



**MINUTES
WORK SESSION
FAIRFIELD COUNTY COUNCIL
DECEMBER 11, 2013**

Present: David L. Ferguson, R. David Brown, Mary Lynn Kinley, Kamau Marcharia, Dwayne Perry (arrived 5:32 p.m.), Carolyn B. Robinson, Council Members; J. Milton Pope, County Administrator; Davis Anderson, Deputy County Administrator; Jack James, County Attorney; Shryll M. Brown, Clerk to Council

Absent: Mikel R. Trapp

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date, and location of this meeting: The Herald-Independent, The State, and Winnsboro Cablevision, and ninety-six other individuals.

1. CALL TO ORDER

At 5:14 P.M., Chairman Ferguson called the County Council meeting to order.

2. INVOCATION

Council Member Kinley led in the invocation.

3. ITEMS FOR DISCUSSION

A. Eau Claire Cooperative Proposal

Dr. Stuart Hamilton brought forth the following information:

- Current photograph of the state of construction for the Lake Monticello Family Practice. Estimated date of completion – late January.
- Project Costs: Architectural costs have been little of \$20,000.00. Construction cost is at \$509,000.00. Land is at \$25,000.00. Total \$544,000.00. Have obtained a grant from the federal government (Health Resource Services Administration) in the amount of \$420,000.00. When the project was designed, it was designed for the parcel of land owned by the former Richland Community health Care Association. That land was supposed to be deeded to the current Health Center (the Cooperative); however, due to the economic and legal chaos the other health center suffered, that land was unavailable and the clock ran out. Went from position of free land to purchasing land. The land was purchased for approximately \$25,000.00, which did add to the project budget. Because that particular piece of land had contours that had to be worked in a site plan, the site plan exceeded our estimates by \$89,000.00.
- It is the movement from site A to site B that cost an additional \$89,000.00 plus \$25,000.00. The project is somewhat over budget.
- *The Cooperative is able to take the majority of the overage. Are now at \$134,000.00 over budget, and are asking the County Council to consider \$50,000.00 of that \$134,000.00.*
- To date, the County has had to put nothing into the project. The project is totally funded by other sources.

- Have received a grant from SCANA, which is limited to equipment and interior; not necessarily for construction of the building.
- There is documentation showing the invoice from the Architect, which is for engineering and architectural services for \$20,000.00 that the Cooperative has assumed.
- The bid from Hardee Construction for \$509,000.00. A portion of the construction contract is listed. Site work is listed at \$140,000.00. That is what is \$90,000.00 of where it was supposed to be.
- There is also a Deed to Real Estate showing the real estate was purchased for \$25,000.00, which is also in excess because the land was expected to be free—deeded over from the previous Health Center.
- ~~Notice of Grant Award~~ from HRSA is the award to the Health Center for \$420,000.00 as a competitive federal grant toward the project.
- Reference documents: exhaustive document summary containing the 2012 Independent Financial Audit of the Health Center, and also contains the full construction contract and site activity with specifications for the site.

Questions:

- Am I to understand they are not providing a liability or bond amount to you all?
- One thing that concerns me. I don't see a lot of advertisement. There are so many people that still do not know what you all are, where you all are, and what you can do for the public. I would like to know with the new clinic and the others, are you planning to advertise any to let the public know the situation?
- Speak to the support of the Hospital that your clinics do (explain Revenue By Doctor Report). Do you feel like you all do refer enough or support the Hospital as discussed earlier? Do you feel like there could be more?
- Can you explain why the \$242,000.00 person went down to \$126,000.00 over two years?
- What is your patient count?
- Outside of having a full-time doctor in the Winnsboro clinic, this is probably what we can expect to see as far as the services?
- Will you be working closely with Shaw and SCE&G?
- Why is the facility named Monticello Center in Jenkinsville?

Recommendations:

- From County's standpoint, since it is a mid-year appropriation, would be best to split appropriation.
- The County is cash-strapped this time of year, and have to wait until revenues come in at beginning of 2014.
- If the Council so chooses to address the funding, to have the appropriation; then do a later one closer to the end or the beginning of the next budget year.
- Motion can be made at next regular meeting.
- Any further questions, submit them to Mr. Pope. Mr. Pope will channel them to Dr. Hamilton.

{Council recessed at 6:43 P.M.}

{Council returned from recess at 6:53 P.M.}

B. Fairfield Memorial Hospital

- A lot of changes going on in health care now. Out of the 19 small hospitals, 14 have lost money over the last four years, and Fairfield being one of them.
- With Affordable Care Act coming on board, seems like small hospitals are continuing to take a nose-dive.
- Met with Council three months ago. Talked about the Hospital's relationship with Palmetto Health. Have had some improvements with Palmetto Health. Received a Letter of Intent to work with Palmetto Health, where they would do a real estate lease of the Hospital.

- Hospital had its board meeting last night to review the letter and board voted unanimously to move forward with the Letter of Intent. If the Hospital does not partner with someone like Palmetto Health, the Hospital will not survive independently.
- Revenue is down from local physicians.

Questions:

- Just for clarification, what this is – is where physicians are actually taking practical tests in their office now instead of sending those tests to the Hospital. Is that not right?
- As far as the lease with Palmetto Richland, what does that consist of?
- One of the proposals the Hospital talked about a short period of time ago was that the Hospital would maintain part of the services, and Palmetto would do the remainder. Is this basically what you are still discussing, or are you talking about total control with them doing everything?
- Management and everything?
- When Dr. Smith closed his practice, we didn't want to recruit another Oncologist?
- You provide a Profit/Loss Sheet on Radiology, Nuclear Medicine, Rehab Services. You don't have Profit/Loss on Inpatient, Nursing Care and Swing Beds. Is there are reason for that? I would like to see this statement. Why is it dropping off 125 people?
- Would you tell us what the Hospital is benefitting as a result of the Governor not taking Medicaid Expansion, and what we will get in lieu of that?
- Would you elaborate more on the Letter of Intent? Based on this information, what kind of timeframe are we talking about—looking at these Next Steps – from an intent standpoint?
- How will the existing employees in the Hospital be handled when Palmetto takes over?
- How many employees do we presently have?
- Would you address what Kershaw Memorial did by Richland in to run their Lab and their Radiology?
- Are you making any money on having Columbia Heart come up, or are you breaking even? When they order tests, does the Hospital make that money, or does it flow through the Columbia Heart as well? When you say they would control everything, that includes all of the billing as well? Would that be in-house billing or however they would do it? So, they would be in charge of the Emergency Room as well, and staff it? At this time, you don't know what they would be asking you or the County to pay for them to come in here? In July, 2004, I attended a National Conference. In that, was a seminar that had to do with small hospitals and how they were going to survive. In 2004, they were recommending this. We have still been out here nine years and still have not done anything. That was the last motion I made in December, 2004 before I went off, was to do something about that. We have just stayed and handled it and just continued to do the same way. Those are just comments saying I basically support the fact that we are finally discussing this so that we can continue to have a Hospital here. It would be a crime and a shame to have to get in the car and drive to Columbia every time you needed a test.
- Has there been any discussion about indigent care being fully taken care of—like our indigent patients going to the Emergency Room? We would have this in writing that no patient would be turned away from the Hospital?
- Chester is owned by a for-profit company still, and they do turn patients away? The Hospital here has been having patients come down from Chester County because they know we will not turn people away. One benefit for Palmetto Richland is going to be Fairfield County's statistics, which they can take a file for more grants and become more functional with their services.

Review of Letter of Request – Mr. Williams:

- The revenue is not there. Cash flow is very low. Putting in computer system. Stated early on that between that three months to six months, were going to experience problems with cash flow.
- A few months back, requested appropriation early.
- Requesting appropriation for April to take care of some of the bills and catch some things up.
- Around the first of February or last of January, will need some help. The history of funds or collection at the Hospital for November, December and January are the worst three months.

Explanation of Request – Mr. McGraw:

- Initially requested \$170,000.00 because the Hospital is hurting from the Retirement Fund, which is a bill that hits every month.
- If the Hospital can get the \$240,000.00 moved up, that will help get a short bridge; however, the Hospital needs a longer bridge.
- Board met last night and feel the \$240,000.00 will certainly help, but will not get the Hospital out of the ditch. Talked with Mr. Beaman. It does appear the Letter of Intent will move right along.
- When the consultant firm is hired, Palmetto Health is expecting the Hospital to share in the cost of that. That money has to come from somewhere. Need to share in that to ensure the benefits in Fairfield are protected.
- Will take 60-90 days. The Critical Access piece will be a hindering cause. Hospital has done its due diligence to make sure savings were done at every corner.

More Questions:

- What is the projected cost of the study to fruition?
- Explain the Medical Staff Development Plan.
- What cost-cutting measures have you been directed by the Board to put in place to minimize having to come back before the Council, and when do you probably see some of those savings being realized? Is that going to help over the short term over the next 90-120 days? How about the concept of the Navigator? How many part-time employees do we have at the Hospital?
- How do you treat your contract employees? Is the lady at Blue Granite a Nurse Practitioner?
- On the Revenue By Doctor Report, is that the amount of money the billable amount, but not the amount you get paid from the insurance companies, etc.?

Chairman Ferguson asked Council to be prepared to vote on these two matters at the Monday night regular meeting.

4. ADJOURN

At 6:45 P.M., it was moved by council Member Kinley; seconded by Council Member Marcharia to adjourn the meeting. The motion carried unanimously.

SHRYLL M. BROWN
CLERK TO COUNCIL

DAVID L. FERGUSON, SR.
CHAIRMAN