

MINUTES OF
THE REGULAR MEETING OF THE
CITRUS COUNTY HOSPITAL BOARD

AUGUST 20, 2018 6:00 P.M.

(1) CALL TO ORDER

A regular meeting of the Citrus County Hospital Board of Trustees was held Monday, **August 20, 2018**, in the Conference Room of the Annex Building located at 123 S. Pine Ave., Inverness, Florida. Vice Chairman Fallows called the meeting to order at 6:00P.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies On File)

(3) QUORUM PRESENT

(4) ATTENDANCE

Board Members: Dr. Mark Fallows (Vice-Chairman) Allan Bartell (Trustee), Rick Harper (Trustee) Dr. Jeff Wallis (Secretary/Treasurer)

Absent Board Member: Debbie Ressler (Chairwoman)

Also in attendance:

William Grant, Esq. (General Counsel)

Taylor Ford, Esq.

Karla Dozier (Chief Administrative Officer)

Members of the Public: Sophia Diaz-Fonseca, Scott Adams, Chelsea Adams, Dr. Paresh Desai, Sondra Moylan and Fred Hiers (Citrus County Chronicle).

(5) PUBLIC COMMENT

➤ Paresh Desai, MD.: Dr. Desai addressed the Board regarding the need of a Hotel or a Hotel franchise in the City of Inverness. The Hotel would be built on the campus of the Hospital property and would have three floors; the first two floors would be for everyone and the third floor be reserved for the Hospital (residents, doctors, etc).

Mr. Grant noted that he had a conference call with HCA regarding Dr. Desai's Hotel project and HCA is very excited about the project.

➤ Scott Adams: Mr. Adams talked about the six-story building project that he is trying to build in downtown Inverness that will have medical offices, restaurants. The project is moving forward and they are providing the City of Inverness with all the information.

➤ Sophia Diaz-Fonseca: Mrs. Diaz-Fonseca of the CCCCCF thinks there needs to be much better communication between the CCCCCF and the Hospital Board. Mrs. Diaz-Fonseca has issues with the changes of the CCCCCF Articles of Incorporation and By-Laws and asked the CCHB to review very careful before approval to avoid repeating the problems that occurred with the old Citrus Memorial Health Foundation/Foundation Resolution Corporation.

(6) BUDGET WORKSHOP

Dr. Fallows presented the proposed Citrus County Hospital Board Budget for Fiscal Year 2018-2019. Mr. Grant talked about the legal fees that the Board would incur on behalf of the Foundation Resolution Corporation because of the pension and indemnity claims. Discussion ensued.

Mr. Grant indicated that all money lent to the FRC for legal expenses would be reimbursed to the CCHB and the FRC would seek recovery of the legal costs through the Pension litigation. Indemnification costs pay for themselves by the saving of money due to claims defended. Recovered money goes to the CCCCCF.

(7) APPROVAL OF MINUTES

MOTION by Dr. Wallis, second by Mr. Bartell to approve the minutes from the July 23, 2018 Regular Meeting. After discussion, the Motion passed unanimously, 4-0.

(8) FINANCE COMMITTEE REPORT

a) Approval of the Finance Report for July 2018: Dr. Fallows presented to the Board the Finance Report for July 2018. (Copy on file)

MOTION by Mr. Bartell second by Dr. Wallis to approve the Finance Report for July 2018. The Motion passed unanimously, 4-0.

b) Approval of the Citrus County Hospital Board Invoices:

Dr. Fallows presented the invoices for July 2018. (Copy on file)

MOTION by Dr. Wallis, second by Mr. Harper to approve payment of the CCHB invoices for August 2018 as presented. The motion passed unanimously, 4-0.

c) Approval of Invoices paid by the Citrus County Hospital Board o/b/o FRC:

Mr. Grant stated that Attorney Burks has not yet submitted corrected legal invoices, pursuant to CCHB policy. A list of invoices to be considered for payment by the Citrus County Hospital Board o/b/o FRC were presented for approval. (Copy on file)

MOTION by Dr. Wallis, second by Mr. Harper to approve CCHB payment of the invoices o/b/o FRC as presented. The motion passed unanimously, 4-0.

d) Other:

Report of the three (3) Escrow accounts (two in Fifth Third Bank and one in JP Morgan). (Copy on file)

(9) COMMENCE ATTORNEY CLIENT EXECUTIVE SESSION MEETING

Previously scheduled Attorney Client Executive Session meeting was canceled.

(10) LEGAL

Mr. Grant distributed a letter sent by Mr. Aleman, CEO of CMH/HCA (Attached copy) supporting Dr. Desai's project to build a Hotel. Mr. Aleman noted that CMH/HCA is eager to work with the CCHB in any way possible to assist Dr. Desai's effort to construct a hotel.

Mr. Stillwell informed Mr. Grant regarding the status of the FRC Worker's Compensation renewal fees for Regions Bank letter of credit will be \$3,300.00. There are just two FRC Worker's Compensation cases left.

Mr. Grant asked the Board for authorization to pay the differential of the rent for the CCHB office between the two the leases for the period during which the parties were negotiating in the amount of \$527.09.

MOTION by Dr. Wallis, second by Mr. Harper to authorize payment to HCA in the amount of \$527.06 for the differential in the rent during the negotiation period. The motion passed unanimously, 4-0.

Mr. Grant presented to the Board a Memorandum from Attorney Schapira with an update of the different indemnification matters. (Attached copy)

- **Medicaid Recoupment:** CCHB/FRC reimbursed CMH/HCA an indemnification claim in the amount of \$243,434.65, part of the ACHA recoupment. Attorney Schapira will continue to work towards resolution with ACHA to avoid recoupment.
- **Medicare cost report FY 2013 and FY 2014:** Waiting for reimbursement for FY ending 2013 and 2014. Relay Health sent additional information. Attorney Schapira contacted FCSO to inform them of the developments.
- **Medicare cost report FY 2010 and FY 2012:** No change of status.
- **Medicare cost report FY 2006-2009 and FY 2011:** No change of status.
- **Blue Cross & Blue Shield Recoupment:** CMH/HCA indemnity claim amount is \$979,751.17. Attorney Schapira is conducting an audit and will have her conclusions in September.
- **VA Recoupment:** Request of overpayment \$23,893.00. Attorney Schapira finished her audit and conclude that CCHB on behalf of the FRC owes nothing to the VA.

The Board discussed the execution of a Joint Written Instructions (JWI) from the Pension Escrow account signed by the CCHB and the FRC to reimburse legal expenditures incurred by the Citrus County Hospital Board with AON for pension related legal services on behalf of the FRC.

MOTION by Mr. Bartell, second by Mr. Harper to approve the execution of a Joint Written Instruction from the Pension Escrow Account in the amount of \$361,016.69 to reimburse the Citrus County Hospital Board for FRC pension legal costs. After discussion the motion passed unanimously, 4-0.

Mr. Harper informed the Board that we received a letter from Cadence Bank regarding the maturity of one the CDARS due on August 23, 2018. Last month the Board asked Mr. Harper to inquire as to options and interest rates from Cadence Bank on behalf of the CCHB.

Mr. Harper presented three (3) options and rates. Discussion ensued. (Attached copy)

MOTION by Dr. Wallis, second by Mr. Bartell to invest in the CDAR that will mature on August 23, 2018 for an additional one (1) year and authorize Mr. Harper to sign any and all needed documents to effectuate the dictate of the Citrus County Hospital Board decision . After discussion the motion passed unanimously, 4-0.

Also, Mr. Grant noted that Attorney Schapira continues efforts to obtain records to get reimbursement for the money that AHCA recouped from CMH/HCA.

Mr. Stillwell stated that a family of an employee of the Hospital who passed away has made a pension claim and right now his estate is in probate. Mr. Stillwell will update.

Mr. Grant commented that he didn't receive the CCCC Articles of Incorporation and By-Laws for consideration by the CCHB.

RECESS

Mr. Grant informed the Board that the Sunshine Lawsuit against AON has been dismissed without prejudice, because AON complied and provided requested records. Attorney Ford updated the Board regarding the status of the FRC Federal Pension Lawsuit against AON.

(11) UNFINISHED BUSINESS

➤ Foundation Resolution Corporation Update: Dr. Fallows presented to the Board a list of the Foundation's invoices. *(Copy on file)*

MOTION by Dr. Wallis, second by Mr. Bartell to approve the list of FRC invoices. After discussion, the motion passed unanimously, 4-0.

➤ Citrus County Community Charitable Foundation (CCCCF) Update: Dr. Wallis informed the Board that the approval of Grants is deferred until the CCCCCF By-Laws are approved. The CCCCCF will have a proposed Budget for FY 2018-2019 at their next meeting. Dr. Wallis distributed a document sent by Mrs. Diaz-Fonseca to the CCCCCF Attorney *(Attached copy)* regarding issues that she has with the proposed changes made to the CCCCCF Articles of Incorporation and the By-Laws. Also, Dr. Wallis stated that he disagrees with the comments made by Mrs. Diaz-Fonseca earlier this evening. Dr. Fallows noted that he doesn't have a problem with the title of past president, but he doesn't agree with the idea of having an additional voting Director. Dr. Wallis explained that the reason of the past president is because the poor attendance of some directors to the meeting. Mr. Grant address the reason why the CCHB and FRC wanted to keep politics away from the Board, which resulted in having one representative for each institution on the CCCCCF Board and to eliminate the possibility of having two representatives from the same institution.

Real Estate Update

None.

(12) NEW BUSINESS

None.

(13) TRUSTEE COMMENTS

None.

(14) OTHER

(15) NEXT SCHEDULE MEETING DATE

The Board will schedule new meeting dates for Oct, Nov and Dec 2018. The next scheduled Board meeting is set for Monday, September 24, 2018 at 6:00pm in the Conference Room of the Annex Building, 123 S. Pine Ave. Inverness, Florida.

(16) ADJOURNMENT

MOTION by Dr. Fallows, second by Mr. Harper to adjourn the meeting, the motion passed unanimously, 4-0.

Respectfully Submitted,



Jeff Wallis, MD.
Secretary/Treasurer

08.20.18 Minutes Copy on File:

1. Agenda & Public Notice
2. CCHB Finance Report
3. CCHB list of Invoices
4. List of Invoice o/b/o FRC
5. FRC list of invoices
6. Report of Escrow accounts

08.20.18 Minutes Attached copy

1. Letter from Ralph Aleman
2. Memorandum from Attorney Schapira
3. Cadence CDAR Notification
4. Mrs. Diaz-Fonseca comments regarding the CCCC articles and By-Laws