

MINUTES  
OF  
THE REGULAR BOARD MEETING OF THE  
CITRUS MEMORIAL HEALTH FOUNDATION, INC.  
d/b/a  
CITRUS MEMORIAL HEALTH SYSTEM

The regular meeting of the Citrus Memorial Health Foundation, Inc., d/b/a Citrus Memorial Health System, was held on Monday, February 22, 2010. The following Board members were present: Chairperson, David Langer, Bob Collins, Sandra Chadwick, Dr. V. Reddy, Jim Sanders, Joseph Brannen, Robert Henigar, Dr. William Harrer.

Also present were: Ryan Beaty, Jerry DeLoach, Linda McCarthy, Mark Williams, George Mavros, Emery Hensley, Lee Glotzback, Chris Pool, Andrea Weeks, Leslie Hayes, Jim Meister, and Evelyn

The meeting was called to order at 6:00 p.m.

Mr. Langer asked if anyone from the public wished to speak. No one responded.

Mr. Langer stated that next on the agenda is "Special Recognitions". Mr. Beaty introduced Alida Langley and presented here with a plaque to commemorate here service to Citrus Memorial Health System. Mrs. Langley served on the County Hospital Board and the Foundation Board for many years. The Board members thanked Mrs. Langley with a round of applause. Mrs. Langley stated that it was a pleasure serving on the Board.

**Minutes**

Mr. Sanders made a motion to approve the minutes of the following meetings held on January 25, 2010: Construction Committee, Executive Committee, Executive Compensation, Finance Committee, Audit Committee and the Foundation Board. Mr. Collins seconded the motion and it was approved unanimously.

**Old Business**

**(1) Discussion of Board Meeting Date and Time**

Mr. Langer reported that he met with Dr. Rao and asked if the Citrus County Hospital Board would please consider scheduling their second meeting of the month sometime other than the fourth Monday due to the conflict with the Foundation Board meeting being held on the fourth Monday.

Mr. Langer also commented that there is a Hospital Board meeting scheduled for Monday, March 1, which is the day of our annual Randall Jenkins Golf Tournament. Mr. Beaty reported that he has spoken with Dr. Rao and he anticipates no problems with changing the date of that meeting.

**(2) Discussion of Status of Pathology Contract**

Mr. Beaty reported that a letter was sent to Dr. Frankel essentially terminating his agreement, which would then alleviate and open the door for us to negotiate another contract and to review and evaluate what exactly the Board wanted to do relative to any of the potential conflicts or whether we should bid it out. We were within the 90 day time limit, but we did not inform the Board. We did not update the contract in a timely manner. Dr. Frankel’s addendum to his main contract which is for a medical directorship, is subject to negotiation at any time. He has the addendum in his possession and we will try to achieve agreement on it and bring it back to you for your approval.

Mrs. Chadwick stated that she did not have any idea that competitive bidding was going to be taken into consideration. She stated that it was her understanding that we were just trying to clean up and correct the contract.

Following further discussion, Mr. Brannen suggested that a letter be sent to Dr. Frankel expressing the fact that he’s worked for this hospital for many, many years and he’s done an excellent job; and that there was no intent by this Board of any animosity towards him.

Mr. Beaty stated that he will send a copy of the letter that was sent to Dr. Frankel to each of the Foundation Board members.

Mrs. Chadwick made a motion that the CEO convey to Dr. Frankel that it was not, and it never was, the intention of this Board to bid out his contract, and that we support him and his many years of service, and that we apologize for any misunderstanding that may have occurred. Mr. Henigar seconded the motion and it was approved unanimously.

**Consent Agenda**

There were no items to be presented on the Consent Agenda.

**New Business**

Dr. Harrer reviewed the following Medical Staff Appointments:

**MEDICAL DEPARTMENT**

**Reappointments:**

Gurnani, Parmanand	MD	Active Staff	Psychiatry
Hamami, Anwar	MD	Active Staff	Emergency Medicine, Moderate Sedation

Roberts, Geoffrey	DO	Courtesy Staff (change from Active to Courtesy)	Family Medicine
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**Resignations:**

Weimann, Stephanie	PA	Emergency	Physician Assistant - ED
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**SURGERY DEPARTMENT**

**Reappointments:**

Alcorn, Stephen	MD	Locum Tenens	Urology
Diffie, Glenn	CCP	Active Staff	Cardiovascular Perfusionist
Fazal, Zulfiqar	MD	Active Staff	Anesthesiology
Grooms, John	PA	Active Staff	Physician Assistant
Hendrick, Thomas	MD	Courtesy Staff (change from Active to Courtesy)	Wound Care, Hyperbaric Medicine
Holland, Edwin	DDS	Active Staff	Oral and Maxillofacial Surgery
Pauley, Dean	CRNA	Active Staff	Nurse Anesthetist
Reheem, Medhat	MD	Consulting Staff (change from Active to Consulting)	Pain Management

**New Applicants:**

Harley, Kathleen	CRNA	Active Staff	Nurse Anesthetist
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Dr. Harrer made a motion to approve the medical staff appointments, as listed. Mr. Collins seconded the motion and it was approved unanimously.

**Equipment Requests:**

(1) George Mavros, Director of Professional Services, reviewed a memo requesting the Board's approval to purchase the Leica Immunostainer at a total purchase cost of \$83,600. We have included \$110,000 in our FY 10 Capital Budget for this item. The Leica purchase would decrease current operating costs by \$2,347. Following a discussion, Mr. Brannen made a motion to approve the purchase of the Leica Immunostainer at a total purchase cost of \$83,600. Dr. Harrer seconded the motion and it was approved unanimously.

(2) Jim Meister, I/S Director, reviewed a memo requesting the Board's approval to purchase a Witt Archival System that will replace the existing antiquated archival system at a total purchase cost of \$80,035.60. This was included in our FY 10 Capital Budget for \$150,000. Following a discussion, Mr. Sanders made a motion to approve the purchase of a Witt Archival System at a total purchase cost of \$80,035.60. Dr. Harrer seconded the motion and it was approved unanimously.

(3) Jim Meister, I/S Director, reviewed a memo requesting the Board's approval to purchase

a Storage Area Network (SAN) which is the storage component for the Witt Archival System to replace the existing antiquated archival system for a cost of \$170,615. This was included in our FY 10 Capital Budget for \$175,000. Following a discussion, Mr. Sanders made a motion to approve the purchase of a Storage Area Network for a cost of \$170,615. Dr. Harrer seconded the motion and it was approved unanimously.

**Construction Committee, Executive Committee, Finance Committee and Compensation Committee**

There were no meetings of these committees, therefore, there will be no report provided.

**Finance Report**

Mr. Beaty introduced Mr. Mark Williams, our new Chief Financial Officer. Mark comes to us from Columbus Regional Hospital in Columbus, Georgia.

Andrea Weeks reviewed the monthly finance report. (Copy on File)

Mr. Brannen made a motion to approve the Finance Report, as presented. Mr. Sanders seconded the motion and it was approved unanimously.

Mrs. Chadwick asked that the report reflect that we have not received any tax money.

Mr. Hensley reported on the Quarterly Defined Benefit Pension Plan Report. (Copy on File) Mr. Brendon Vavrica of Thistle Asset Consulting will attend the March Foundation Board meeting to present their analysis.

Discussion ensued regarding United Healthcare. Mr. Hensley stated that our contract with United expires on March 1<sup>st</sup>, but we will proceed to negotiate with UHC in an effort to reach a mutually agreeable contract. We will continue to provide care to its members at the out-of-network benefit.

Discussion ensued regarding our Valic benefit plan. Mr. Hensley reported that he and Mr. Glotzbach are looking at continuing with Valic or considering at a different plan. This is a very complex area and once we get the RFPs out, we will ask the Pension Committee to work with us to make the selection or recommendation to the full Board. Mrs. Chadwick requested that we document the firms we interview.

**Leases/Joint Ventures:**

Mr. George Mavros, Director of Professional Services, presented a procurement justification memo to establish a Rehab and Aquatic Facility at Citrus Springs in collaboration with Dr. Villacastin, who is a member of the CMHS medical staff. The project involves Dr. Villacastin expanding his facility to accommodate a Rehab Center with Aquatics which he will build out to our specifications and we will lease back from him for 10 years. The lease holder improvements are estimated to be approximately \$190,000. We are recommending and requesting approval of the following: (1) Authorization for the build-out related capital expenditure costs in the amount of \$187,609, (2) Approval of the Lease Agreement, and (3) Approval of the FF & E in the

amount of \$125,000. Approval also constitutes authorization for the President/CEO to execute all necessary documents and agreements relating to this project. Following a discussion, Mr. Collins made a motion to approve (1) Authorization for the build-out related capital expenditure costs in the amount of \$187,609, (2) Approval of the Lease Agreement, and (3) Approval of the FF & E in the amount of \$125,000. Approval also constitutes authorization for the President/CEO to execute all necessary documents and agreements relating to this project. Mr. Brannen seconded the motion and it was approved unanimously.

**Environment of Care Management Plan**

Leslie Hayes reviewed the 2009 Annual Evaluation of the Environment of Care Management Plans. (Copy on File) Dr. Harrer made a motion to approve the report as presented. Dr. Reddy seconded the motion and it was approved unanimously.

**CEO's Report**

Mr. Beaty reported on cost providers/charity care and the VHA quality trend indicator.(Copy on File)

Mr. Beaty led a discussion regarding ortho implants. We have spoken to our physicians and we decided on a “capped” price. The annual savings could be considerable. We will be looking more and more at supply chain items.

**Next Meeting**

The next regularly scheduled meeting will be held on Monday, March 22, 2010.

Mr. Chadwick reported that Mr. Grant had mentioned two meetings next week – Tuesday and Thursday. Mr. Beaty asked which day would work best for our Board members. Wednesday would work best for our Board.

There being no further business, the meeting was adjourned at 8:02 p.m.

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Ryan Beaty, CEO

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David Langer, Chairperson