

**FRANKLIN COUNTY BOARD OF COUNTY COMMISSIONERS
SPECIAL MEETING
HOSPITAL MATTERS
FEBRUARY 20, 2001**

1:00 P.M. Chairman Creamer called the Special Meeting to order.

Present: Eddie Creamer, Chairman; Bevin Putnal, Jimmy Mosconis, Cheryl Sanders, and Clarence Williams, Commissioners; Kendall Wade, Clerk; Amelia Varnes, Deputy Clerk; Alfred Shuler, County Attorney.

(Tape 1-10) Chairman Creamer announced this meeting was to address a sublease proposal submitted by DasSee Community Health Systems, Michael Lake, President, for George E. Weems Memorial Hospital in Apalachicola. He said Centennial HealthCare, current lessees, was supporting this sublease.

(Tape 1-30) Mike Riley, an attorney with Gray, Harris and Robinson in Tallahassee representing Centennial HealthCare, said he would like to address the Board first. He stated Centennial sent him to this meeting to inform the Commissioners of their intentions to sublease the hospital to this new corporation. He informed the Board that Centennial is divesting itself of the small hospitals they now lease and focusing on its nursing homes. He said they are selling both the hospitals and the rehabilitation practices they own. He stated this proposed assignment has nothing to do with Weems Memorial and everything to do with Centennial's plans to focus its operations on nursing homes. He said Centennial has four hospitals within its hospital operations, all of which are the subject of this transaction. He explained and provided the County Attorney and the Commissioners with a copy of Page 20 from the County's lease with Centennial, which states that "In addition, an assignment or sublease pursuant to a merger or consolidation of Lessee or pursuant to a sale of all or a substantial portion of Lessee's assets shall be deemed an assignment (or, if applicable, subletting) to an affiliate of Lessee and shall not require Lessors prior written consent." He said this means the Board cannot reasonably withhold this proposed sublease. He stated he, as well as Centennial, felt there would be no reason not to approve this transfer or sublease. He said Centennial is leaving the hospital business and in so doing they are selling the hospital operation. He stated if the Board did not approve this sublease or assignment Centennial would be bound to be in a business, which it is no longer in elsewhere. He said he felt this sublease would not even require the Commissioners approval as specified in this section. Commissioner Mosconis asked Mr. Riley what would happen to the Hospital's state license. Mr. Riley said he could not address that matter. Commissioner Williams asked Mr. Riley what would be done about the previous past due debts owed by Centennial. Mr. Riley said it was his understanding that DasSee, as of a certain date, would pick-up the liabilities of the hospital.

(Tape 1-423) Dr. Photis Nichols said he would like to address the Board this morning. He read a prepared statement into the record. He introduced Dr. Victoria Smith to the Board and audience. He said she would be the new doctor at his clinic.

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(Tape 1-770) Mike Lake, President DasSee Health Care Systems, reminded the Board he was present when the County went through the last disaster with the previous lessors at the hospital. He said he was withdrawing from Centennial Health Care to form this new corporation. He explained he already had the other three hospitals; Quincy, Blountstown, and one in Mississippi leased. He said his new company had 2 million dollars in a line-of-credit to begin operations. He assured the Board he could and would operate the hospital in a responsible way. He informed the Board of the money Centennial had invested in the local hospital. He stated that Centennial, according to their agreement, would be responsible for all of the debts, which occurred before March 1st. He said after March 1st, if the Board subleased the hospital to him, DasSee would be responsible for the operation of the hospital. He said he has an Operational Transfer Agreement with Centennial at this time. The Commissioners brought up several issues with Mr. Lake that concerned employees, supplies, etc. at the hospital and the telephone complaints they had received about the hospital and the care the citizens of Franklin County received there. Commissioner Mosconis said if the sublease was signed or approved he wanted a citizens committee made up of one representative from each Commissioners District to listen to and address complaints against the hospital. Commissioner Sanders said she had received numerous complaints about the ambulance service. Commissioner Williams said he knew there were people at the hospital that were dedicated to the hospital and its operation. He asked Mr. Lake why there were demoted or dismissed for apparently no other reason than complaining about the operation of the hospital. Mr. Lake informed the Board the employees of the hospital had a one, eight hundred number to call if they felt they were being unfairly treated. He said he had not heard of one complaint called into that number. Commissioner Sanders said she had heard nothing but complaints about the ambulance service in the last few months. She stated people had concerns about the medical tests being done at the hospital and informed Mr. Lake of one incident she knew about personally. Mr. Lake reminded the Board Centennial did not want to take the ambulance service over when they acquired the hospital, but to help the citizens of Franklin County they agreed to do so. Mr. Lake said he would now be in Quincy, Florida, which is a lot closer than Atlanta, Georgia. He stated he would be more of a hands on operator of the hospital.

(Tape 1-1960) Ginger Conrad, Director of Nursing at Weems Memorial, appeared before the Board and informed them of how great she thought the hospital was. She told the Board the services there had been improved tremendously or she wouldn't be working there. She assured the Board she was committed to the hospital and its efficient operation. She presented a letter from an employee of the hospital, Glenda Wilson, to the Board at this time.

(Tape 1-2444) Ms. Freda White, Carrabelle, appeared before the Board at this time. She said she had absolutely nothing to do with the internal workings of the hospital nor did she presume to have. She stated she is mostly concerned with the ambulance service. She said what she is going to say is not a rumor since it happened to her and she was present the whole time. She said her husband passed away in May, thankfully, since it could have been in late February when she called an ambulance to him. She stated he

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was in critical condition from terminal cancer and heart problems. She said she had made previous arrangements, due to his condition, with his personal doctors in Tallahassee so that when there was another problem she could simply call the doctor and have him paged. She stated when the ambulance service in Franklin County picks you up they think they have to take you back to Apalachicola and she didn't want her husband, due to his serious condition, brought all the way back to Apalachicola and then to Tallahassee. She stated she made previous arrangements for him since he was terminally ill with all of his doctors. She said when the day came she needed to call the ambulance to take him to Tallahassee she called the doctor on his pager and he gave her his cell phone number so that when the ambulance driver came to her house she could have them call him for further medical directions for him being transferred to Tallahassee Memorial. She said the ambulance arrived and the woman got out of the ambulance and was informed of the situation and asked to call the doctor on his cell phone. She stated there were terrible storms in the area that day so life flight couldn't come. She said the EMT refused to call the doctor and informed her they would transport him to Apalachicola. She stated she emphatically told the EMT they would not be transporting him to Apalachicola since he was so ill. She said one thing led to another and the EMT told her if she did not get back into her house the EMT would call the police. Ms. White said she told the EMT to go ahead and call them and that was just exactly what she should do because just as soon as she could get to her vehicle and get her gun she would straighten the matter out once and for all. She said she absolutely meant it; it was not a threat, it was a promise. She stated her husband was laying there dying because this woman would not do the least little thing by making a phone call as asked. She said the deputies came and finally, because a friend of hers had called them, they told the EMT to do as she was told. She stated the EMT would still not call the doctor. Ms. White said she wanted her husband put in her vehicle so she could take him to Tallahassee. She said the EMT said if you do he is going to die. She stated well if he is taken to Apalachicola he would "damn sure gonna die" since they do not have the facilities to take care of his critical needs. She said the hospital may serve the needs of a lot of things, but they do not serve some needs. She stated this "bitch" wouldn't even pick up the phone and call. She said she called the doctor and stuck the phone in the EMT's ear. She stated she didn't know what the doctor said to her, but when he finished she said they would take her husband to Tallahassee. She said she was glad and felt they might make it to the hospital before he died. She said he was comatose at this time. She stated after he was placed in the ambulance the EMT driver informed her they would have to stop at the church to met another ambulance because they didn't have enough fuel to get to Tallahassee. She said she was present when all of this happened so she knows it is absolutely true. She stated she offered to pay for the fuel and asked them if they had enough diesel to make it to Medart where they had diesel. She said the EMT informed her they couldn't do that. Ms. White said it was a sad damn situation when you are trusting people on an ambulance with people's lives that you cannot trust them with enough petty cash to buy fuel. She said there is something real wrong with this picture. She stated the ambulance travels to the local church then the EMT's take her husband, as sick as he was, from one ambulance and put him into another one and then they decide on whose going to do this and whose going to that, but finally they are in transit to Tallahassee. She stated they get to Tallahassee Memorial Hospital with his cardiologist standing beside him, three minutes after they

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arrive, he went into cardiac arrest. She said three more minutes and they wouldn't have had to worry about that ambulance lady anymore because just as soon as she could have gotten herself back to Franklin County they could have put her in the hospital. She said there are big, big problems out there. She stated they need to be addressed since this is just not one story, there are many, many more. She said the room could have been filled today with horror stories just like the one she just told. She stated she didn't know a great deal about the hospital, but she has heard other horror stories about the hospital as well. She said she has a pact with some of her friends, approximately thirty of them, that if anyone of them get sick no one is to call the ambulance service in Franklin County, just put them in the back of a pick up truck and carry them to the Wakulla County line and then call 911 so an ambulance will come pick you up and take you to Tallahassee. She said she has great concerns about these problems. She stated they must get the quality of care up so people will trust the facility as well as the ambulance service. She said if they want people to use the hospital then it will have to be improved on. She stated she is in the real estate business and when people ask her about medical care she simply tells them Franklin County has an ambulance service, life flight when the weather permits, but you hate to tell people not to call the ambulance service though; just get in the car and drive yourself to Tallahassee so you'll have a better chance. She stated you cannot continue to tell people there is health care available in Franklin County when you really don't think there is. She said something has to be done, if it can't be run well and run correctly then don't run it at all. She stated people should be able to realize their best chance is for them to have their neighbors take them to the hospital in Tallahassee or Panama City. She said these are not isolated incidents they happen on a regular basis. Commissioner Mosconis said the County had a real commitment from Ms. Conrad and asked Mr. Lake if he was committed to help solve these ambulance problems. Mr. Lake responded by saying he would try to solve these problems. Commissioner Sanders asked Mr. Lake if he was going to continue to pursue the Critical Access Care Hospital status. Mr. Lake replied yes he would. Commissioner Sanders said she wanted the record to reflect she has great concerns over changing the hospital to this status. Mr. Lake said the hospital would still have a 24-hour emergency room, inpatients, diagnostic services, etc. He explained all that would happen under this status is that the hospital would only have to reduce it's capacity by fifteen beds and a patients stay cannot exceed 96-hours. Commissioner Mosconis said he checked into this matter. He explained this CACH status was implemented originally by the Federal Government to make sure everybody in America, whether they live in Montana or elsewhere in a rural community, has access to health care. He stated in order to do that somebody has to pay for it. He said a hospital, which only sees several patients a week cannot continue to operate financially. He stated these types of programs are designed to help rural communities to keep their rural hospitals open and viable. Chairman Creamer asked Mr. Lake what the status of the hospital air conditioning repair project was? Mr. Lake replied they are working on the project. He stated they have to put all new vents in the hospital. He said when they opened the ceiling to do the air conditioning repairs they found numerous problems, just like any old building or house. He stated he was informed this morning by the contractor they would be done in approximately six weeks.

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(Tape 1-3167) Allison Brown, Eastpoint, said she wanted to remind the Board about the problem she had with the ambulance service. She told them about the problem her sister, who was having a heart attack, had in getting to the hospital in Panama City. She explained the ER doctor wanted her transported to Panama City and when the ambulance came to get her they didn't have any fuel. She stated she wanted Marilyn Walker reinstated as EMS Director. She said she is now a paramedic. She encouraged the Board to check into the operation of the ambulance service. She stated the ambulance service does a good job, but they need money to either buy fuel or they need to make sure there is fuel available to them during all hours of the day and night since they have to run 24-hours a day, 7-days a week. She asked the Commissioners to check into operating the ambulance service. Ms. Brown did admit Mr. Lake had brought raised the standard at the hospital. She said the ambulance service had to improve.

(Tape 1-3343 Continued on Tape 2) Dr. Miniatt said he would like to go on record by saying Dr. Nichols is in great health. He stated it was a great honor for him to work and have Dr. Nichols assist him with certain medical matters. He said he was recruited by Centennial Health Care to Franklin County to work in the hospital and Dr. Nichols at his clinic. He stated he would expect people would think he would be the first one to speak negatively against the hospital. He said there are problems and difficulties at the hospital since he has had his share, but there are problems at any place you work. He stated if everyone is aware and conscious of these problems then maybe they can be fixed before something drastic happens. He said Mr. Lake is a successful man. He stated he felt Mr. Lake thinks very carefully about matters before he decides on the direction to take. He said he didn't really care who ran the hospital since he was here for the people of Franklin County. He stated the Commissioners should know when something is going wrong since this community is so small. He stated they need to do their best to see things like the fuel problem with the ambulances won't happen again. He said if Mr. Lake does what he says he is going to do, then there shouldn't be any major problems. He stated it is tough to run a small rural hospital in any case. He said if Mr. Lake promises things and doesn't follow through then the Commissioners can do something else. He stated if he is true to his word then everything he promised should be taken care. He said that is what the hospital needs. He explained with only two ambulances in the whole County and the configuration of the County it is hard to keep them where they need to be. He stated, he too, has had to wait hours for some of his patients to be transferred out to another hospital. He said there is some things people just cannot control. He stated if people do have a problem at the hospital then they need to tell their personal physician if they have one here in Franklin County. He thanked the Board for their time this morning. He said as of March 15th when his contract with Centennial expires he will no longer have a vested interest with them, but he does and will have a vested interest in the hospital and the operation of it. He stated he does have privileges at the hospital and still will admit to this hospital when possible. He said if the hospital is not supported then it cannot stay in business. He thanked the Board for the opportunity to speak this morning. He encouraged everyone to do their part to keep the hospital viable.

(Tape 2-111) Commissioner Putnal said he had listened to a lot of stories. He said he is ready to make a **motion authorizing and approving a contract with DasSee Health**

Care Systems, Inc. for a period of one year to operate George E. Weems Memorial Hospital in Franklin County. Mr. Lake quickly replied he would not even consider a one-year contract. He explained it would take longer than a year to see if the hospital could operate in a profitable and efficient way. Mr. Shuler and Commissioner Mosconis said they thought maybe the Commissioners should give them a chance.

(Tape 2-446) Chairman Creamer said he wanted to say it was apparent he is totally against this sublease with DasSee 100%. He stated he would vote against this proposal. He said he wanted the people of Franklin County to know that health care is one of the main priorities he has. He stated it is so important the County has an operational ambulance service that can take people, when they are sick, to the local hospital or wherever they need to go. He stated they deserve the best treatment with the necessary supplies being on hand at the hospital to save their life. He said you can't run a hospital without a lab to perform the necessary test to diagnose a problem. He stated maybe a life wasn't lost yet, but it could happen. He said the hospital was operated in a reckless way and the behavior of management was reckless. He informed the Board this was no more than a man changing hats since Mr. Lake was the CEO for Centennial. He said the same administration would be in place. He said he wanted the people of Franklin County to know that he is absolutely against this sublease. He stated he would work hard to see if anybody else would or could run the hospital. He said he knew this sublease was probably going to be adopted. He stated if it was he would work with Mr. Lake every way possible and he would not do anything to the detriment of the hospital. He said the hospital is badly needed.

(Tape 2-503) Commissioner Sanders said she too was greatly troubled by this request. She stated she knows the things that have happened at the hospital and with the ambulance service. She stated she is concerned about the employees and the level of service at the hospital. She asked Mr. Lake and Ms. Susan Ficklen, Hospital Administrator, how, in this equation, when you factor in human lives compared to dollars and cents. She said the utmost concern of everyone here should be to provide medical care to the people of Franklin County. She said these are our friends, neighbors, and families we are talking about. She stated she was very concerned about whether the best thing for the people is to allow DasSee to have this lease.

(Tape 2-838) Dr. Junejo, Franklin County Public Health Unit, asked Mr. Lake if he would still be installing a Mammogram and CAT Scan machine at the hospital. Mr. Lake replied he already had them in the other hospitals and said there would be a possibility of this happening. He stated he didn't have a time line, but there was a good possibility of a Mammogram and CAT Scan machine being installed at the hospital.

(Tape 2-893) Commissioner Sanders told Mr. Lake not to hold the decisions of the Board of County Commissioners against the people of Franklin County. Mr. Lake replied he would never do that.

(Tape 2-927) Commissioner Putnal said he would now withdraw his previous motion. Commissioner Mosconis stated he would make a new motion accepting and

authorizing the Chairman's signature on the sublease between Franklin County and DasSee Community Health Care Systems. Commissioner Putnal seconded the motion. Commissioners Putnal, Mosconis, Williams, and Sanders for. Chairman Creamer against. 4-1 MOTION CARRIED.

(Tape 2-957) Commissioner Putnal said he wanted to make a motion to create an Hospital Advisory Board consisting of one representative from each Commissioners District to met regularly and discuss hospital matters. Commissioner Mosconis seconded the motion. All for. MOTION CARRIED.

(Tape 2-970) Commissioner Mosconis said he wanted to make sure the employees and debts of Centennial are going to be paid. He stated he was not going to allow the release of Centennial until he saw some evidence that all of their accounts payable had been paid. He said he wanted all of their obligations taken care of. Mr. Riley said Centennial is first wanting the approval of this sublease then it would make arrangements to pay the outstanding debts. He stated Mr. Lake and Centennial have agreed on these matters. He said Mr. Lake has agreed to take over all of the hospital matters on March 1st. Mr. Shuler said he would suggest the Board consent to the assignment, but not release Centennial from the lease until all outstanding invoices, debts, etc. are paid. Mr. Riley assured the Board he would be in contact with his clients, Centennial, to see there is a smooth transition. Mr. Shuler said the release could be signed later. Chairman Creamer said he knew the rent for the hospital was due and had not been paid. Commissioner Mosconis asked Mr. Shuler if they shouldn't be given a time limit to pay outstanding debts. Mr. Shuler said there are two separate issues; one is consenting to the sublease or assignment, which has been done today, and the other issue is the release of Centennial from all accounts payable or debts owed. He said the Board could agenda the item at a later date. Mr. Riley said he understood and stated he would definitely contact his clients. He informed Mr. Shuler and the Board he would send a letter to Mr. Shuler letting him know the status of the accounts payable. Mr. Shuler said if the County does not release Centennial, but consent to the sublease then whatever the new group doesn't do or if they have a financial failure then the County would have legal recourse against both parties. He stated once Centennial is released then the County would have no legal recourse against them if the contract is not fulfilled.

(Tape 2-1185) Chairman Creamer announced the Board needed to consider the ambulance contract with Centennial since it is a separate contract. Commissioner Mosconis said the ambulance service went with the hospital lease. Mr. Shuler said the contract provides the ambulance service has to be kept in place. He stated the ambulance contract is a separate document. Commissioner Mosconis made a motion assigning the Franklin County Ambulance Service Contract to DasSee Community Health Care Systems. Commissioner Putnal seconded the motion. Commissioners Putnal, Mosconis, Williams, and Sanders for. Chairman Creamer against. 4-1 MOTION CARRIED.

(Tape 2-1229) Commissioner Mosconis asked Mr. Shuler if the County needed to wait thirty or sixty days to see how things go and then readdress the matter of Centennials accounts payable. Mr. Shuler replied the Board could implement a time certain and then

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revisit the situation then. He said 180-days might be enough time. Commissioner Mosconis made a **motion not to release Centennial from their legal liabilities for 180 days or until the Board is satisfied their outstanding obligations have been met.** Commissioner Putnal seconded the motion. All for. **MOTION CARRIED.**

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD
THE MEETING WAS ADJOURNED.**

Eddie Creamer

EDDIE CREAMER, CHAIRMAN

Kendall Wade

KENDALL WADE, CLERK