at 123 N. Apopka Ave., Inverness, Florida, for the purpose of settlement negotiation or strategy sessions related to litigation expenditures in Case # 2010-CA-5399 CMHF vs CCHB and 2010-CA-5702 CCHB vs CMHF, the meeting will be confined to as pursuant to Florida Law, the public officers, prestige court reporter and attorneys related to these cases 4-0.

(14) OTHER

Ms. LaMarche will create a application to select an Advisory Committee for the Citrus County Hospital Board.

(15) RECOMMENDED NEXT SCHEDULED MEETING DATE: Monday, January 24, 2011 at 8:30 am

(16) Adjournment

MOTION by Mrs. Kirk, second by Mrs. Ressler to adjourn meeting. The Motion was approved unanimously and the meeting adjourned at 3:35 PM

Respectfully Submitted,



Michael Smallridge
Secretary

12.13.10 Minute "Exhibits Attached":

1. CCHB Financial Report and List of Payees
2. Quality Assurance Report