



**MINUTES  
WORKSESSION  
JOINT MEETING OF  
FAIRFIELD COUNTY COUNCIL  
AND FAIRFIELD MEMORIAL HOSPITAL  
SEPTEMBER 17, 2012**

**Present:**

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

**Hospital:** Nelson Lacy, Betty Gutschlag, James McGraw, Leonard Mushkin, Harmon Patrick, Mary Sas, 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 fifty-nine other individuals.**

**1. CALL TO ORDER**

At 6:10 P.M., Chairman Ferguson called the County Council meeting to order. Mr. Lacy called the Hospital meeting to order.

**2. INVOCATION**

Council Member Robinson led in the invocation.

**3. ITEMS FOR DISCUSSION**

Chairman Ferguson opened the meeting by stating the Council requested a quarterly meeting with the Hospital in order to receive a report of their finances after the allocation given to the Hospital several months ago. He added that he would bring to Council for its consideration on Monday night to meet with the Hospital twice a year rather than on a quarterly basis going forward.

Mr. Lacy commented on the Cerner computer system and the Palmetto Health update, citing that, these initiatives, while the Hospital agrees with each one of them, are not necessarily directed by the Hospital. The Cerner position, he said, is one that is very important because they are meeting federally mandated requirements. Mr. Lacy continued by saying the Cerner system must be in place by 2015. He said the Hospital has an opportunity between now and 2015 to take advantage of monies that can come back and help reduce the cost. If the system is not in place by 2015, the Hospital will lose the ability to have assistance in reducing the cost, but technically will be fined. Additionally, Mr. Lacy reported that in the Palmetto Update, the Hospital is being offered some opportunities from Palmetto to have the ability to bring a little stronger clientele back to Fairfield County.

Mr. Mike Williams gave a report of the Hospital activities over the past 90 days:

- The Hospital has been very aggressive. One of the biggest challenges the Hospital has is how does it keep its paying patients in the County. The Hospital is working on this from the vantage point that if the patients have a problem that the Hospital can help with, it will help. Started the senior program back. Have 300+ seniors and caretakers. The goal is to educate the seniors to let them know what services are provided at the Hospital. It appears to be going exceptionally well.
- Very important to know how the community perceives the Hospital as it relates to patient safety and satisfaction. Article placed in newspaper about a Joint Commission Survey. 90% of all the hospitals in the country were surveyed.
- Improve financial performance. By going to Columbia and looking at the larger hospitals; not asking them for anything other than to send Fairfield patients back—whether through swing bed program, acute care, home health, rehab department, etc. Working on a contract with Palmetto Health to see what changes need to be made.

Report from Mary Sas:

- The hospital is constantly working to train nurses and hospital staff in more modern, evidenced-based practices. Have been able to tag team with some of the other hospitals to get speakers in, etc. Working with a Partnership for Patients program, which is a quality measure to provide safe, quality care for the patients. Patient satisfaction rate has improved significantly over the past 2-3 years. Working with a program with Palmetto Health, Council on Aging, Providence and Eau Claire as it relates to transition care of patients.
- Meaningful use. A federal mandate that has to be met regarding electronic medical records and health information management. This ties in patients' healthcare information across the complex of care.

Report from Tim Mitchell:

- Cerner/Tribridge Acquisition. Cerner piece stickers out at \$1,340,552 (with 28% pricing concession). Tribridge software costs approximately \$338,552. Were successful in obtaining from Cerner something that they have never done for any client in history—that is, finance part of the purchase price. They have agreed to take back almost \$500,000 of the purchase price and finance that over 60 months at seven (7%) percent interest. Was able to negotiate something with Tribridge not quite as favorable in terms of being able to pay this over time; however, they did come back this morning with a pricing proposal of 18 months at zero (0%) percent interest. Under the Cerner proposal, \$810,000.00 is paid for by federal money the first year. Between Tribridge and Cerner, looking at \$321,000 a year in support fees. The hospital has about a million dollars in stimulus money that is available to pay for more than half of the cost of this system. What is now a partially funded mandate becomes an unfunded mandate in about two and a half years. Cerner is the third largest healthcare software in the world.
- Next step is to take this to the board tomorrow night for a vote.
- Tab 2--Financial Report (taken from departmental summary). August was a low volume month—something that was unexpected. Posted a loss of \$149,000 for the month of August. This represents a \$212,280 change from the \$62,678 profit reported in the prior month. Seasonal reductions in both inpatient and outpatient volumes account for \$228,624 reduction in debt patient revenue that prior month. From August of last year to August of this year, self pay increased from 23% to 32% of overall mix. Self pay is almost synonymous with no pay. July was exceptional—probably best month. Had a tremendous swing bed census.
- Tab 3—Financial Indicators. Profiles what the hospital has done.

- The County was generous to give the hospital \$1.2 million back in February to assist in catching up with three principal vendors. Eight months later, pleased to announce the hospital is still current. Collected a lot of receivables and worked hard to keep afloat. Ended the month of February with an accounts payable balance of \$1,800,000.00. At the end of August, the accounts payable balance is \$1,900,000.00. A day or two later, the hospital cut checks for State Retirement and State Employer Insurance, so technically, it is lower than it was in February. Managed to keep losses a lot lower on a year to date basis than they were a year ago. Taken all the extended business office contracts away; cancelled third party collections contracts.
- Tab 3—Executive Summary for Fairfield Memorial Hospital.
- Pg. 18, Days Revenue In Accounts Receivable. Fairfield Memorial is in line over the years with the rest of the hospitals, coming down from 75% to under 55%.
- Pg. 28, Salaries to Net Patient Revenue. In year 2005, salaries were 46% of the net revenue. Have come down over the years to 37%.
- Will continue to monitor Strategic Plan.

**4. ADJOURN**

The meeting was adjourned at approximately 8:00 P.M, upon unanimous approval of Council and the Hospital.

---

SHRYLL M. BROWN  
CLERK TO COUNCIL

---

DAVID L. FERGUSON, SR.  
CHAIRMAN