

1 MINUTES OF REGULAR MEETING OF NORTH LAKE COUNTY
2 HOSPITAL DISTRICT OF JANUARY 22, 2015

3
4 A regular meeting of the North Lake County Hospital District (the "District") was held on
5 January 22, 2015 at 5:30 p.m. in Lake County Commission Chambers, Administration
6 Building, 315 W. Main Street, Tavares, Florida.

7
8 Ms. Catherine C. Hanson, 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 members
11 in attendance: Catherine C. Hanson, Chairman; Duane Keith Booth; Vic Donahey; Joyce
12 Richey Huey; Elizabeth Robuck; and Davis Talmadge.

13
14 ADMINISTRATION OF OATHS

15
16 Ms. Kirste gave the administration of oath to Mr. Duane Keith Booth, Mr. Vic Donahey,
17 and Ms. Joyce Richey Huey as new members of the North Lake County Hospital District
18 board.

19
20 APPROVAL OF MINUTES

21
22 On a motion by Mr. Donahey, seconded by Ms. Huey and carried unanimously by a vote
23 of 6-0, the NLCHD board approved the Minutes of September 25, 2014.

24
25 AUDIT PRESENTATION

26
27 Mr. Chet Ross, representative of Shumacker Johnston and Ross, gave a presentation of the
28 audited financial statement of the North Lake County Hospital District for 2014. He relayed
29 that the financial statements report a clean opinion, with no exceptions to report and no
30 comments in the management letter. He noted that the only item added this year was an
31 immaterial statement for overpayment to LifeStream, but clarified that there was no issue
32 with internal control, that it was a small oversight, and that the adjustment would be made
33 on the check for this next quarter. Mr. Ross explained that the commissions are from the
34 Tax Collector and Property Appraiser's office whose constitutional officers are entitled to
35 a certain percentage fee based on the tax revenue, and that the receivables are from Tax
36 Collector's office based on the statutory percentages of the collected amount, which then
37 refunds the difference back to the district.

38
39 On a motion by Mr. Donahey, seconded by Mr. Talmadge and carried unanimously by a
40 vote of 6-0, the NLCHD board approved to accept the audit report for distribution.

41
42 PRESENTATION OF THE ANNUAL REPORT ON THE BOARD OF TRUSTEES

43
44 Ms. Kirste explained that pursuant to Chapter 2012-258 Section 4, Paragraph C, Florida
45 Statutes, the Agenda for the annual meeting must include Items 1, 4, 5, 6, 7, and 8. She
46 related that the annual report is actually a presentation of all the minutes of any meeting

1 since the annual meeting last year, which has been discussed and approved. She concluded
2 that all minutes are archived on the NLCHD website.

3
4 REAFFIRMATION OF RESOLUTION 98-1

5
6 Ms. Pat Sykes-Amos, accountant for the District, explained that the Resolution has been in
7 place since 1998 and that it authorized an appointed person who is not on the NLCHD
8 Board to sign the public depository report and then report to the State what bank is holding
9 the money.

10
11 On a motion by Ms. Robuck, seconded by Mr. Booth and carried unanimously by a vote
12 of 6-0, the NLCHD board approved the reaffirmation of Resolution 98-1.

13
14 ELECTION OF OFFICERS

15
16 On a motion by Mr. Talmadge, seconded by Ms. Robuck and carried unanimously by a
17 vote of 6-0, the NLCHD board approved Ms. Hanson to remain as Chair of the NLCHD.

18
19 On a motion by Mr. Booth, seconded by Ms. Robuck and carried unanimously by a vote
20 of 6-0, the NLCHD board approved the appointment of Mr. Talmadge as Vice Chair of the
21 NLCHD.

22
23 Ms. Sikes explained that the Treasurer would sign checks and mail them out.

24
25 On a motion by Ms. Huey, seconded by Mr. Talmadge, and carried unanimously by a vote
26 of 6-0, the NLCHD board approved the appointment of Ms. Robuck as Treasurer of the
27 NLCHD.

28
29 OLD BUSINESS

30
31 Mr. Booth asked whether there had been any updates made to the website, as there had
32 been concerns about it during the last meeting.

33
34 Ms. Kirste clarified that the programing to the website has not been updated but there have
35 been updates to the information and organization of the website. She added that everything
36 included in these meetings are posted to the website.

37
38 Ms. Hanson commented that it is important to get information out to the public in a timely
39 fashion and opined that the Board goes over and beyond what the Sunshine Law requires.

40
41 NEW BUSINESS

42 PRESENTATION OF FIRST QUARTERLY AUDIT

43
44 Mr. Farlen Halikman, CPA with Moore Stephens Lovelace, explained that the whole
45 structure of what they do is driven by HB 1299, what they call the "Bill," which set forth
46 the criteria for how the providers are reimbursed for providing to charity care and caring
47 for indigent residents of the districts. He cited the Independent Accountant's Report on

1 Applying Agreed-Upon Procedures to Indigent Care Reimbursement Submissions, which
2 has a paragraph on the first page that details the purpose of the procedures and describes
3 what the agreed upon procedures are. He explained that the procedures are that staff visit
4 each of the providers each quarter and review their submissions, that the providers give
5 them a report stating which patients they provided charity care to and what the cost of that
6 was, that staff then work to verify that the patient is a resident of the district or lives within
7 the district, and that the listed cost is correct and is lower than the cost of Medicare. He
8 reported that the Findings section is where they report who provided a submission and how
9 many dollars they submitted, with the total for this quarter being \$3,275,792. He explained
10 that Schedule A was designed at the request of some citizens that had spoken up during
11 meetings asking for additional information and includes information such as the number of
12 encounters, reimbursement per encounter, total encounters, and percentage of the total
13 dollars. He commented that the schedule may have been written because of how financially
14 efficient the clinics were being, receiving very few dollars for many encounters, and
15 particularly compared to an acute care setting like in the hospitals where there would be
16 much more expensive encounters. He relayed that the schedule gives transparency in
17 seeing where the dollars are going and so can be used to make better decisions by allowing
18 the residents and taxpayers of the district to be comfortable with where their money is
19 going and what is being achieved with that money. He concluded that the Bill's first quarter
20 seems to be on track.

21
22 Ms. Hanson thanked Mr. Halikman for his hard work as they move forward from the old
23 system, opining that while the providers do a good job, it also is important to have
24 accountability in the audits, which he provides.

25
26 Mr. Halikman clarified that the amount listed under Finding after "Amounts by provider
27 are as follows" is the amount that survived the audit and the amount that the check will be
28 written for.

29
30 PUBLIC COMMENT

31
32 Dr. Kevin Taylor, clinic provider, addressed the Board, inquiring what the average cost of
33 patient encounters in the clinic and hospital were.

34
35 Mr. Halikman answered that the numbers were displayed on Schedule A and that for this
36 quarter the average cost per encounter for all clinics is \$112. He explained that the reason
37 for that was that Medicare does not quite cover all the costs, so the clinic staff is being paid
38 the Medicare reimbursement for encounter of \$112. He reported that the cost in the
39 hospitals in the Central Florida Health Alliance for inpatients was \$7,604 and was \$9,432
40 for Florida Hospital Waterman. He mentioned that the cost of a hospital stay can be driven
41 by many factors, such as length of stay and the severity of their condition, but that the
42 outpatient costs are \$965 and \$473 respectively. He commented that LifeStream also has
43 a hospital, but has a different kind of cost structure due to the fact that it deals with
44 behavioral issues. He noted that if people visit the clinics, hopefully their issues will be
45 dealt with so that they do not end up in the more expensive hospital.

1 On a motion from Mr. Booth, seconded by Ms. Huey, and carried unanimously by a vote
2 of 6-0, the NLCHD board accepted the quarterly audit.

3
4 SCHEDULING OF BUDGET AND SPECIAL MEETINGS

5
6 Ms. Hanson announced that the proposed meeting dates for 2015 were March 26 for review
7 of the December audit, May 28 for review of the March audit, August 27 for review of the
8 June audit and presentation of funding requests, September 10 for the preliminary budget
9 meeting, September 24 for the final budget meeting, and January 21, 2016 for the annual
10 meeting and review of the September audit.

11
12 OTHER BUSINESS

13
14 Ms. Kirste reminded the Board members that per Sunshine Law requirements, they are not
15 allowed to discuss issues that could potentially come before the Board when they are in
16 public and should remove themselves should they find themselves in a situation where such
17 a thing might occur.

18
19 Ms. Sykes-Amos reported that they had published the cash, receipts, and expenditures in
20 the Orlando Sentinel on December 22, 2014 at a cost of \$192, as per statute requirements.

21
22 PUBLIC COMMENT

23
24 Ms. Patty Bennet, filling in for Karen Beary from Catholic Charities, related that Dr.
25 Taylor, Medical Director at St. Luke's Clinic, was there to speak about how care proceeds
26 in a clinic environment and that Robin, a clinic patient from the Lady Lake area, was there
27 as well to put on public record what the care at the clinic means to her, as per the Board's
28 request from a previous meeting to hear from a patient and a physician rather than just
29 administration. She reported that Jennifer Stevenson was the new Director of Health Care
30 for Catholic Charities and would be attending the upcoming meetings.

31
32 Dr. Taylor stated that he was an internist in Lake County, that he has lived here since 1980,
33 and that both he and his wife are attending physicians at Florida Hospital Waterman. He
34 explained that being an attending in the community, as well as being part of the different
35 care networks at various stages of their growth and current manifestations, gave him an
36 understanding of the needs of the community. He thanked the Board for their contributions
37 to the health of the community.

38
39 Robin, a patient who has been going to the clinic for five years, explained that when she
40 went to emergency rooms in the past, they would essentially "put a Band-Aid" on her
41 problem and not give her any care before sending her back out. She commented that she
42 has chronic conditions but does not have and cannot afford insurance, and while she applied
43 for Social Security Disability two years ago, she has not had much progress with it. She
44 mentioned that her sister had stage 3 ovarian cancer but is currently cancer-free thanks to
45 the actions of Dr. Taylor, who wrote a letter to MD Anderson to get her the care that she
46 had previously been denied. She reported that thanks to the attentiveness and kindness from
47 Dr. Taylor and other clinic doctors, they had discovered the cause of many of her physical

1 problems, including a brain tumor, and helped her undergo operations to try to improve her
2 quality of life. She opined that they were wonderful people and did amazing work.

3
4 Dr. Taylor commented that there is an unmet need in their community that was both
5 medical and human. He explained that part of what they do is help show patients that there
6 are other people who care about them and then try to direct the precious few resources that
7 are there to help them in their time of need. He reported that it was a challenge to put
8 together care for people who have limited resources, because the doctors in the clinics have
9 limited resources as well, so they have to figure out how to produce what they are
10 prescribing. He opined that one of the things in the clinics that makes them cost effective
11 is that the doctors and volunteers there are very creative at problem solving. He specified
12 that the relatively small amount of money they receive from various sources is well spent
13 and is stretched as far as they can make it go. He related an experience the President of St.
14 Luke's Clinic had gone through to get the treatment funded for a patient diagnosed with an
15 aneurism in her brain who had been sent to Florida South. He commented that these are
16 the sort of situations that they deal with on a regular basis, and the money that is spent for
17 clinics and hospital through the North Lake Hospital Taxing District is well spent in the
18 long run.

19
20 Ms. Hanson asked Dr. Taylor what health care changes he sees coming in response to the
21 changes at the national level.

22
23 Dr. Taylor opined that there is an impact in the clinics already with Obama Care, but
24 unfortunately, the need in the community will always exist due to the people who fall
25 through the system's cracks and people like the undocumented residents in the County. He
26 commented that having been in practice since 1988 and having seen a variety of legislative
27 bills, laws, and other funding mechanisms, he has never seen the need go down, only
28 increase. He reported that he was not optimistic about the need going down, but believed
29 that the hospital district will continue to play a vital role in funding those needs that are not
30 being met under other circumstances. He explained that Medicaid and other entitlement
31 programs had been based on the projections of the time that do not match up with the costs
32 of today, which is why the cost of care will continue to rise. He mentioned that the standard
33 of care does not match the expectations of those projections either, particularly for aging
34 patients.

35
36 Robin commented that she was one of the people who fall through the cracks and has been
37 caught between Obama Care and Medicaid for some time, being denied repeatedly by both.

38
39 Ms. Hanson mentioned that there had been very few clinics in Lake County before We
40 Care started up and that she is grateful they have been able to help people.

41
42 Ms. Huey asked Dr. Taylor if there was a way to educate the general public to go to the
43 clinics rather than being ineffectually handled at places like the ER.

44
45 Dr. Taylor explained that the clinics could advertise, but do not because they are
46 chronically understaffed, leading to wait lists for up to six months out for a medical
47 appointment. He also reported that it was a struggle to meet infrastructure needs with their

1 current patients, and they have no way to fill a larger need. He mentioned that the money
2 received from the North Lake County Hospital taxing district is only allowed to be spent
3 on patients who met certain criteria, and the patients who do not meet those criteria are
4 paid for through other funding sources, but neither of these go to fund their free dental
5 program. He opined that if they had spots that needed to be filled, they could do so easily.

6

7 Ms. Melissa Simms, Waterman Community Clinic Manager, explained that word of mouth
8 is how people find their clinics, as well as hospitals referring patients to clinics.

9

10 ADJOURNMENT

11

12 The meeting adjourned at 6:37 p.m.

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Catherine C. Hanson, Chairman