

**SUMMARY MINUTES**  
**Chairman's Meeting**  
**Indian River County Hospital District**  
**Hospital District Conference Room**  
**August 17, 2017**  
**10:30 AM**

TRUSTEES:	Marybeth Cunningham	Allen Jones
	Ann Marie McCrystal	Dr. Michael Weiss
	Tracey Lockwood-Zudans	Barbara Bodnar
EXCUSED:	Karen Deigl	
STAFF :	Ann Marie Suriano	Jennifer Frederick
	Kate Voss	Jennifer Peshke, Esq.
OTHER ATTENDESS:	Janet Begley	Kathy Hendrix
	Mary Blumstein	Mary Linn Hamilton
	Robert Savage	Paul Nezi
	George Andrassi	Vicki Soule
	Andrea Fedock	Miranda Hawker

***Convene Meeting – Marybeth Cunningham, Chairwoman***

Mrs. Cunningham convened the monthly chairman's meeting of the IRCHD at 10:30 AM by welcoming those in attendance. She discussed the upcoming individual Trustee meeting that will take place next week with a representative from Juniper. Additionally, she stated that the Joint Meeting on August 23 will be a kick off meeting for Phase 2 of the hospital partnership search.

Mrs. Cunningham explained that she, Mrs. Suriano, and Mrs. Peshke interviewed six potential transaction law firms to assist the District with Phase 2 of the IRMC potential partnership search process. The group chose the firm Gray Robinson, who is based out of Orlando. The firm has extensive experience in Florida health law, transactional law, and Sunshine Law. The firm has not requested a retainer, has agreed to a 20% decrease in hourly rate for their time to assist with this process. There was further Trustees discussion on this matter and Mrs. Cunningham reviewed the hourly rates for each attorney who would be working with the District. Mrs. Zudans requested that Mrs. Peshke prepare a memorandum concerning recent Florida hospital transaction, which Gray Robinson facilitated, as it would be beneficial for the Trustees to review and have for information. Mrs. Peshke indicated that she and Mrs. Suriano spoke with a representative from the West Orange Hospital District who spoke very highly of Gray Robinson and stated that they have excellent communication skills and have very reasonable fees. Mrs. McCrystal made a motion to approve Mrs. Cunningham's recommendation to retain Gray Robinson as the transactional council, which was seconded by Mrs. Bodnar. The motion carried.

There was further Trustee discussion concerning hiring a PR or communication firm to assist the District in making sure that the public is aware and understands this process. Mrs. Peshke stated that throughout the interview process, every firm indicated that the hospital and the District should utilize the same PR or communication firm. In doing show, it would show a united front between both boards and provide a clear message to the public. She encouraged the Trustees to discuss the same with the attorneys during their individual meetings next week with Gray Robinson.

***Discussion on Proposed Budget- Allen Jones, Treasurer***

Mr. Jones reviewed the proposed budget which has been updated from the July proposed budget, with the District's projected year end totals. The proposed millage rate is .9185, with a roll back rate of .7998. The Trustees reviewed each program expense by line item and decided to address each of the items which they do not all agree on, for additional discussion.

The first item for discussion was concerning the VNA Human Services Building ("HSB"). Currently there are reserved of \$300,000 in the budget for this item. Mrs. Zudans would like to research the option to sell the building and relieve the District of the ownership responsibilities for repairs. Mr. Jones stated that he and Mrs. Suriano met with the VNA at the HSB and reviewed the list of outstanding repairs which needed to be completed. Currently, the VNA is responsible for approximately \$140,000 in repairs for new AC units. However, the District will be responsible to update office bathrooms to American Disability standards as well as some electrical issues that need immediate attention. He and Mrs. Suriano also met with a local real estate agent to address the issue of selling the building. Further, Mr. Jones explained that he contacted Juniper Advisory to discuss the possibility of selling the building. Juniper advised that the District should not attempt to sell the building before the governance review and potential partnership for the hospital is complete. Mr. Jones explained that the HSB was originally built to house the hospitals administrative staff and is located on District owned land, which is part of the hospital campus. Selling this building without the land, could cause potential issues to a future buyer if it was sold before any transactions concerning the hospital were completed. The Trustees agreed with Mr. Jones recommendation and agreed to keep the \$300,000 in reserves.

The next item for discussion was concerning the \$1,000,000 in reserves for the Collaborative Committee process for a potential partnership for the hospital. These reserves would pay for outside transaction counsel and any other expenses with this process. Mrs. Zudans recommended that the reserves be set at \$500,000 for the upcoming fiscal year and then potentially reserve an additional \$500,000 for fiscal year 2018-2019. Most Trustees felt it would be responsible to keep the \$1,000,000 in reserves.

Mr. Jones reviewed the hospitals budget of \$6,358,449. Dr. Weiss felt the number should be lowered to \$6.2 million. Mr. Jones stated that the hospital is projected to go over budget this year by approximately \$400,000, which they will eventually request from the District Board. If the District were to approve their request, the funds would have to be paid out of reserves. Mr. Jones clarified that the District pays only for actual expenses provided to indigent patients and he recommends budgeting enough funds to avoid paying for these services out of District reserves.

Additionally, there was discussion concerning the \$200,000 in reserves for We Care assistance at the hospital. Currently there are 415 patients currently waiting to receive specialty services at the hospital and there have been many issues with getting these patients scheduled. Dr. Fountain, the Medical Director at We Care, came to the District during the budget request cycle and asked for financial assistance from the District. Mrs. Zudans asked for clarification as to what these funds will be used for and if it would potentially ostracize physicians who perform services outside of the hospital. There was further Trustee discussion regarding the same and they agreed to revisit the issue once they had additional information from the hospital regarding the cost.

The next item of discussion was the budgeted amount of \$100,000 for a potential performance incentive for the Partners program. Mrs. Peshke explained that the District currently has an agreement with Partners and the incentive is included in this agreement. Mr. Jones explained that over the last few years, they have been able to reduce the costs at Partners significantly. He stated that the incentive is measured by four metrics and based on how Partners perform. A committee will then review the data and recommend a bonus payment based on the performance. Currently, under the Agreement, the District is required to address this process. Mrs. Peshke advised that next fiscal year the board can revisit the issue and discuss the possibility of removing this language from the Agreement.

The next item of discussion was the budget request for the VNA. Mrs. Zudans asked for an update regarding the VNA mobile unit and the amount of patients they are servicing at the stationary location located at the HSB. Mr. Jones provided an update and stated that the VNA has worked well with the District over the last year implementing the funding change to fee for service. Currently the VNA is now accepting payments from patients and have applied for Medicare and Medicaid licenses to bill those agencies as well. Mr. Jones recommended that they budget \$100,000 for the mobile unit, although the VNA has only requested \$40,000 in funding. There was further discussion as to the placement of the bus which is located in the parking lot of HSB. Mrs. Hamilton, CEO of the VNA, stated that they are waiting to have six months of data to present to the Trustees regarding this matter and they would like the opportunity to address the Trustees next month and discuss the same. The Trustees agreed to reduce the amount of funding to \$40,000, pending the discussion with the VNA next month.

The next item for discussion was concerning the Health Departments budget request. Dr. Weiss voiced his concern with the increased fees the Health Department implemented this year. Mr. Jones recommended that the total amount budgeted for the Health Department be reduced from to \$2.1 million to \$2 million. There was further Trustee discussion and the Trustees agreed to the reduced amount.

The next item for discussion was the budget request for Treasure Coast Community Health. Mr. Jones recommended reducing the amount from \$1.2 million to \$950,000, which is a 30% run rate over the year end projection. Mrs. Soule, CEO of TCCH, addressed the board and stated that currently they have had set backs with construction of the new clinic sites and patient volumes have been lower. She feels that the volumes will increase once qualified support staff has been hired on to assist. She asked that if the Trustees reduce the budget, TCCH be able to

come back to the District and request additional funding for the shortfall. There was further Trustee discussion concerning the same and they agreed to budget \$950,000 with the option to request additional funding.

The discussion concerning the revised budget concluded and Mrs. Suriano stated she would update the proposed budget with the new amounts and send the same to the Trustees to review prior to next month's meeting.

***Recommended Amendments to Policy & Procedure Manual- Jennifer Frederick***

Mrs. Frederick provided the Trustees with an updated District Policy and Procedure Manual for determining eligibility for health care financial assistance. She prepared an outline of the updates and additional points of discussion. She has been working with Trustee Deigl on this matter and they hope to bring the document back before the board for approval next month, after they have reviewed any further suggested comments from the Trustees. She reviewed the points of discussion with the Trustees and there was further Trustee discussion on the same. The deadline to submit any changes is September 13<sup>th</sup> for approval at the regular monthly meeting on September 21.

***Other Business-***

Mrs. Suriano reminded the Trustees that the first budget hearing will take place on September 14<sup>th</sup>. There will be time for additional budget discussion to take place at the Chairman's meeting on September 20<sup>th</sup>. The Final Budget hearing will take place on September 21<sup>st</sup> and at that time the Trustee must approve a budget and a millage rate.

***Public Comment- There was no public comment.***

***Adjourn-*** The meeting was adjourned at 1:00 PM