

MINUTES OF  
THE REGULAR MEETING OF THE  
CITRUS COUNTY HOSPITAL BOARD

**JANUARY 21, 2019 6:00 P.M.**

(1) CALL TO ORDER

A regular meeting of the Citrus County Hospital Board of Trustees was held Monday, **January 21, 2019**, in the Conference Room of the Annex Building located at 123 S. Pine Ave., Inverness, Florida. Chairwoman Ressler called the meeting to order at 6:00P.M.

(2) PUBLISHED MEETING LEGAL NOTICE

*(Agenda & Published Legal notice Copies On File)*

(3) QUORUM PRESENT

(4) ATTENDANCE

Board Members: Debbie Ressler (Chairwoman), Allan Bartell (Trustee), Rick Harper (Trustee), Dr. Jeff Wallis (Secretary/Treasurer), Dr. Mark Fallows (Vice-Chairman) arrived at 6:17pm.

Also in attendance:

William Grant, Esq. (General Counsel)  
Karen Schapira, Esq. (External Counsel)  
Clark Stillwell, Esq. (FRC General Counsel)  
Karla Dozier (Chief Administrative Officer)

Members of the Public: Paresh Desai, MD., Sophia Diaz-Fonseca (CCCCF), and Fred Hiers (Citrus County Chronicle).

(6) FOUNDATION RESOLUTION CORPORATION ANNUAL REPORT

Mr. Stillwell gave an update of annual meeting of the FRC.

- Approval of a Resolution regarding the Pension.
- There continue to be (3) three directors on the FRC Board.
- The Audit was done without any accounting issues.
- Keep checking for unclaimed funds.
- One (1) case left on the Worker's Compensation list, but the employee doesn't want to settle yet.
- FRC was able to contact four (4) out of the original seven (7) on the list of remaining potential pension beneficiaries,

Dr. Fallows entered the meeting at 6:17pm.

(5) PUBLIC COMMENT

➤ Paresh Desai: Dr. Desai stated that the Bank informed his group that his group may buy the property and not lease for financing purposes, which would be easier.

Mr. Grant distributed an email from HCA regarding Dr. Desai's hotel project (*Attached copy*). Also Mr. Grant addressed the need of the CCHB to seek a legal opinion to make sure the project comported with the statutes of the Citrus County Hospital Board.

**MOTION** by Mr. Bartell, second by Dr. Fallows to seek for a legal opinion regarding the hotel project of Dr. Desai. Also Dr. Desai will assume the total cost of the opinion and will deposit \$5K with the CCHB as a deposit to cover the cost of the legal opinion. After discussion, the Motion passed unanimously, 4-0. Dr. Wallis recused himself from voting, because he stated that he has a conflict and he will benefit from the project.

#### (7) APPROVAL OF MINUTES

**MOTION** by Dr. Fallows, second by Mr. Harper to approve the minutes from the November 20, 2018 Joint Meeting and Amend the November 20, 2018 Regular Meeting to show comments made by Dr. Wallis regarding the Citrus County Medical Society. After discussion, the Motion passed unanimously, 5-0.

#### (8) FINANCE COMMITTEE REPORT

a) Approval of the Finance Report for November & December 2018: Mrs. Ressler presented to the Board the Finance Report for November and December 2018. (*Copy on file*)

**MOTION** by Mr. Bartell second by Dr. Wallis to approve the Finance Report for November & December 2018. The Motion passed unanimously, 5-0.

b) Approval of the Citrus County Hospital Board Invoices:

Mrs. Ressler presented the invoices for December 2018 and January 2019. (*Copy on file*)

**MOTION** by Dr. Fallows, second by Dr. Wallis to approve payment of the CCHB invoices for December 2018 and January 2019 as presented. The motion passed unanimously, 5-0.

c) Approval of Invoices paid by the Citrus County Hospital Board o/b/o FRC:

Mrs. Ressler presented a list of invoices to be considered for payment by the Citrus County Hospital Board o/b/o FRC were presented for approval. (*Copy on file*)

**MOTION** by Dr. Fallows, second by Mr. Bartell to approve CCHB payment of the invoices o/b/o FRC as presented. The motion passed unanimously, 5-0.

d) Other:

Report of the three (3) Escrow accounts (two in Fifth Third Bank and one in JP Morgan). (*Copy on file*)

#### (9) LEGAL

Mr. Grant stated that the CD retained for future legal fees on indemnification claims will mature on January 25, 2019 and action is required. The Board will open a new CD to deposit the new balance for one year with an interest rate of 2.27%.

**MOTION** by Dr. Wallis, second by Dr. Fallows to reimburse the Citrus County Hospital Board all legal fees that accumulated on indemnification claims in the amount of \$560,541.53, the interest gained will be sent to the Citrus County Community Charitable Foundation and the balance of \$439,458.47 to be deposited in a Certificate of Deposit account for one year. The Board authorizes the Chairperson to sign any required documents. After discussion, the motion passed unanimously, 5-0.

Mr. Grant distributed a Memorandum from Mr. Stillwell regarding the necessity of a FRC audit. Mr. Grant informed the CCHB that he spoke with Mr. Powell and Mr. Powell expressed that the cost for the FRC will be less than prior years. *(Attached copy)*

**MOTION** by Dr. Wallis, second by Mr. Harper for the Foundation Resolution Corporation to have an audit for Fiscal Year ending September 2018. *The motion passed unanimously, 5-0.*

The review of CCCCf By-Laws and Articles of Incorporation will be sent by Mr. Grant to the CCCCf in the upcoming weeks, After CCHB consent.

No ruling yet by the Court in the Motion to Dismiss in the Lawsuit against AON. The FRC passed a Resolution by their Pension Committee, because AON stated that the FRC Board is unable to make decisions regarding the pension.

The CCHB revised the policy of CCCCf Interest transfer to show that funds can be transferred to the CCCCf or its agent. *(Attached copy)*

**MOTION** by Dr. Wallis, second by Mr. Bartell to revise the CCHB policy of the CCCCf Interest transfer as presented. *The motion passed unanimously, 5-0.*

HCA announced that Citrus Memorial Hospital will open an outpatient behavioral health unit. Mrs. Ressler withdrew the exploration of an initiative for a behavioral health committee after comments made after the November 20, 2018 CCHB meeting.

Mr. Grant noted that the CCHB signed a Non-Compete agreement with HCA which impacts CCCCf services and Grants.

**MOTION** by Mrs. Ressler, second by Mr. Bartell to rescind the motion made on November 20, 2018 by the CCHB to explore an initiative for a behavioral health committee. *The motion passed unanimously, 5-0.*

Mr. Grant received an email from Dr. Wallis resigning from the Citrus County Community Charitable Foundation Board. Mr. Grant asked the CCHB to consider requesting the CCCCf to remove the language from the CCCCf By-Laws that the CCCCf can't conduct business without the sole member being present.

**MOTION** by Mrs. Ressler, second by Mr. Bartell to recommend the change of the CCCCf By-Laws be removing/delete the language that the sole member must be present for the CCCCf to conduct business. *After discussion, the motion passed unanimously, 5-0.*

The Citrus County Hospital Board discussed the use of a rotation system for the Trustees to attend the CCCCf meetings. In addition, to review the term(s) served on the CCCCf, because the issue the CCHB previously had when the CCCCf was created cannot be allowed to repeat the mistakes made by the Citrus Memorial Health Foundation/Foundation Resolution Corporation used to self appoint their directors.

**MOTION** by Dr. Fallows, second by Dr. Wallis to authorize the rotation of the Citrus County Hospital Board of Trustees to attend the CCCCf meetings. *After discussion, the motion passed unanimously, 5-0.*

**MOTION** by Dr. Fallows, second by Dr. Wallis to recommend revising the CCCCf By-Laws regarding the term(s) of office to extend to 8 years by the respective CCCCf Directors. *After discussion, the motion passed unanimously, 5-0.*

Mrs. Diaz-Fonseca attended the meeting of the Citrus County Board of County Commission (BOCC) and addressed the comments made by members of that Board. Commissioner Carnahan replied that the comments were referring to the CCHB and not the CCCCf. Mr. Grant distributed to the Board a transcript of the unfounded comments made by Commissioner Carnahan. *(Attached copy)*

The Board requested Mr. Grant to go to the Citrus County BOCC meeting to inquire of the Commissioner to support his claims against the CCHB. In 2014, the Citrus County Hospital Board discussed the possibility of

transfer all of the CCHB assets and affairs to the Citrus County BOCC after the obligations with HCA and FRC are completed. After reviewing the comments made by Commissioner Carnahan, regarding the CCHB, the Trustees don't feel that the Citrus County BOCC can be the entity to oversee the remaining CCHB Lease obligations with HCA.

The Citrus County Hospital Board requested Mr. Grant to seek a new agency that is able to satisfy CCHB Lease obligations.

**MOTION** by Dr. Fallows, second by Dr. Wallis to address the comments made by Commissioner Carnahan. After discussion, the motion passed unanimously, 5-0.

\*\*\* RECESS\*\*\*

Attorney Schapira made a power point presentation regarding all outstanding indemnity claims. (Attached copy) The total amount paid by HCA to payors (insurance companies) \$979,751.17, which \$401,836.96 is to BCBS and \$577,914.20 Non-BCBS.

According to the Master Agreement signed between HCA and the CCHB/FRC (Citrus parties); after HCA received a claim from the insurance company for overpayment they had the obligation to notify the CCHB/FRC in time for the Citrus parties to appeal and conduct an audit of the alleged overpayments. HCA failed to notify the CCHB/FRC prior to allowing refund of the money.

The Citrus County Hospital Board on behalf of FRC conducted an audit of the BCBS claims and can justify only a portion of the claims, which also resulted in a lack of sufficient information to refund all the overpayments. Attorney Schapira noted that the CCHB already authorized settlement with BCBS and HCA on January and February of 2018 in the amount of \$270K and she recommends the following payments:

- Pay HCA \$150k for the release to Florida Blue.
- Pay Florida Blue \$50k if HCA accepts the \$150K
- Pay HCA \$15K.

In the Non BCBS indemnification claims Attorney Schapira found statutory errors, contractual errors and negligent review and recommends settlement with HCA up to maximum of \$200K. In addition Attorney Schapira recommends the CCHB/FRC refrain from indemnifying HCA for any additional monies beyond that which HCA may show. The Board asked Mr. Grant to reach out to HCA and try to work these indemnity issues to the benefit of all the parties.

Attorney Schapira noted that she expect a check(s) from CMS in March or April for approximately \$2.8M.

**MOTION** by Dr. Wallis, second by Mr. Bartell to settle all the non Blue Cross Blue Shield claims with HCA request for overpayments up to a maximum of \$200K. The motion passed, 4-1.

#### **(10) UNFINISHED BUSINESS**

➤ **Foundation Resolution Corporation Update:** Mrs. Ressler presented to the Board a list of the Foundation's invoices paid by the FRC. (Copy on file)

**MOTION** by Dr. Fallows, second by Dr. Wallis to approve the list of FRC invoices for payment by the FRC. After discussion, the motion passed, 5-0.

➤ **Citrus County Community Charitable Foundation (CCCCF) Update:** Discussed on item 9 (Legal).

➤ **Real Estate Update:** An email was sent by JW. Morton (Copy on file) regarding the update of the 2 properties the Board has for sale in Crystal River.

#### **(11) NEW BUSINESS**

**Approval of Records Disposition that have met their assigned retention periods:** Mrs. Ressler requested the Board's approval to dispose of Citrus County Hospital Board records. (Copy on file)

**MOTION** by Dr. Wallis, second by Dr. Fallows to dispose of the records as presented. After discussion, the motion passed unanimously, 5-0.

**(12) TRUSTEE COMMENTS**

None.

**(13) OTHER**

None.

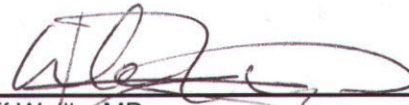
**(14) NEXT SCHEDULE MEETING DATE**

The next scheduled Board meeting is set for Monday, February 25, 2019 at 6:00pm in the Conference Room of the Annex Building, 123 S. Pine Ave. Inverness, Florida.

**(15) ADJOURNMENT**

**MOTION** by Dr. Fallows, second by Mr. Harper to adjourn the meeting, the motion passed unanimously, 5-0.

Respectfully Submitted,



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Jeff Wallis, MD.  
Secretary/Treasurer

01.21.19 Minutes Copy on File:

1. Agenda & Public Notice
2. CCHB Finance Report
3. CCHB list of Invoices
4. List of Invoice o/b/o FRC
5. FRC list of invoices
6. Report of Escrow accounts
7. Email from JW Morton
8. Approval of Disposition of Records

01.21.19 Minutes Attached copy

1. Email from HCA regarding Hotel project
2. Memorandum from Clark Stillwell – Audit FYE Sep. 2018
3. CCHB Revised Policy – CCCC Interest transfer
4. Transcript of Comments made by Commissioner Carnahan
5. Power Point Presentation by Attorney Schapira