

Munroe Regional Health System Marion County Hospital District

Board of Trustees Meeting Minutes September 28, 2020 Rich Bianculli, Chairman

Call to Order

Rich Bianculli called the September 28, 2020 Meeting of the Marion County Hospital District Board of Trustees to order at 5:00pm.

Emergency Meeting Resolution-This resolution was passed by the Board as called for by the Governor's Executive Order EO 20-69. Based upon the serious nature of this emergency and the series of Executive Orders by the Governor beginning with EO 20-51 and EO 20-52 and finally EO 20-69, the District Meeting can include binding votes on matters that come before the District. The District passed this resolution announcing a State of Emergency by the District and specifically following the requirements of Florida Statute 120.54 (5)(b)2. June 23, 2020 EO-20-150 for the executive Order 20-69, has been extended by Executive 20-121, 20-123 and 29-139 until 12:01 a.m. on September 30, 2020.

Public Comment (3 Minutes)

None

Board Members Present by Web

David Cope, Randy Klein, Ram Vasudevan, Ken Marino

Board Members Absent

None

Others Present (by web/phone)

Joe Hanratty, Dolly Dockham, Matt White, Brandi Cooney, Sheryll Goedert, Teresa Stephens, Sam McConnell, Jessica Kummerlee, Kathy Bryant

Present in Office/by Web

Debra Velez, Curt Bromund, Rich Bianculli, Heather Wyman, Jessica Cole

Approval of Previous Minutes – August 31, 2020 and September 22, 2020 - **A Motion was made by Sam McConnell to approve the previous minutes of August 31, 2020 and September 22, 2020 as presented. The Motion was seconded by Ram Vasudevan. With no further discussion and no objections, the Motion passed unanimously by general consent.**

LEGAL/OTHER
Joe Hanratty

Legal Claims - Joe reported that there are no new legal claims to discuss.

AHCA Medicaid Settlement - During the Committee meeting it was requested that Joe inquire of Gryphon whether they were willing to forgo the contingent fee that they have under the current settlement if the appeal resulted in a reduced savings to the District, consequently reducing their contingent fee. Additionally, Joe was to ascertain whether other hospitals are going to participate in the appeal to divide the costs and project strength through numbers. Joe reported that Gryphon was willing to accept the fee based upon the result of the appeal, even if it resulted in a reduces savings. However, he had not heard back regarding what other hospitals, if any were going to participate in the appeal. The Board decided to continue the matter to permit Joe to get the information regarding other hospital participation.

Advent Lease Update – Joe, Rich and Curt met with Advent on September 25, 2020 to discuss the Amendment to the lease. Joe stated that as of March 3, 2020, Florida Hospital Ocala, Inc. had spent \$35,457,330 and CHS had previously spent \$25,775,414 for a total of \$61,232,744 of the \$150,000,000 capital expenditures called for under section 7.7(b) had been spent, leaving \$88,767,256 to be spent. Advent is now requesting an extension of the capital improvements, so the seventh amendment will include the following:

The Parties agree that Lessee, Florida Hospital Ocala, Inc. shall spend an additional \$17,542,670 of Section 7.7(b) capital improvements by March 31, 2021 and shall have until March 31, 2022 for an additional expenditure of a minimum of \$27,000,000 of Section 7.7(b) capital improvements. Lessee shall have until December 31, 2023 to spend the remaining balance of \$44,224,586 called for under Section 7.7(b) of the original Agreement dated April 1, 2014. A minimum of \$80,000,000 of the total \$150,000,000 shall be spent on the main campus.

At the committee meeting, David Cope had asked if Ram could provide any input on any visible improvements he sees in regard to the money being spent for those improvements as he is there all the time. Ram stated there are a lot of cosmetic changes being done, he would review Advent's list of items to be done and would report back to the board with his opinions. Ram stated at the board meeting that he does not see why Advent needs another extension and does not approve of another extension and that they should continue to move forward with the improvements on schedule. Kathy Bryant stated that it would be beneficial to the District to grant the extension due to the cost of construction being higher right now and the lack of construction people that COVID has caused. **After some discussion, A Motion was made by Sam McConnell to approve the 90-day extension until March 31, 2021 in the Seventh Amendment as presented. The Motion was seconded by Ken Marino. Votes were taken: Rich – Y, David – Y, Ken – Y, Teresa – Y, Sam – Y, Randy – Y, Ram – Abstained. The Motion passed with 6 in favor and one abstention. Ram will submit the Form 8B Memorandum of Voting Conflict to recuse himself.**

COMMITTEE REPORTS

FINANCE COMMITTEE -Sheryll Goedert

NEW BUSINESS

MRHS/MCHD August 2020 Financials – Sheryll presented the financials for August and stated that the August financials had no anomalies.

A Motion was made by Sam to accept the August Financials as presented by general consent, Ken seconded the Motion. With no further discussion and no objections the Motion passed unanimously by general consent.

2020-2021 MRHS/MCHD Budgets - Sheryll presented the 2020-2021 MRHS/MCHD budgets. The budgets reflect updated numbers for the AHCA matches for Langley, reduced to \$195,730, and Heart of Florida, reduced to \$265,699. The District is transitioning from MRHS to MCHD, so employee benefits reflect the new employee benefit package. Three additional changes were noted before board approval; 1) **The Centers Match for Committed Funds will be increased from \$1.2M to \$1.5M and 2) Salaries will be decreased to eliminate the 3% COLA and will be offered annually after the fiscal year and 3) Detail was provided for the Marion County Schools budget for FANS of \$495K.**

After some discussion, A Motion was made by Ken to approve the 2020-2021 MRHS/MCHD Budgets with the changes as noted above, the Motion was seconded by Ram. Votes were taken: Rich – Y, Sam -Y, Randy – Y, David-Y, Ram -Y, Teresa -Y (yes on all the budgets except abstaining from The Centers Match Funding of \$1.5M), Ken - Y. The Motion passed unanimously with 7 votes yes on all the budgets and 1 abstention from The Centers Match funding only. Teresa will submit the Form 8B Memorandum of Voting Conflict to recuse herself.

Old Business

None

There being no further business, Sheryll closed the Finance Committee Meeting Report.

OPERATIONS COMMITTEE –Sam McConnell

NEW BUSINESS

MCHD New Construction Update – Debra Velez reported construction is at 60% completion with no change orders and still on track.

Advent Hospital Inspection – Debra has engaged Ivan Puig to oversee the hospital's inspection process and confirm that the expenditures and improvements are being done according to the lease agreement. The inspection is on-going and Sam recommends that Debra be the contact point for any questions in regard to the inspection process.

Old Business

None

There being no further business, Sam closed the Operations Committee Report.

INVESTMENT COMMITTEE -Teresa Stephens

NEW BUSINESS

Renasant Summary and Investment Report -Teresa gave the report -Berman was out of compliance with the IPS at the end of August. They received proceeds from a redemption that they were awaiting on September 2 and redeployed the funds to get back in line with IPS ranges. Simon Quick is still in the process of getting back into compliance with IPS asset allocation ranges in the illiquid alternatives. Suntrust is in line with IPS allocation ranges. Corpus plus inflation is \$238,147,277. Market Value less Corpus plus inflation adjustment is \$38,390,661.

Old Business

None

A Motion was made by Ken to accept the Investment, Finance and Operations Committee Reports as presented by general consent, Ram seconded the Motion. With no further discussion and no objections the Motion passed unanimously.

There being no further business, Teresa closed the Investment Committee Meeting Report.

STRATEGIC INITIATIVES COMMITTEE -David Cope

NEW BUSINESS

Beacon Point Update - Building 2 - Clinical Withdrawal Management Contract- David Cope - Park Place Contract - It was recommended at the August board meeting to move forward with the contract negotiations with Park Place and to bring the contract back to the board for approval, the contract is now being presented for approval with a projected budget of \$1,250,00 for year one and to send the contract to Park Place for their review.

A Motion was made by Rich to approve the Park Place for Clinical Withdrawal Services Contract at Building 2 at Beacon Point as presented. The contract was reviewed by the MCHD attorney. The Motion was then seconded by Ken. With no further discussion and no objections the Motion passed unanimously by general consent.

Lifestream Lease Renewal – lease expires on 9/30/20, it was approved in February 2020 with performance outcome measures to determine the efficiency and effectiveness of the services with a grant budget of \$500K for 8 months for the first full year. Same contract is being presented for approval with the addition of the addendum. The contract will be for \$750K to operate at the same level for 12 months.

After some discussion, Ken made a Motion to approve the renewal of the Lifestream lease on October 1, 2020 with an expiration date of September 30, 2021 as presented. The contract was reviewed by the MCHD attorney. The Motion was seconded by Teresa. With no further discussion and no objections the Motion passed unanimously by general consent.

MCHD 2020-2021 Strategic/Operating Plans – After some discussion it was decided the Strategic/Operating Plans were acceptable as presented and the board would like updates on plans if goals are not going to be met or if the goals need to be adjusted and Curt will provide a summary page with monthly updates at the committee/board meetings.

Ram made a Motion to approve the Strategic/Operating plans as presented and to have monthly summary updates at the committee/board meetings. The Motion was seconded by Sam. With no further discussion and no objections the Motion passed unanimously by general consent.

LIP Funding Agreements – Low Income Pool Funding (LIP) requests - the amount of the estimated matching funds and the total amount for each FQHC requested are:

Langley	\$195,730 from the District and \$419,000 from the state
Heart of Florida (HOF)	\$265,699 from the District and \$598,783 from the state


A Motion was made by Ken to approve The LIP Funding Request for Langley at \$195,730 as presented. The Motion was seconded by Ram Vasudevan. With no further discussions and no objections the Motion passed unanimously by general consent.

A Motion was made by Ken to approve the LIP funding for Heart of Florida (HOF) at \$265,699 as presented. The Motion was seconded by Teresa. With no further discussion and no objections the Motion passed with 6 in favor and one abstention (Randy Klein abstained from the vote and will submit the Form 8B Memorandum of Voting Conflict to recuse himself).

Old Business

None

David closed the Strategic Initiatives Meeting and there being no further business Rich Adjourned the meetings at 5:54 PM.



Rich Bianculli, Chairman