

SUMMARY MINUTES
Chairman's Meeting
Indian River County Hospital District
Hospital District Conference Room
October 19, 2016
8:00 AM

| | | |
|-------------------|--|---|
| TRUSTEES: | Eugene Feinour Val Zudans, M.D. Dr. Michael Weiss | Allen Jones Ann Marie McCrystal Marybeth Cunningham |
| STAFF : | Ann Marie Suriano Kate Voss | Jennifer Frederick Jennifer Peshke, Esq. |
| OTHER ATTENDEESS: | Joseph Saul Kathy Hendrix Janet Bagley Mary Linn Hamilton Rick Van Lith Ford Fegert | Carol Kanarek Lewis Clark Bob Savage Mary Blumstein Myra Weiss Matt Reiser |

Convene Meeting – Eugene Feinour, Chairman

Mr. Feinour convened the monthly chairman's meeting of the IRCHD at 8:00 AM by welcoming those in attendance.

Review of Agency Documents- Jennifer Peshke, Esq.

Mrs. Peshke explained that she was instructed by District staff to review existing agreements between the District and all funded health agencies. Her review determined that the existing agreements concerning the VNA Mobile Unit, Gifford Health Center Lease and Operating Agreement were outdated. Therefore, she and Mrs. Suriano met with representatives from both agencies to discuss amending or terminating those agreements.

Mrs. Peshke explained that the current agreement concerning the Mobile Health Unit has some ambiguities and she recommends that the board terminate the agreement, pursuant to the 60 day termination clause, and replace it with a new agency funding agreement. This new agreement will also reflect the board's decision to fund the Mobile Unit on a fee-for-service basis. During this transition, the District will provide the VNA with a 60 day grace period to transition to fee-for-service. During that 60 day period, the District will pay the mobile unit at 1/12th of their budgeted funds. She also recommends that the District vote to allow the VNA to retain the mobile unit and not exercise the option to purchase the bus back, which would allow the VNA to continue ownership.

Mrs. Peshke further discussed the Operating Agreement for Gifford Health Center and the First Addendum to Lease. She explained that there were many inaccuracies in the Operating

Agreement, which directly conflict with the current funding structure approved for this fiscal year. Further, the First Addendum to Lease has language that no longer reflects the actual use of the space. She recommends that the District consider terminating the existing Operating Agreement and replace it with the new Agency Funding Agreement, which will reflect the board's approved fee-for-service funding structure. Mrs. Peshke further recommended that the District terminate the current First Addendum to Lease and authorize her to work with the Health Department's legal counsel to create a new lease that accurately reflects how the leased premises are being used.

The Trustees discussed matters concerning the transition to fee-for-service for the mobile unit. It was decided that the VNA would begin to start qualifying patients on the mobile unit and be given a 60 day grace period to do so. Additionally, the VNA may make a request later in the year for additional funding, if they exceed their budget.

Mrs. McCrystal reminded the trustees that the VNA Mobile Unit started as a District implemented program to reach Indian River County residents who were in the outskirts of the county. She further explained that per the Special Act, the District is empowered to provide health services to indigent and disadvantaged residents. She feels that a transition to fee-for-service could negatively affect those disadvantaged residents who are on the cusp of the poverty level, but don't meet District indigent qualifications. The Trustees responded by stating that the VNA will be given an opportunity to approach the District to request additional funding for the Mobile Unit, should they need it. Further, the majority of the board has agreed to fund all agencies by fee-for-service, which began starting October 1, 2016.

Mr. Ford Fegert spoke on behalf of the VNA and stated that the mobile unit provides early intervention in health care which is extremely important for the overall health of a person and expressed his concern with the transition to fee-for-service. The Trustees assured him that the VNA has the District support for the mobile unit and will work through any issues concerning the transition.

Lastly, Mrs. Peshke stated that she would prepare motions concerning her recommendations on the discussed matters and they will be on the agenda for approval at tomorrow's regular monthly meeting.

IRMC Nominating Committee & Sunshine Law discussion- Val Zudans, M.D.

Before Dr. Zudans began his discussion, Mr. Feinour gave a brief history of the District's participation on select IRMC Committees, which include Patient Care, Strategic Planning, Governance, Nominating and Finance. Currently Patient Care, Strategic Planning, and Nominating Committee are closed meetings. The current process for the nominating committee is that two members from the District and two members from the IRMC Board of Directors, review prospective candidate credentials and make a recommendation to the Board of Directors on which candidate they feel is the best qualified. Currently, Mrs. Cunningham and Mr. Feinour serve as District representatives on the Nominating Committee. The first Nominating Committee meeting is scheduled to take place on November 9, 2016. Mr. Feinour further explained that the District has three appointees who serve on the IRMC Board of Directors. Those individuals are

Michael Hammes, Gerri Smith, and Matt Reiser. Mr. Reiser is up for reappointment at the end of this year and he has voiced an interest to continue to serve on the Board of Directors. Additionally, each candidate may serve a maximum of three, three year terms.

Dr. Zudans asked for clarification on the IRMC nominating committee process and how many seats were up for reappointment. Mrs. Suriano explained that the appointment of a new board member requires a unanimous vote from the Nominating Committee. If an individual currently serving on the Board of Directors is eligible for reappointment, it only requires a majority vote of the committee. There are currently three individuals up for reappointment and they have all voiced their interest in continuing to serve on the board. She further explained that any individual, who would like to serve on the Board of Directors, must submit their curriculum vitaeto the CEO or Chairman of the Board at IRMC, for review and consideration by the Nominating Committee.

Dr. Zudans expressed his concern regarding the structure of the Board of Directors at the hospital. He feels the size of the board is too large and recommended that it be reduced from 17 members to 11 over the next few years. This could be accomplished by not filling the seats which are currently up for reappointment. He would like to see a stronger District presence on the board to hold the hospital more accountable. According to the IRMC Bylaws, the Board is composed of 12 Independent Directors, three of which are designated by the District, one elected Medical Staff Representative, and four ex-officio Directors. The ex-officio members include the CEO, the Chairman of Indian River Medical Center Foundation, the Chief of the Medical Staff, and the Vice Chief of the Medical Staff. The ex-officio members do not vote. Further Trustee discussion ensued and most felt that reducing the size of the board would not necessarily be in the best interest of the District or the hospital.

Dr. Zudans would like clarification from the hospital regarding their interpretation of the Sunshine Law as it governs them and what exemptions they are currently utilizing. He is requesting that the hospital directly address the District and explain how they are not in violation of the Sunshine Law, due to Mr. Susi's direct communications with Board of Director Members outside of public meetings Further discussion ensued between the Trustees regarding the Sunshine Law and IRMC. Currently, the hospital is contractually held to the Sunshine Law through the Lease Agreement that is in place with the District. Mrs. Peshke stated that she would prepare a written request to IRMC counsel regarding Dr. Zudans questions and report back to the District on the same.

Trustee Open Discussion-

Mrs. Frederick gave an update concerning the District Care Card Program. She has received applications from two of the District funded health agencies and has begun toupload the patient information to the new data base. Further, the care card website is currently being developed and should be completed by December, 2016.

Mrs. Suriano discussed the District's efforts to schedule the first town hall meeting. The meeting will take place on November 29, 2016 at 5:30 PM at the Fellsmere Community Center. Ms. Voss has completed the application and is developing a flyer for the event. Additionally, the

District will reach out to some of the health agencies who have contacts in the Fellsmere community to help facilitate positive attendance.

Dr. Weiss brought up a September, 2016 article from 32963 and discrepancies he felt were being reported by the hospital concerning salaries to the CEO and former COO. He further stated that a review of similar hospitals in the nation showed that most hospitals pay much less to a CEO, than what IRMC pays its current CEO. He also voiced his concern regarding the number of licensed hospital beds currently being used at IRMC, versus what they advertise. The Trustees suggested that Dr. Weiss bring his concerns to the next Board of Directors meeting on November 9. Further, Mr. Jones suggested that Dr. Weiss prepare a written request to IRMC with his concerns so that they have time to respond properly to his questions.

Adjourn- The meeting was adjourned at 10:00 am