



**MINUTES
WORKSESSION
JOINT MEETING OF
FAIRFIELD COUNTY COUNCIL
AND FAIRFIELD MEMORIAL HOSPITAL
MARCH 18, 2013**

Present:

County Council: David L. Ferguson, Mary Lynn Kinley, Kamau Marcharia, Dwayne Perry, Carolyn B. Robinson, Mikel R. Trapp; Council Members; Philip L. Hinely, County Administrator; Davis Anderson, Deputy County Administrator; Shryll M. Brown, Clerk to Council

Hospital: James McGraw, Betty Gutschlag, Catherine Fantry, Michael Quinn (arrived 7:25 p.m.); Harmon Patrick, Mary Sas, Darlene Hines, Tim Mitchell, Mike Williams, Kristi Godwin

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 sixty-two other individuals.

1. CALL TO ORDER

At 6:32 P.M., Chairman Ferguson called the County Council meeting to order. Mr. McGraw called the Hospital meeting to order.

2. APPROVAL OF AGENDA

It was moved by Council Member Trapp; seconded by Council Member Marcharia to approve the County Council agenda. The motion carried unanimously.

It was moved by Hospital Trustee Gutschlag; seconded by Hospital Trustee Fantry to approve the Hospital agenda. The motion carried unanimously.

3. INVOCATION

Council Member Kinley led in the invocation.

4. ITEMS FOR DISCUSSION

Mr. Mike Williams welcomed County Council, staff and the media. Following, Mr. Williams and Mr. Tim Mitchell gave an overview of the Hospital finances, discussing the following topics:

- Net Inpatient Service Revenue – 2011/2012
 - Inpatient Days By Financial Class
 - Outpatient Encounters
 - Patient Collections
 - Day Sales In Accounts Receivables – 2011/2012
 - Key Balances

Questions:

- When does debt set-off normally dry up?
- Palmetto Health Collaborative
 - Collaborating began June 2011
 - Tele-Medicine/Stroke REACH program
 - Medicaid Complex Rate Contract with DHHS
 - Enhanced Swing Bed program - Revenue \$1,179,000
 - Patient Networking contract signed
 - Reopening Surgery (General Surgery, orthopedic, OB/GYN, colonoscopies)
 - Evaluate Pharmacy and Laboratory Departments
 - Easy to transfer patients to Palmetto Health
 - Providing in-service training to staff
 - Palmetto Health is caring for County uninsured/underinsured dental patients in ED costing \$700/patient
 - Projected cost is \$28,000 for 2012-2013
 - Distributed contract to Dr. Wilkins, Dr. Warren and Dr. Wrenn
 - Contract provides reimbursement for care of dental patients. Medicaid rate of \$200 (emergency tooth extraction)

Questions:

- How many patients are being seen at the dental clinic in Ridgeway?
- SWOT Analysis: Strengths
 - Critical Access Hospital Designation
 - 3 Rural Health and 3 Federally Qualified Health Centers in County
 - Collaboration with Palmetto Health
 - Cerner Computer System
 - Tele-medicine programs
 - Disease Management Programs
 - Aggressive with Strategic Plan
 - Joint Commission and DHEC accredited for 3 years
- SWOT Analysis: Weaknesses
 - Access to Capital
 - Cash flow
 - 55-60 year old facility
 - Patients use ED as medical home
 - EMS transporting patients directly to area hospitals
 - FQHC's not returning patient to FMH
- SWOT Analysis: Opportunities
 - Ambulatory Surgery
 - Increase referrals from FQHC's
 - Marketing in Lake Wateree area
 - Coordination of Community Programs
 - Decrease Re-admissions
 - Increase market share of Medicare patients
 - Physician in Blue Granite Medical Center
- SWOT Analysis: Threats
 - Denial of Medicaid Expansion
 - Medicaid and Medicare Cuts
 - Increased Charity Care and Bad Debt
 - Out-migration of Paying Patients

- Expense of State Retirement System
- Expense of State Health Plan
- Cerner Computer System
 - Full EMR system
 - Cost \$1,800,000
 - Incentive Program to cover half of cost
 - Recommended by Palmetto Health
 - Implementation began December, 2012 with go live date of September, 2013
- EMS Transports/Emergency Room
 - Decrease unnecessary transfers out of County
 - FMH 1000/1345 26% †
 - Palmetto Health 800/1062 25% †
 - Providence Hospital 500/527 5% †
 - Improvement is being made

Questions:

- The two numbers that went up by basically the same number (26% and 25%), how are you going to start flipping that number where it will go up to about 35% or 40%, and bring that number down lower for Richland?
- Do you have buy-in from the EMS Director?
- Who do the drivers work for?
- Isn't this on the upswing since you have started having meetings on a scheduled basis with EMS and the Hospital?
- Has it always been that high a ratio of out of County?
- County Employee Health Physicals
 - Physicals for approximately 200 employees
 - Projected revenue \$40,000-\$45,000
 - Projected expense \$20,000
 - New equipment purchase \$4,000 (Treadmill, Pulmonary machine and supplies)
 - Physicals begin in March, 2013
 - Columbia Heart assisting
 - Annual event
- Lake Wateree Marketing Campaign
 - Increase market share
 - Installed signs at 2 recycle centers: One near state park and one at Colonel Creek Market
 - Information boxes placed on signs with FMH services listing
 - Health screenings to be scheduled for May and October 2013
- Local Provider Referrals
 - Out-Patient and In-Patient Revenue
 - Local Physician Average Revenue in 2012 \$1.5m
 - Federally Qualified Health Centers total revenue under \$700,000
 - Blue Granite Medical Center - \$200,000
 - ED Physicians
- Blue Granite Medical Center
 - Recruit full-time physician
 - Start up cost \$75,000
 - Necessary to apply for state and federal funds
- Federal Government Medicaid Expansion
 - Loss to FMH \$11,400,000 over 6 yrs.
 - 100% Federal Funds for 3 years (2014-2016)
 - Federal matching rate gradually reduces to 90 percent by 2020

- Other states received funds if denial by South Carolina
- Current Federal/state matching rate for SC is 70/3

Questions:

- The federal matching rate reducing to 90%, isn't that where it is supposed to stay?
- Governor Haley's Plan
 - Increase in DSH funds
 - 100% Reimbursement for Uninsured
 - Incentive for Decreasing Uninsured visits to ED
 - Increase of \$600,000 to Welvista Drug (free) program
 - More funds to FQHC's - \$10,000,000
 - \$3,000,000 for Physicians, Physician Assistants' salaries in underserved areas
- Update on Foundation
 - Founded 2010
 - Good Board of Directors
 - Put \$60,000 back into the Hospital since being established
- Unfunded Cash Requirements
 - \$500,0090 line of credit for transition of new computer system
 - \$75,000 start up for physician in Blue Granite Medical Center
 - \$75,000 for renovation of ED
 - OR renovations including roof - unknown cost
 - If the EMS transports to FMH continue to increase, the revenue will cover the cost of renovations
 - Projecting to receive \$1.0-1.2 million in Medicaid funds in 2013-2014 fiscal year

Questions:

- What is an estimate on the roof for the building?
- We can't apply for grants at the Blue Granite Center until the physician is on board?
- The line of credit? Is that to cover the transition of changing from one system to another? So, that is a pay back?
- Does that have to be done by September?
- Line Item 2: Start up for physician for Blue Granite. Are we going to be looking for grants to repay that or pay the physician's salary past that point?
- Mr. Williams and Mr. Mitchell were asked to work with Mr. Hinely to provide a timeline for the Unfunded Cash Requirements. Mr. Hinely will bring the information forward to Council for a vote as appropriate.

5. NEW BUSINESS

None

6. ADJOURN

At 7:55 P.M., it was moved by council Member Trapp; seconded by Vice Chairman Perry to adjourn the meeting. The motion carried unanimously.

SHRYLL M. BROWN
CLERK TO COUNCIL

DAVID L. FERGUSON, SR.
CHAIRMAN