

1 MINUTES OF REGULAR MEETING OF NORTH LAKE COUNTY
2 HOSPITAL DISTRICT OF SEPTEMBER 13, 2012
3

4 A regular budget meeting of the North Lake County Hospital District (the "District") was
5 held on September 13, 2012 at 5:30 p.m. in County Commission Chambers,
6 Administration Building, 315 W. Main Street, Tavares, Florida.
7

8 Mr. Ken Carpenter, Chairman, called the meeting to order and led the Pledge of
9 Allegiance. M. Meredith Kirste, attorney for the North Lake County Hospital District,
10 called the roll to ascertain the trustees present for the meeting, with the following
11 members in attendance: Ken Carpenter, Chairman; Marilyn Bainter; Robert Bone; Roger
12 Beyers; Jerry Brown; and Frances Grossi.
13

14 MINUTE APPROVAL
15

16 Mr. Carpenter requested the following changes to the Minutes of the August 23, 2012
17 meeting: change of "Finding" to "Funding" on Page 2, Line 2; change of "testing
18 sample" to "statistically valid sample sizes" on Page 5, Lines 11 and 12; and change of
19 the word "competence" to "confidence on Line 23 of Page 5 as well.
20

21 On a motion by Mr. Beyers, seconded by Mr. Bone and carried unanimously by a vote of
22 6-0, the board approved the minutes of the NLCHD meeting of August 23, 2012 as
23 amended.
24

25 OLD BUSINESS
26

27 Engagement Letter for Audit

28 Mr. Carpenter recapped that Mr. Chet Ross, who performed the audit of the Tax District
29 for many years, was present at the last meeting and provided an engagement letter to
30 extend his services for another three years. He specified that his proposal was to keep the
31 fee at \$4,800, which was comparable to the prior years, but he wanted to negotiate the
32 fees for the second and third years, because they were entering into a new phase of
33 distribution of the tax proceeds. He asked the board if they wanted to accept Mr. Ross'
34 recommendation that the board sign the engagement letter for three years with the first
35 year's fee at \$4,800 and to negotiate for the next two or whether they want to enter into
36 only a one year contract with an opportunity to put that out for an RFP going forward
37 after getting into the new procedures.
38

39 Ms. Bainter pointed out that Mr. Ross was raising his fee \$800 for the first year to audit
40 the District for 2012, since he had been charging \$4,000 previously.
41

42 Mr. Carpenter commented that the board would be increasing their operating expenses
43 significantly more than the \$800 increase in those audit fees, and he believed it was a
44 nominal increase and that he was alright with it. He also indicated that he believed it was
45 easier to do a one-year contract and then negotiate going forward.
46

1 On a motion by Mr. Beyers, seconded by Mr. Brown and carried by a vote of 5-1, with
2 Ms. Bainter voting “no,” the board moved to request that Mr. Ross redo his engagement
3 letter for a flat fee of \$4,800 for the fiscal year ending September 30, 2012 and to
4 renegotiate proceeding years after that time.

5
6 Requiring audit of providers receiving less than 10 percent of tax proceeds

7 Mr. Carpenter recapped that they decided at the last meeting that the board would prefer
8 that all of the providers receiving tax proceeds be subject to the audit for the first year.
9 He announced that some new information has just been received indicating that there
10 may be a legal opinion from the Florida Department of Health that might open up the
11 opportunity for the two larger clinics to receive funds without endangering their
12 sovereign immunity, which was a large issue of concern. He also recapped that St.
13 Luke’s Medical and Dental Clinic and LifeStream Behavioral Center also both requested
14 some funds, pointing out there would be up to \$450,000 available for each if they split
15 the ten percent left after giving the hospitals 90 percent this year.

16
17 Mr. Brown stated that he was in favor of making this on a case-by-case basis and making
18 a judgment the following year.

19
20 Mr. Carpenter responded that there is a proposed policy and requirements for the primary
21 care clinics receiving hospital district proceeds which indicate that all of the providers
22 receiving tax proceeds have to comply with the documentation standards, but which does
23 give them the ability on a case-by-case basis to being subject to audit.

24
25 Ms. Bainter commented that they did not establish any contract or policies about how to
26 handle volunteer clinics regarding what they expect from them or would pay for.

27
28 Mr. Carpenter emphasized that the legislation explicitly tells them what they would pay
29 for and gives the board discretion about expending the funds. He also pointed out that
30 collectively what the smaller clinics have asked for have been less than ten percent of the
31 total of the proceeds. He also opined that the accountability is transparent and clear.

32
33 Mr. Bone stated that he was inclined to suggest an audit for any entity which receives
34 funds for the initial year.

35
36 Ms. Grossi related that she believed it would be a good idea to start out with an audit.

37
38 Mr. Beyers pointed out that he believed that at least one of the clinics indicated that they
39 would have to hire outside staff if an audit was required of them, which could be too
40 cumbersome and result in withdrawal of the clinic’s request.

41
42 Mr. Carpenter commented that it was the intent of the legislation to try to give money to
43 the clinics, so they should try their best to do that. He suggested that they could try to get
44 a feel for the documentation standards and who would be able to meet those, and then
45 they could restrict the audit requirements going forward if they get through the first year
46 without a lot of problems. He asked to postpone a decision about this until they hear
47 from the clinics that would be speaking later in the meeting.

1 Audit/accounting firms' proposals for required audit procedures

2
3 Moore Stephens Lovelace

4 Mr. Farlen Halikman of Moore Stephens Lovelace noted that the explanation of the
5 procedures is described in the last couple of pages of the appendix exhibit of the
6 engagement letter, and he proposed a maximum fee of \$15,000 each quarter, which he
7 indicated included audit of the below ten percent entities, travel expenses, and out-of-
8 pocket costs, noting that it could be less depending on who the board needs audited. He
9 pointed out that their firm was local, which cut down on travel expenses, and opined that
10 the citizens as well as the County itself had confidence in Moore Stephens Lovelace.

11
12 Mr. Carpenter mentioned that the legislation requires reimbursement of the lower of cost
13 or Medicare reimbursement, and the method that has been suggested to determine cost is
14 applying the cost to charge ratios in the cost report to charges, and he asked if that was an
15 industry standard.

16
17 Mr. Halikman responded that the methodology of using the ratio of cost to charges from
18 the cost report is pretty standard operating procedure in determining charity care and the
19 most appropriate methodology for estimating actual costs, and there is requirement under
20 generally accepted accounting principles that not-for-profit hospitals and health care
21 providers disclose their charity care on a cost basis. He also related that their firm is the
22 dominant CPA firm in the state for auditing health care entities, particularly the nonprofit
23 ones, as well as hospital districts. He mentioned that the firm audits most of the nursing
24 homes in the state and is very actively involved with AHCA in setting policy and that he
25 was a certified health care fraud examiner.

26
27 Pershing, Yoakley & Associates, P.C.

28 Mr. Doug Arnold from Pershing, Yoakley & Associates, whose proposal was also
29 included in the packet, mentioned that he was from the Knoxville, Tennessee office and
30 that they also had offices in Atlanta, Tampa, Austin, and Kansas City. He noted that his
31 firm was one of the top ten largest privately-owned health care consulting firms in the
32 United States and also ranked in the top ten of auditors of large health systems. He
33 related that he received a call from the Chairman asking if they could help with the
34 agreed-upon procedures approach, although he believed that it was a "moving target" at
35 this point regarding which clinics would be included, how many claims would be in the
36 population that would be sampled, and other factors, which he noted would be decided by
37 the board. He stated that he wanted to help the board determine the error rate of the
38 claims and the dollar error that exists in the entire population within a certain confidence
39 level and range. He related that they had proposed beginning with a probe sample in the
40 first quarter in order to make a determination of certain items such as the standard dollar
41 mean error involved in the population and then design a statistical sample that would give
42 the board the confidence level it wants by expanding the sample as they go forward. He
43 specified that their proposal is based on looking at approximately 100 claims per quarter;
44 however that number could change if the population shows they need to look at more
45 than 10 percent of the calculation in order to reach a level of confidence that is desired.

1 Mr. Carpenter mentioned that both proposals used the 95 percent confidence level and
2 asked if Mr. Arnold's firm would have to significantly expand their sample size if there
3 were an abnormally high number of errors.

4
5 Mr. Arnold responded that there were four factors in determining a sample size, which
6 were the confidence level, range, size of the population, and the response distribution.

7
8 Mr. Carpenter also mentioned that they need to look at eligibility standards for both
9 residence and income restrictions, and he asked what they would do if there was an error
10 in calculating the lower of costs and Medicare reimbursement.

11
12 Mr. Arnold answered that although they were not looking at every claim, they have to
13 have a statistically valid sample in order to extrapolate the errors that are uncovered to
14 the population.

15
16 Mr. Carpenter commented that the board wanted a high level of confidence, which Rep.
17 Metz intended when he drafted the legislation.

18
19 Mr. Arnold added that to come up with actual costs of the care, they also had to take into
20 consideration how they would allocate the overhead associated with the facilities that
21 provide the care, and that they would have to make a number of judgments and estimates
22 in that allocation process to begin with, which is difficult to do, in order to come up with
23 a precise cost for delivering specific care.

24
25 Ms. Bainter asked whether there would be travel costs added to their fees, since the
26 auditor would be coming from Tampa.

27
28 Mr. Arnold confirmed that the auditor would be traveling from Tampa, and he added that
29 they will also be utilizing one of their people from Atlanta who just deals with Medicare
30 and Medicaid issues to actually review the Medicare or actual costs submitted for the first
31 quarter and other times as needed, although that person is not expected to make the trip
32 every time. He answered that there would be some out-of-pocket expenses related to
33 those trips such as mileage, hotel, and per diem for a stay of about four or five days.

34
35 Mr. Carpenter opined that although the costs might be different, there was not a lot of
36 difference between the two firms in terms of their approach, abilities, and qualifications.

37
38 Mr. Bone commented that although he believed either firm would do well for them, he
39 was inclined to go with the local firm, which would also preclude the District from
40 having to pay travel expenses.

41
42 On a motion by Mr. Bone, seconded by Mr. Brown and carried unanimously by a vote of
43 6-0, the Board moved to hire Moore Stephens Lovelace, P.A. for the agreed-upon
44 procedures.

1 Proposed Policy and Requirements for Primary Care Clinics Receiving Tax Proceeds

2 Mr. Carpenter related that he had tried to come up with a policy with regard specifically
3 to the clinics in trying to determine which ones they would provide tax proceeds to, and
4 he mentioned that an email had been received by Florida Hospital Waterman regarding
5 the legal opinion from the State Department of Health regarding the sovereign immunity
6 issue. He mentioned that he also spoke with Rep. Metz regarding the sovereign
7 immunity issue, who indicated that his intention when he proposed this legislation was to
8 move primary indigent care out of the crowded and expensive emergency departments of
9 the hospitals and into the free clinics, which would be beneficial to everyone, and offered
10 to get the attorney who drafted the legislation involved. He stated that the
11 communication from the Department of Health indicated that the two clinics which are
12 supported by the hospitals may be able to receive funds without losing their sovereign
13 immunity, and he hoped to have some more specific information at the next budget
14 meeting about whether those clinics would be participating in receiving the tax proceeds.
15 He stated that they should make sure that there were contracts between the facilities, the
16 providers, and the state pursuant to Florida Statute 766.1115 and 768.28.

17
18 Ms. Joyce Coufal, the Regional Coordinator for Volunteer Health Services for the
19 Department of Health, explained that the clinics were now covered under F.S. 766, which
20 provides liability protection when an uncompensated provider sees a patient at no charge.
21 She related that the opinion of the Department of Health attorney was that those that took
22 the tax dollars would lose sovereign immunity under that statute, but they would have
23 sovereign immunity protection under F.S. 768 pertaining to limitation of torts. She
24 further stated that the clinic would no longer be an agent or contracted with the state, but
25 the uncompensated medical provider would still be able to be contracted by the state and
26 be covered under F.S. 766.

27
28 Mr. Carpenter went over the proposed policy and requirements for the primary care
29 clinics receiving the Hospital District tax proceeds, which was included in the backup
30 materials, including the right for the board to select which primary care clinics will
31 receive funds, requirement of the location of the clinic to be in the North Lake County
32 Hospital District, residency and income requirements of patients, maintenance and
33 submittal of written documentation, and a requirement of reimbursement for excess of tax
34 proceeds received over the documented indigent care amount. He opined that these
35 policies give the board funding flexibility on an ongoing basis, and if they find that next
36 year the clinics are incurring significantly more costs, more tax receipts can be diverted
37 their way. He also announced that the board will ask for detailed presentations from the
38 clinics at the next meeting showing what they think their annual estimated indigent costs
39 would be, which can be based on historical data. He commented that they do not need to
40 adopt this proposed policy at this meeting, and they could amend or add to it if needed
41 after additional legal research is done.

42
43 NEW BUSINESS

44
45 Presentation from Florida Hospital Waterman

46 Mr. Ken Mattison, President of Florida Hospital Waterman, emphasized that the need for
47 funds is greater today than it ever has been in the past, and the demand for care for those

1 that are disadvantaged continues to increase. He opined that the one mil is needed and
2 will fall short of providing all of the care that they will need to provide, and the process
3 they are all going through to comply with this new legislation is starting to progress in a
4 direction they were all becoming more comfortable with after a steep learning curve,
5 resulting in an increase in transparency and collaboration. He referred to the backup
6 materials he had provided to the board, and he commented that they believe that
7 \$200,000 is a reasonable figure for their clinic to be eligible for reimbursement under the
8 guidelines provided under the new enabling legislation. He related that he had sent an
9 email that identified the proposed dollars that Waterman would be providing for care
10 from a historical perspective. He reported that for the calendar year ended December 31,
11 2011, the combined inpatient and outpatient total charity care and estimated
12 reimbursement from their hospital was \$4,776,061, and they estimate that for the 2012
13 calendar year without taking into consideration the funding for the clinic he just
14 referenced, that figure will be \$5,339,490, which was a substantial increase and exceeds
15 the amount they will be able to receive from the tax proceeds. He summarized that they
16 will be able to provide enough indigent care to justify levying the one mil. He also
17 commented that an entity that provides a service that is not for profit is a community
18 benefit, and he noted a handout which included statistics about the services and economic
19 impact the hospital was providing. He requested an opportunity to give a presentation at
20 the next meeting by a couple of professors who have been commissioned to help them
21 understand the economic impact to the local economy and an update of a previous study.
22 He also directed the board's attention to the community benefit statement for fiscal year
23 2011 and an update to that statement for 2012, which shows that the benefit to the
24 underprivileged in 2011 was \$12,650,796 and projected to be \$14,678,621 in 2012. He
25 predicted that healthcare institutions would continue to see a decline in Medicare and
26 Medicaid reimbursement, which makes it necessary for the hospitals to find ways to do
27 more with less. He added that they were currently focusing on a strategy to help people
28 make better choices and stay healthy at a new health center facility.

29
30 Presentation from Leesburg Regional Medical Center

31 Mr. Don Henderson, President/CEO of LRMC, stated that their hospital is asking \$3.6
32 million from the District, and he pointed out that if they cannot demonstrate that they
33 have provided that amount in charity care, they would have to pay that back to them. He
34 related that they project that their total charity care burden for this year will be \$11
35 million, and he pointed out that since LRMC is a regional tertiary medical center, they
36 have a larger number of charity care patients. He talked about the quality of the services
37 and care received at LRMC and the awards attained, and he opined that the scope of
38 LRMC is unique and justifies the District's investment. He also emphasized that LRMC
39 has done over 700 open heart procedures and was ranked in the top two of all the heart
40 programs in the State of Florida, and they have also developed their orthopedics program,
41 both of which were high tech and expensive programs. He commented that they were
42 proud of their commitment to women's and children's care and delivered more babies
43 than any other hospital in the county; however more than 50 percent of those deliveries
44 were for Medicaid recipients, and they do not get their costs met for those services. He
45 explained that the hospital had a partnership with the local Baptist church to run the
46 Community Medical Care Center and provided a majority of the operating funds for that
47 clinic at a cost of about \$300,000 a year. He related that he will provide the board with

1 their most recent community benefit statement at the next meeting, which he estimated at
2 \$39 million. He stated that they needed to renovate the 50-year-old hospital building,
3 including their emergency department and air conditioning replacement, and they expect
4 to spend \$12 million for capital expenses this year. He added that they are projecting an
5 operating margin of \$3.4 million, which would be about \$8 million with the matching
6 funds, but they would be in a negative \$4.6 million margin without those tax proceeds
7 and would have to eliminate some services they provide to the community.

8
9 PRESENTATION FROM LIFESTREAM BEHAVIORAL CENTER

10 Mr. Jon Cherry, President of LifeStream, stated that they will provide a minimum of
11 2,000 inpatient days that meet the HCRA criteria with an average cost of about \$500 per
12 day, and he noted that their inpatient days have increased 38 percent since the recession
13 began four years ago. He also related that 95 percent of the individuals they serve qualify
14 for the federal indigence criteria, and they provide care to 8,000 to 10,000 individuals
15 with severe and persistent mental illness, as well as a community preventative system of
16 care. He assured the board that the indigent care burden is much greater than the funding
17 that is received through the hospital taxing district. He presented his request for
18 \$135,264 which would earn the funding from AHCA in the amount of \$184,736 for a
19 total of \$320,000 for the primary care clinic they planned to open in the Eustis area to
20 take care of the general medical needs of their patient population, which he believed was
21 a good utilization of the dollars available from the taxing district. He reported that they
22 will be licensed by AHCA as a health care clinic under Chapter 59A-33, and he opined
23 that this clinic would provide services to individuals who have not received primary care
24 in the past and do not have a health care home or regular doctor. He recapped that
25 LifeStream already was doing a similar program in the Leesburg area through a federal
26 grant.

27
28 Mr. Carpenter requested that Mr. Cherry present something in writing for the board's
29 consideration regarding this request.

30
31 REQUEST FROM FREE CLINICS

32 Ms. Karen Beary, Vice President of Catholic Charities of Central Florida, stated that she
33 had looked at a month's worth of patients to come up with a dollar request for the tax
34 proceeds, which was an equivalent in Medicare values for those 106 patients of \$208,000.
35 She commented that she did not have enough staff to do the codes to figure out the exact
36 amounts, however, so this was just an estimate. She mentioned that her clinic as well as
37 other clinics collaborated very well with the hospitals. She stated that she hoped she
38 would be able to have something next Thursday to present to the Board that would be
39 more accurate after getting help from some hospital staff to do that. She also wanted to
40 make sure about the sovereign immunity issue before they did anything.

41
42 Mr. Carpenter pointed out that the legislation dictates that the District would need both
43 the estimate of the lower of costs and Medicare reimbursement, and he suggested using
44 the numbers that are universal in that regard. He opined that she had already sent the
45 board information and documentation that she worked hard to obtain, and he did not
46 believe they would have a problem with the cost numbers.

1 Ms. Beary also clarified that \$73,000 of the \$208,000 requested was for the minor
2 outpatient surgeries they wanted to do with local anesthetic, which would save both the
3 taxpayers and the hospitals money for those surgeries.

4
5 BOARD ACTION FOR PROPOSED BUDGET FOR 2012/13

6 Ms. Pat Sykes-Amos, accountant for the District, explained that since the TRIM notice
7 had to be sent out in July, it was sent with the 1 mil figure, and she directed the board's
8 attention to the handout of the proposed budget for 2012/13 giving the revenues that
9 would be brought in for 1 mil as well as .9 mil and .8 mil. She pointed out that there was
10 a large carryforward of \$582,000 from the prior year to make sure they had money in
11 June to make the AHCA payment which was due on June 15, because their delinquent tax
12 money does not come in until July; and the carryforward totals \$780,000 after being
13 combined with the \$200,000 in delinquent payments. She noted that each column for the
14 1 mil, .9 mil, and .8 mil shows the monies that would be available for expenditure,
15 pointed out the line items shown, and mentioned that this board has always adopted their
16 budget at the fund level. She specified that if the board adopts the 1 mil, their
17 expenditures would be \$9,189,532; and those figures would be \$8,348,579 at .9 mil and
18 \$7,507,626 at .8 mil. She added that there will also be Property Appraiser fees and that
19 the Tax Collector keeps 2 percent of whatever is collected. She also indicated that there
20 will be expenditures this year that they did not have to pay for last year.

21
22 Mr. Carpenter pointed out that they will have to come up with some line items for
23 distributions to the acute care hospitals, the mental care hospital, and the clinics.

24
25 Ms. Sykes-Amos further clarified that all of the allocations will all just come out of the
26 health payment line item, and she noted that the new legislation does not require that the
27 northeast and northwest district be kept separate.

28
29 Mr. Carpenter added that they would have to adjust the accounting and auditing numbers
30 now that they have an agreed-upon number from Moore Stephens Lovelace. He
31 commented that the board should come prepared to come up with some allocations at the
32 next meeting, keeping in mind the specific dollar amounts that have been requested by
33 the hospitals and clinics. He recapped that they had agreed at a previous meeting to keep
34 the same distribution that they had in prior years based upon a per capita rate for the first
35 year, which comes out to about 55 percent for the northeast and 45 percent for the
36 northwest, with 5 percent of the tax proceeds going to LifeStream and 5 percent to the
37 clinics. He specified that Florida Hospital's clinic cost number would be about \$200,000,
38 the Leesburg Clinic was about \$300,000, St. Luke's was \$208,000, and LifeStream has
39 asked for \$135,000. He pointed out that all of those figures added together came up to
40 \$843,000, which was ten percent of the total tax proceeds.

41
42 Ms. Kirste pointed out that anything that was collected prior to the April date that the
43 new legislation was signed into law is disbursed according to the old law, but anything
44 collected after that date would have to be distributed according to the new legislation.
45 She read Resolution 2012-02 by title only.

1 On a motion by Mr. Bone, seconded by Mr. Brown, and carried by a vote of 5-1, with
2 Ms. Bainter voting “no,” the NLCHD board approved Resolution 2012-02 for tentative
3 adoption of the budget.

4
5 RECITATION FOR THE RECORD

6 Ms. Kirste announced that the name of the taxing authority is North Lake County
7 Hospital District.

8
9 Ms. Sykes-Amos related that the rollback rate is 1.074 and explained that would raise the
10 same amount of revenue as the District raised last year. She further explained that if the
11 board adopted a millage rate of 1 mil, the change from the rollback rate is -6.89 percent;
12 at the millage rate of .9, the change from the rollback is -16 percent; and the change from
13 the rollback rate at the millage rate of .8 is -25 percent. She indicated that the
14 calculations for those numbers were in the worksheets from the email she had sent the
15 board.

16
17 WAIVER OF THE READING OF ENTIRE PROPOSED RESOLUTIONS

18 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
19 6-0, the board moved to waive the reading of Resolutions 2012-01 and 2012-02 in their
20 entirety.

21
22 ADOPTION OF MILLAGE RATE

23 Mr. Carpenter opined that the presentations showed that indigent costs were increasing
24 rather than decreasing, and there was a good-faith effort by both hospitals to determine
25 what indigent costs would have been incurred under the current legislation indicating that
26 those numbers will go up from last year. He recapped that they also have new requests
27 for funds from the clinics for a gross amount of \$843,000, and he pointed out that there
28 were safeguards that are built into the new legislation. He proposed that the board go
29 forward with a millage rate of 1.0 for the coming year.

30
31 Mr. Bone stated that he agreed based on the information that was provided by the
32 hospitals and the clinics and the increased need that they should continue to maintain the
33 millage at 1 mil, which he pointed out would still produce less revenue than last year.

34
35 On a motion by Mr. Bone, seconded by Mr. Brown and carried by a vote of 5-1, the
36 board voted to set the tentative millage rate for the District at 1 mil.

37
38 Ms. Bainter voted “no.”

39
40 The Chairman opened the public hearing.

41
42 Mr. Vance Jochim, a resident of Tavares who writes a blog on fiscal issues, pointed out
43 that the South Lake County Hospital District has been setting their millage rate at .8 for a
44 while, and he questioned whether the hospitals should continue to pass on an increase in
45 expenses to the taxpayer in this kind of economy with the high unemployment and
46 foreclosure rates. He related that his understanding of HB 1299 was to allow other
47 qualified providers to compete for funds to provide services for indigent care, although

1 this year the board allocated an established percentage of the total funds to each entity
2 based on information the board was given, which he opined was anti-competitive
3 behavior. He suggested that the board come up with a structure to start shifting that over
4 to expand the market for other providers in the county and to hire a project manager.

5
6 Dr. Tully Patrowitz, a doctor in Lake County and former member of the board,
7 mentioned that he was pleased that the board has started to clarify some of the definitions
8 of things such as sovereign immunity and licensed primary health care clinics. He stated
9 that the board has a real opportunity to place some of the funds into the clinics, which are
10 all very valuable assets in their community. He pointed out that those that are paying for
11 their health insurance are paying for the indigent patients' use of the more expensive
12 emergency rooms through increased premiums and out-of-pocket expenses, but the
13 primary health care clinics would relieve some of that burden. He also commented that it
14 was a problem for a health care clinic to project what their needs might be and submit
15 that to the board for a certain amount of funding, which might not allow for any
16 expansion of those clinics. He also commented that the District is subsidizing what is
17 already being paid for by the public through the higher insurance premiums he previously
18 mentioned. He noted that sovereign immunity is not a perfect protection to a practicing
19 physician or to the clinics, since they are liable up to a certain extent, and there was a
20 time in the past when those entities did not have sovereign immunity and just resorted to
21 the premiums that doctors were paying for their own malpractice insurance; however,
22 sovereign immunity made it less restrictive and more encouraging for health care
23 providers to participate in it. He concluded that he hoped that the board was moving
24 more and more toward supporting the clinics, and he pointed out that the clinics would be
25 entitled to the state matching funds as well.

26
27 Dr. Albert Eckian of Eustis related that the premiums for households with private health
28 insurance run approximately \$1,000 a year more than if they were just paying for
29 themselves in order to pay for federal and state law mandates that patients must be treated
30 when arriving at the emergency room, as well as being provided an ambulance if needed.
31 He encouraged the board to support and allocate the entire \$843,000 that the four clinics
32 have requested, which would be set aside for anticipatory needs that would be required to
33 be documented. He opined that the real leverage is in developing and expanding the
34 primary care clinics to take care of patients before they have a more expensive acute
35 medical emergency.

36
37 There being no one else who wished to speak, the Chairman closed the public hearing.

38
39 Mr. Carpenter pointed out that there would need to be increased physician involvement in
40 order for the clinics to be able to treat more patients.

41
42 Ms. Kirste read Resolution 2012-01 by title only.

43
44 On a motion by Mr. Bone, seconded by Mr. Brown and carried by a vote of 5-1, with Ms.
45 Bainter voting "no," the NLCHD board approved Resolution 2012-01 for the tentative
46 adoption of the millage rate of 1.0 mil.

1 ENGAGEMENT LETTER FOR MOORE STEPHENS LOVELACE

2 On a motion by Commr. Beyers, seconded by Mr. Bone and carried by a vote of 5-1, with
3 Ms. Bainter voting “no,” the board gave approval for the Chairman to sign the
4 engagement letter with Moore Stephens Lovelace for the agreed-upon procedures.

5
6 WEBSITE UPDATE

7 Mr. Carpenter mentioned that Mr. Jochim sent an email to the board indicating that there
8 were some deficiencies in regard to their current website. He mentioned that if they were
9 going to hire a consultant or manager at some point in the future, this may fall into that
10 employee’s auspices, but he asked if they wanted to address some of those deficiencies in
11 the meantime, including that it contains the agenda or meeting notice for the August
12 meeting rather than this meeting and that documents are not in chronological order. He
13 also suggested that they clean up the way the documents are titled to make them easier to
14 find on the website, and he asked if anyone wanted to take on that project and to talk with
15 the website manager about making these improvements before the next meeting.

16
17 Ms. Kirste offered to do that, and she asked direction regarding whether she should send
18 the information she receives to the webmaster immediately or wait until the board has
19 had a chance to look at it.

20
21 Mr. Bone thought it should be sent to the webmaster at the same time it is given to the
22 board members.

23
24 Mr. Carpenter commented that they were trying to get the information out as quickly as
25 possible.

26
27 Mr. Jochim related that Lake County puts a number of the documents on the site a couple
28 of days beforehand and attached to the agenda item, but some websites wait until
29 afterwards. He suggested that they put documents on the website within three days of
30 receiving it.

31
32 Ms. Sykes-Amos pointed out that the contract with the webmaster is only for basic
33 services at this point.

34
35 ADJOURNMENT

36
37 There being no further business to be brought before the board, the meeting was
38 adjourned at 8:55 p.m.

39
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41
42
43 _____
44 Ken Carpenter, Chairman