



**MINUTES
WORKSESSION
JOINT MEETING OF
FAIRFIELD COUNTY COUNCIL
AND FAIRFIELD MEMORIAL HOSPITAL
JANUARY 21, 2014**

Present:

County Council: David L. Ferguson, R. David Brown, Mary Lynn Kinley, Kamau Marcharia, Dwayne Perry, Carolyn B. Robinson, Mikel R. Trapp; Council Members; J. Milton Pope, County Administrator; Davis Anderson, Deputy County Administrator; Jack James, County Attorney; Laura P. Johnson, Comptroller; Shryll M. Brown, Clerk to Council

Hospital: James McGraw, Betty Gutschlag, Catherine Fantry, Michael Quinn, Charles McElmurray, Leonard Mushkin, William Turner, Sonia Kennedy, Carrie Suber-O'Neal, Tim Mitchell, Mike Williams, Kristi Godwin, Mary Sas, Darlene Hines

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-five other individuals.

1. CALL TO ORDER

At 6:05 P.M., Chairman Ferguson called the County Council meeting to order. Mr. McGraw called the Hospital meeting to order.

2. INVOCATION

Council Member Kinley led in the invocation.

4. ITEMS FOR DISCUSSION

Mr. McGraw was asked to elaborate on where the group needs to proceed and what needs to be done collectively.

- Appreciate what Council has done in the past
- Acknowledge that the hospital has placed Council in an uncomfortable position
- The hospital is in an uncomfortable position also—trying to operate without any funds
- Talked about some matters in the hospital finance committee just prior to the joint meeting
- Need a bridge
- Asking that Council be open and positive to what will be heard tonight
- Rural hospitals are going through serious financial situations

Chairman Ferguson brought forth that he and Mr. McGraw spoke last week about the about the possibility of a contractual agreement with a third party, and in speaking with Mr. Pope on a couple occasions about his thoughts on proceeding. Ironically, he said, Mr. McGraw and Mr. Pope came up with the same recommendations and suggestions, which was to have a group meet with the third party; once some guidelines and/or desires are set forth, then this

group will sit down with the appropriate third party and attempt to come to some conclusions from the standpoint of a committee from Council and a committee from the hospital board.

Mr. Mike Williams addressed some of the hospital's finances, covering issues such as the cost of a new computer system, revenue not there at the hospital, emergency room admission, falling behind on retirement system payments, doctors' office referrals, etc.

After a brief break, Mr. Tim Mitchell gave a financial overview of where the hospital is now vs. where the hospital was some point back.

- Reported the hospital's net loss for the months of October and November, 2013.
- Addressed the Affordable Care Act.
- Continue to see a higher percentage of uninsured and self pay
- Reported the Fiscal Year To Date Patient Days and Admissions
- Aged Accounts Payable Report (As Of 1/21/2014 Top 20 Vendors). At critical place where S. C. Retirement is behind \$222,000.00. Town of Winnsboro is behind \$122,000.00.
- \$200,000.00 ± of the appropriation was used to pay one month of retirement, health insurance and the hospital's license tax.
- Owe Columbia Heart \$98,000.00.

Questions:

- Thanked the hospital board and its administration for the agreement on the short-term funding and the commitment for the repayment.
- Are the past due amounts, i.e., Town of Winnsboro, numbers with penalties?
- Affordable Health Care Act. Under the tenants of the AHC Act, one of the things is that those individuals who are uninsured, if they meet certain guidelines, those individuals are now eligible for health insurance at a subsidized rate through the marketplaces. Based upon census information and the demographic profile in Fairfield County, there are a number of individuals who are eligible for actually having health insurance—that where before, they were not. There should be some bridge toward having people who, may in the past, not able to afford health insurance, that would in this case. Do you have numbers on that?
- How many patients that are actually in the nursing wing that, instead of being admitted to the nursing homes, can be admitted to swing beds?
- How successful are we at bringing patients back (i.e., rehab patients)?
- How much, other than the \$1 million dollars for the emergency room support, are they looking for from the County?
- If Council is willing to pair with the hospital, as far as committees are concerned, will research outside sources. The next 60-90 days is very crucial for the hospital.
- Have we looked at if we have to look past the people that you have been dealing with, is there anybody else out there who could possibly be a recipient of this?
- What are you doing inside to out some expenses out? How many TERI employees do you have?
- Are you paying the Rehab building mortgage?
- When the doctors' clinics were in here, are you furnishing all of their staff when they come up?
- How do we charge out for the doctors using their side and the clinics on the other side?
- Are we getting patients admitted from that clinic?
- Where does the credit card fit into this outstanding amount that is due?
- How are we on supplies, pharmacy, etc.? Are we well stocked; not well stocked?

- Are we doing billing in-house now, or are we still using a service? How does that work?
- I know you file claims against the estate; maybe garnish tax, but have you started filing liens against property owners and why?
- What kind of position are you in, as a Council, to help the hospital at a point when we can come up with a better point as to when our third party will come on?
- How far came with go with Act 388?
- On salaries and wages and employee benefits, the \$120,000.00 difference for employee wages, but it doesn't change the employee benefits charges but by \$800.00. What is the theory behind that?
- It appears you have gone down in salaries and wages, but looking at professional fees, they are now a quarter of a million dollars. Are those your nurses at PT and OT? Is that what that is?
- We don't have to pay anything on them except whatever the fee is that the company who is supplying them charges us?
- Is it cheaper to do it that way than do it in-house?
- When you say you had a change in your chart of accounts, is it safe to say that where you possibly previously had your employee benefits, that may have been called something different?
- With the third party that we are talking to (I know Mr. Ferguson asked what they are going to want from us, other than \$1 million dollars), we have a \$21 million dollar facility, or that is what we are depreciating off of, are we going to negotiate that \$21 million dollars?
- How adept is the Hospital Association in trying to help small hospitals now?
- On the S. C. Retirement System, how much of the DSH funds are you expecting to receive or have received? How much will go toward that debt?

Chairman Ferguson stated he would try to get with Council in which to come up with a committee from the Council within thirty (30) days, and is asking the hospital to do the same.

5. NEW BUSINESS

None

6. ADJOURN

The meeting was adjourned at 8:04 P.M. upon motion, second and unanimous approval of Council.

SHRYLL M. BROWN
CLERK TO COUNCIL

DAVID L. FERGUSON, SR.
CHAIRMAN