

CORRECTED MINUTES OF
THE REGULAR MEETING OF THE
CITRUS COUNTY HOSPITAL BOARD

OCTOBER 30, 2012 3:30 P.M.

(1) CALL TO ORDER

A regular meeting of the Citrus County Hospital Board of Trustees was held Tuesday, **October 30, 2012**, at the Citrus Memorial Hospital Administration Building, 2nd floor Boardroom, 502 W. Highland Blvd., Inverness, Florida. Acting Chairwoman Mrs. Ressler called the meeting to order at 4:12 P.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies On File)

(3) QUORUM PRESENT

(4) ATTENDANCE

Board Members: Debbie Ressler (Acting Chairwoman), Robert Priselac (Trustee), Krista Joseph (Trustee), Mike Bays (Trustee) and Gene Davis (Trustee).

Also in attendance:

Vickie LaMarche, CCHB Chief Operating Officer
William J. Grant, Esquire, CCHB General Counsel
Karla Dozier, CCHB Administrative Assistant

Richard Powell, CPA Powell & Jones

Prestige Court Reporting

Members of the Public: David Langer (CMHF), Sandra Chadwick (CMHF), Ryan Beaty (CMHF), Jerry DeLoach (CMHF), George Mavros (CMHF), Linda McCarthy (CMHF), Justin Krumholtz, Joe Chrietzberg, Mark Williams (CMHF), Paresch Desai, MD, Lindsay Redding (Well Florida Council) and Clark Stillwell (CMHF).

(5) PUBLIC COMMENT

- Joe Chrietzberg: Mr. Chrietzberg stated that he feels good about the settlement agreement for the lawsuits and he would like to see the boards merge into one.
He also wanted to know what was accomplished after all the litigation.
- Justin Krumholtz: The Foundation and the Hospital Board need to work with each other.

Mrs. Ressler thanked Mr. Jerry DeLoach for his service to Citrus Memorial Hospital.

- Clark Stillwell: Mr. Stillwell extends an invitation to the Hospital Board to join the Foundation. Mr. Stillwell also stated the draft settlement agreement regarding the lawsuits with a mutual release which was left blank.
Mr. Stillwell informed the Board that the Foundation appointed Mr. Collins and Ms. Chadwick to sit with two (2) members of the Hospital Board to discuss resolution of the lawsuits. Mr. Stillwell also stated that the 2006 bond will need to be refinanced before 2016.

(6) APPROVAL OF MINUTES

MOTION by Mr. Priselac, second by Mrs. Ressler to approve the minutes from August 29, 2012 regular meeting. The Motion passed unanimously, 5-0.

MOTION by Mr. Priselac, second by Mrs. Ressler to approve the minutes from September 18, 2012 regular meeting. The Motion passed unanimously, 5-0.

MOTION by Mr. Priselac, second by Mrs. Ressler to approve the minutes from September 18, 2012 final tax hearing meeting. The Motion passed unanimously, 5-0.

(7) ELECTION OF OFFICERS

MOTION by Mr. Bays, second by Mr. Priselac to nominate Mrs. Ressler for Chairperson. The Motion passed unanimously, 5-0.

MOTION by Mr. Davis, second by Mr. Bays to nominate Mr. Priselac for Vice-Chairperson. The Motion passed unanimously, 5-0.

MOTION by Mr. Davis, second by Mr. Priselac to nominate Mrs. Joseph for Secretary-Treasurer. The Motion passed unanimously, 5-0.

(8) COMMITTEE APPOINTMENTS

Mrs. Ressler appointed the following committees:

- **Finance Committee:** Mike Bays (Chairperson), Krista Joseph (Member) and Debbie Ressler (Member)
- **Audit Committee:** Gene Davis (Chairperson), Krista Joseph (Member) and Debbie Ressler (Member)
- **By-Laws Committee:** Gene Davis (Chairperson), Robert Priselac (Member) and Debbie Ressler (Member)
- **Personnel Committee:** Mike Bays (Chairperson), Robert Priselac (Member) and Debbie Ressler (Member)
- **Strategic Planning:** Robert Priselac (Chairperson), Krista Joseph (Member), Debbie Ressler (Member), Mike Bays (Member) and Gene Davis (Member).
- **155.40 Committee:** Robert Priselac (Chairperson), Gene Davis (Member) and Debbie Ressler (Member)

(9) COO REPORT

Ms. LaMarche informed the Board of the following:

- a) Relocation of the CCHB offices.
- b) Photocopy machine lease or purchase.
- c) CCHB emails.
- d) Indigent Care.
- e) Bonds.
- f) Final Report from the Auditor General.
- g) Stake Holder community assessment.
- h) Invitation letter for Community Needs Assessment.
- i) November and December calendar for meeting purposes.

(10) COMMITTEE REPORTS

- Finance

a) Approval of the Finance Report for September 2012: (Copy on file).

MOTION by Mr. Bays, second by Mrs. Joseph to approve the finance report for September, 2012. The Motion passed unanimously, 5-0.

b) Approval of the Citrus County Hospital Board Invoices: Discussion ensued regarding the approval of the invoices. Mr. Grant will present to the Board a memo regarding the legal invoices (governance reform, legislative initiative and legal fees) (Copy on file).

MOTION by Mr. Priselac, second by Mrs. Joseph to approve the invoices as presented. The Motion passed unanimously, 5-0.

c) Indigent Care:

MOTION by Mr. Priselac, second by Mrs. Joseph to accept the recommendation of the Finance Committee to make a payment of \$238,491.44 to Citrus Memorial Health Foundation, Inc. for charity care regarding the accounts from October 2011 through August 2012 (total \$1,038,491.44, advance \$800,000). After discussion the Motion passed unanimously, 5-0.

d) Capital Equipment

MOTION by Mrs. Ressler, second by Mrs. Joseph to reimburse Citrus Memorial Health Foundation for capital expenditures after the receipt is presented. After discussion the Motion passed unanimously, 5-0.

e) Set date for Budget Hearing: The Trustees will give Ms. LaMarche dates to set the date and time.

- Well Florida Contract: Lindsay Redding (Well Florida Council) made a presentation to the Board. Ms. Redding also informed the Board about the Hospital's community assessment that needs to be done by September 2013 for the IRS. Well Florida will provide two (2) separate reports, one for the Board and the other for the Hospital because of the demographics (zip codes) Ms. LaMarche and Mr. Grant will get together to finish the contract.

MOTION by Mr. Priselac, second by Mr. Davis to authorize the chairperson of the Board to sign the contract and the addendum with Well Florida.

AMENDED MOTION by Mr. Priselac, second by Mr. Davis that after the contract is signed a letter will be sent to the different Organizations in Citrus County with a deadline as determined by the COO of Board. After discussion the Motion passed unanimously, 5-0.

*** RECESS (5:54pm to 6:10pm) ***

- Special Committee Reports

f) None.

- Special Orders

g) Policy & Procedures: Mrs. Ressler presented to the Board the CCHB policies and procedures. Discussion ensued. The long term debt and the PDO policies were deferred to their respective committees for review.

MOTION by Mr. Priselac, second by Mrs. Joseph to approve the CCHB policies (Trustee Information, Holidays, Finance Committee Duties, Board Meetings, Audit, Credit Card, Payment for Travel & Conferences, Deposit of Withdraw of Funds). The Motion passed unanimously, 5-0.

h) Comparison of Independent Hospital District: Ms. LaMarche presented to the Trustees the comparison of independent hospital districts regarding reimbursement percentages in charity care.

i) CMHF & CCHB Charity Care Comparison: Ms. LaMarche presented to the Board the comparison of the charity care policies between the CCHB and the Foundation.

Mrs. Ressler stated that the two (2) Trustees can meet with two (2) Foundation members to discuss charity care definitions and reimbursements.

(11) UNFINISHED BUSINESS

- Grants: Tabled

- Policy for Community Health Support (financial request): Mrs. Ressler presented to the Board the draft of the CCHB Policy for community support, discussion ensued. Mr. Bays, Ms. LaMarche and Mr. Grant will get together to modify the policy and present to the Board at a future meeting.

MOTION by Mrs. Ressler, second by Mrs. Joseph to reimburse Citrus Memorial Health Foundation for capital expenditures after the receipt is presented to the Hospital Board. After discussion the Motion passed unanimously, 5-0.

(12) NEW BUSINESS

- Strategic Planning: Mr. Priselac stated that presentation regarding strategic planning was good. Mr. Priselac also expressed that the Board needs to consider all the options available to the hospital, affiliation, and partnership or selling. The Board will be need to consider the selling option and begin the process before December 31, 2012 according to Florida Statute 155.40.

Close meeting and remove all but legally permitted attendees.

(13) COMMENCE ATTORNEY CLIENT EXECUTIVE SESSION MEETING

The meeting was closed at 7:20p.m. (Mrs. Dozier and Mr. Williams left the room) for closed Attorney client executive session. According to Section 286.011(8) Florida Statutes the Executive Session will be closed to the public to allow the Citrus County Hospital Board of Trustees and their Chief Administrative Officer to meet with the Board's Attorneys.

The meeting opened to the public at 9:06pm.

(14) FOUNDATION GOVERNANCE ISSUES

Mr. Grant requested authorization from the Trustees to dismiss 2010-CA-5702 with prejudice.

MOTION by Mr. Davis, second by Mr. Priselac to authorize the dismissal of the lawsuit 2010-CA-5702 with prejudice. After discussion the Motion passed unanimously, 5-0.

Mr. Grant also requested authorization from the Trustees to abate 2011-CA-809.

MOTION by Mrs. Ressler, second by Mrs. Joseph to abate 2011-CA-809 for a period of thirty (30) days post-DCA decision. After discussion the Motion passed unanimously, 5-0.

MOTION by Mr. Priselac, second by Mr. Davis to accept the modified agreement between the Citrus County Hospital Board and Citrus Memorial Health Foundation, Inc. regarding 2011-CA-1388. After discussion the Motion passed unanimously, 5-0.

Mr. Grant also requested authorization from the Trustees to abate 2012-CA-219.

MOTION by Mr. Davis, second by Mr. Priselac to abate 2012-CA-219 for a period of thirty (30) days post-DCA decision. After discussion the Motion passed unanimously, 5-0.

Mr. Grant requested authorization from the Board regarding 2012-CA1034

MOTION by Mr. Davis, second by Mrs. Joseph to dismiss 2012-CA-1034 with prejudice upon written agreement, that each party shall take nothing from the other and go hence without delay. After discussion the Motion passed unanimously, 5-0.

Mr. Grant also requested authorization from the Trustees to abate 2010-CA-5399.

MOTION by Mr. Bays, second by Mr. Priselac to abate 2010-CA-5399 for a period of thirty (30) days post-DCA decision. After discussion the Motion passed unanimously, 5-0.

Mr. Grant stated that he would like authority to counter the proposal of the Foundation pursuant to the items that were discussed in the shade meeting.

MOTION by Mr. Bays, second by Mrs. Joseph to authorize the CCHB legal counsel to draft a counter proposal to the Foundation pursuant to the items previously discussed. After discussion the Motion passed unanimously, 5-0.

Mr. Grant informed the Board regarding the possibility of Florida Statute 155.40 regarding the process of lease, sell or partnership of the public hospital to a third party

MOTION by Mr. Priselac, second by Mrs. Joseph to the Citrus County Hospital Board, pursuant to 155.40, subsection 5 that the governing board of the hospital shall commence an evaluation of the possible benefits to the affected community of Citrus County to sell or lease the facilities owned by the governing board to a not-for-profit or for-profit entity. After discussion the Motion passed unanimously, 5-0.

Mr. Grant also discussed the 2006 bond issue. Mrs. Ressler appointed Mr. Gene Davis to be in charge of the bond.

MOTION by Mr. Bays, second by Mr. Priselac to authorize the retention of bond legal counsel after the meeting between Mr. Davis and SunTrust. After discussion the Motion passed unanimously, 5-0.

Mr. Grant also informed the Board about Sunshine and the issue of texting. If a Trustee or staff is using texting as a tool of communication; the Trustee or staff is responsible to retain all texts and forward to the records custodian of the CCHB.

Mr. Grant stated that the Auditor General report, as Ms LaMarche indicated, is final and it will still be referred to Legislative Committees in March and April and determine whether or not they're going to request another audit.

Mr. Grant requested advice from the Board regarding Mr. Miller who is the lawyer of the CCHB regarding the insurance company's denial to cover the Citrus County Hospital Board.

MOTION by Mr. Bays, second by Mr. Davis to authorize legal counsel to discharge Mr. Miller from the insurance case. After discussion the Motion passed unanimously, 5-0.

Mr. Grant requested instructions from the Board regarding pursuit of Stillwell / Brannen malpractice claims.

MOTION by Mrs. Ressler, second by Mr. Bays to authorize legal counsel to drop the malpractice action against Mr. Stillwell and Mr. Brannen. After discussion the Motion passed unanimously, 5-0.

Mr. Grant requests the Board's advice in Attorney/Client executive session meeting regarding all litigation for the purpose of settlement negotiations and strategy sessions related to litigation expenditures in all pending litigations.

MOTION by Mr. Priselac, second by Mrs. Joseph to engage in an attorney-client executive session meeting(s) at every meeting the Board schedules for November and December 2012 for the purpose of discussing settlement negotiations or strategy sessions related to litigation and expenditures. Following discussion, the motion passed 5-0.

Mr. Grant informed the Board regarding the meeting that he had with Mr. Stillwell and Senator Charles Dean to try to resolve all issues. The Senator was happy to see both parties and he felt that we were making progress. Mr. Grant also requested instructions from the Board if they would like him to continue with these meetings or to stop, because legislation hearings are coming up and the legislative delegation will expect an update. The Board didn't have any objections.

(15) TRUSTEE COMMENTS

a) D. Ressler: Mrs. Ressler discussed the following topics:

- Nursing Ratios.
- More use of the CPC's.
- Forum for hospital employees.

b) R. Priselac: Mr. Priselac discussed the following topics:

- ER situation.

Mrs. Ressler requested that Ms. McCarthy come to the next Board meeting to give information regarding the ER.

c) K. Joseph: Mrs. Joseph discussed the following topics:

- A better use of unoccupied buildings owned by the hospital through an agent to be leased or sold to help the bottom line.

d) M. Bays: Mr. Bays discussed the following topics:

- Physician relationships.
- Hospital Employees.
- ER suggestions.

e) G. Davis: Mr. Davis discussed the following topics:

- CCHB administrative expenses.
- ER situation.

(16) OTHER

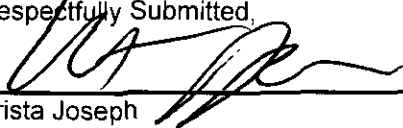
None.

(17) NEXT SCHEDULE MEETING DATE:

(18) ADJOURNMENT

MOTION by Mr. Davis, second by Mr. Bays to adjourned the meeting, the motion passed 5-0. The meeting was adjourned at 10:39pm.

Respectfully Submitted,



Krista Joseph
Secretary/Treasurer

10.30.12 Minute Copy on File:

1. Agenda & Public Notice
2. CCHB Finance Report & Invoices