REPORT OF THE MEDICAL CARE COMMISSION MEETING
HELD ON FEBRUARY 12, 2007

I. CALL TO ORDER AND ROLL CALL

The meeting of the Medical Care Commission was called to order at 9:30 a.m., on February 12, 2007, in the Town Council Chambers. Members of the Commission present were: Chair Michael Dennis, Vice Chair Robert Friedman, Commission Member Richard Furlaud, Commission Member Norman Goldblum, Commission Member Michael Stein, and Commission Member Norman Traverse.

II. PLEDGE OF ALLEGIANCE

Chair Dennis led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

The Agenda was approved as printed.

IV. APPROVAL OF MINUTES OF NOVEMBER 29, 2006, DECEMBER 5, 2006, AND DECEMBER7, 2006 MEETINGS

Vice Chair Friedman moved to approve the Minutes of November 29, 2006, December 5, 2006, and December 7, 2006, seconded by Commission Member Stein, and was approved unanimously.

Chair Dennis stated that there had been praise for the trauma program, and also disappointment in the level of activity in the Health Care District, as some thought that the Health

Care District was sitting on millions of taxpayers' dollars. The organization was a political subdivision of the State, established as an independent taxing district by special statute with an ad valorem taxing capacity of two mills. To determine if the judgements were fair and verifiable, Chair Dennis said he reviewed the media coverage of the Health Care District, and found that there was a significant focus on activities in the Glades, but less attention to activities in the eastern part of the County. The Medical Care Commission decided to provide this forum as a venue for open discussion, to determine if something was overlooked. Kimberly Mitchell, City Commissioner of West Palm Beach, discovered through David Goodlett, Board of Directors Chairman, and Dwight Chenette, Chief Executive Officer, that there was a monopoly of services and extensive budget allocations with a vision for the County, which needed to be shared and examined. Mr. Goodlett had been considering spending some funds to convey the message. Chair Dennis said that Mr. Goodlett had suggested putting the money toward medical programs, and using the Medical Care Commission for that purpose. He said he was pleased to have Dwight Chenette, Robin Kish, John Satter, Chairman of the Health Care District Audit Committee, and Commissioner of the Health Care District, and others that were here to help with the discussion.

V. PRESENTATIONS FROM THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY BY:

(i) DWIGHT D. CHENETTE, CHIEF EXECUTIVE OFFICER

Mr. Chenette, Chief Executive Officer, provided a Powerpoint presentation and discussed the following:

1. The mission of the Health Care District of Palm Beach County;

2. The leadership, as it helped the District represent the community in advancing toward a vision where there was greater access to health care services in the County; and

3. The major program elements that the Health Care District delivered within the community.

Commission Member Goldblum commented that one of the biggest problems was sovereign immunity in the emergency rooms, as it was difficult to acquire physicians for the emergency room.

Commission Member Stein commented that a repeat issue was the lack of an academic medical center at the core of the health care system. A home base to feature academic programs to attract better physicians and scientists to the area.

Mr. Chenette agreed that there was a need for an academic hub, and indicated that as the discussion progressed regarding the delivery system, the Commission would understand some of the challenges that were experienced as a result of not having the academic hub. He noted that there were some activities underway in that regard.

Vice Chair Friedman asked what services were provided, where, and how they related to the physicians in the Health Care District's institutions. He commented that most of the problems were sovereign immunity, tort reform, services that hospitals lacked, emergency rooms, and institutions. He asked how was a hospital acquired; was there a public hospital, or a county hospital, and how it related to what Mr. Chenette was doing?

Mr. Chenette responded that in the next part of the presentation, each of his questions would be answered.

Mr. Chenette proceeded with the presentation and discussed the Health Coverage Programs, the Hospital and Physician Network, Pharmacy Program, Trauma System, and Trauma Physicians.

Chair Dennis commented that he read that the cost to the Health Care District for the 3,000 patients in year 2005 was about $28 million.

Responding to Chair Dennis, Mr. Chenette indicated that the amount covered a trauma patient's entire management situation, and not just the immediate acute response. He explained that Trauma Care was a system from point of injury through rehabilitation, and a quality review component once the potential was maximized.

Mr. Chenette resumed his presentation and discussed the problems of the emergency rooms. He commented that a group of hospitals and physician executives, Emergency Department Management Group (EDMG), came together to study the emergency room's problems each month; the Health Care District had been participating with the EDMG.

(ii) THOMAS CLEARE, SENIOR HEALTH PLANNER

Mr. Cleare was not in attendance.

(iii) ROBIN KISH, ADMINISTRATOR OF PUBLIC AFFAIRS

Administrator of Public Affairs Robin Kish provided an overview of the School Health Program, and listed below were several of the items discussed:

- There was a full time-registered nurse in every one of the 165 schools in Palm Beach County;
- Basic and comprehensive school health services were provided including: medical screenings, case management, counseling and a variety of other health related services daily;
- School nurses work closely with Behavioral Health Professionals in selected elementary schools;
- Behavioral Health Professionals in 46 elementary schools addressed emotional and behavioral problems and helped the children succeed at school, in the home, and in the community;
- Primary Project staff offers services in grades K-8 in elementary schools; and
- The Healey Center, a rehabilitation and nursing home, was operated by the Health Care District, and was located on 45th Street and Australian Boulevard.

(iv) C. DAVID GOODLETT, CHAIRMAN, BOARD OF DIRECTORS

Mr. Goodlett was not in attendance.

Mr. Chenette then discussed Glades General Hospital and made the following comments:

- Glades General Hospital was acquired in May 2004 by the Health Care District under public ownership;
- It was a statutory mandate for the District to maintain a hospital in the Glades;
- Two-thirds of the population in the Glades lived 200% below poverty, and the next closest facilities were Palms West Hospital and Wellington Regional Medical Center;
- The District invested capital for equipment and to attract physicians;
- The Health Care District subsidized the facility about $3 to $4 million a year;
- Glades struggled financially since it was built in 1944 and had deferred maintenance in order to conserve funds;
- Glades General Hospital failed its inspection, as it was aged, deteriorated, and unable to extend into the future; and
- Plans were being developed to establish a new regional hospital in western Palm Beach County.

Responding to Commission Member Goldblum, Mr. Chenette indicated that, as a direct subsidy, the agricultural community did not transfer dollars to the institution for support; he indicated that he did not have the number of undocumented populations in Palm Beach County or western Palm Beach County that received care at all of the facilities, so Glades General would provide care to those undocumented residents as all of the hospitals were required to provide care throughout the community.

Commission Member Goldblum noted that taxpayers, who could afford to pay for health care, could not get service and stated again that sovereign immunity was needed.

Commission Member Stein inquired as to the possibility that the Health Care District might acquire one of the local hospitals such as Good Samaritan or St. Mary's Medical Center and make

it into a community hospital with good, strong, academic affiliations that could serve as the hub of the Health Care System for the entire county. He suggested that the Health Care District create an academically affiliated county hospital out of one of the local hospitals, as it would solve some of the problems that Mr. Goldblum and Dr. Traverse talked about in terms of sovereign immunity and other related issues.

Responding to Chair Dennis, Mr. Chenette commented that it would be enjoyable for Glades General Hospital to host a site visit for the Medical Care Commission. He noted that transitioning the institution was a large undertaking for the Health Care District, and that they were still catching up with some of the capacity that was needed to oversee the institution. Executives were being recruited at the district level, and at the hospital level, to ensure that they were well positioned for future challenges.

Commission Member Goldblum commented that if a public hospital could be acquired, enough money could be raised to make it the finest hospital in the County, as it would not have to pay stockholders or utilize the least expensive service possible. He added that Mr. Chenette's help was needed in order to accomplish it.

Commission Member Traverse commented regarding the acquisition of a public community hospital, as follows:

- Municipal hospitals, run by governments, generally did not operate very well;
- The cost was catastrophic to the taxpayers, and once it was opened, it could not be closed;
- The largest problem was the lack of physicians;
- The Commission and the Health Care District could work on a plan to help subsidize student loans in order to attract top physicians;
- Sovereign immunity was needed for the emergency rooms;
- Clinics were needed for the high peak times;
- Focus was necessary on learning how to acquire a facility;
- Develop an advisory committee to change the medical liability laws in the state, as physicians were unable to do it alone; and
- Work with the Health Care District to focus on what could be done together.

Responding to Chair Dennis, Mr. Chenette indicated that the Health Care District had the vision to improve the access of care within the community. Proactive planning was needed in order to bring about change in the delivery system. He noted that he could not portray a plan today, but

would come back and continue a dialogue; he would bring the Commission's comments back to the Health Care District Board.

Dr. William O'Neal, University of Miami, made several of the following comments and suggestions:

- The University of Miami had a variety of plans for bringing academic medical care to Palm Beach County, and by working in concert with the Health Care District, collaboration could be established.

- A neuro-stroke program at Good Samaritan and other hospitals in the Tenet system could be established for heart attack and stroke victims.

- An emergency transfer network could be established for hospitals without specialists, if a doctor was not available in the ER, one phone call would activate a system whereby an emergency transfer could be achieved very rapidly.

- In answer to the core question, the hub needed to be established.

- The University was working on an academic medical center that could be brought from the south to the north.

- Explore a relationship with the Life Assist Program to establish an Urgent Care Center in the Town.

- The work needed to continue in order to bring the providers together to solve problems.

Commission Member Stein indicated that the conversation was focused on access to care, but that he would like to see equal focus on quality of care, where organizations like the University of Miami and others could bring in quality through academics.

Responding to Commission Member Friedman, Mr. Chenette noted that part of the plan was to establish a cost system in each one of the hospitals, creating responsibility for each hospital to report their on call panels into the Health Care District and to create a secured, private internet

database that would be available in each one of the emergency rooms in order to more expeditiously move patients, which was part of the specialty coverage proposal from the EDMG.

Dr. Fox, Florida Public Health Institute, commented that he would be attending a meeting with the Health Care District to discuss several of the issues. He noted that the Institute was interested in increasing the availability of primary and preventive care in the District; there may be opportunities in school health to expand services with additional funding and pharmacy. He said that in the fall of 2008 a Master's degree program would be on-site in Palm Beach County, Public Health, and broadening into other academic endeavors.

Mr. Chenette indicated that the Health Care District was doing capacity building at the senior levels to ensure competency to maintain time and attention on the academic projects. He said that in recent years the challenges were growing and becoming more complex.

Chair Dennis inquired as to the common comment that was discussed during site visits, which was the pressure on the budgetary system to maintain their emergency rooms, given the diverse population and the uncompensated care; could the Health Care District do more for the hospital networks?

Responding to Chair Dennis, Mr. Chenette made several of the following comments:

- A level of financial assistance was provided to all the hospitals enabling the receipt of the federal and state matching funds provided by the District.

- Carefully placed financial incentives would lead to systematic change and would improve the delivery of care.

- The key was to have a balance of public agencies and to select the incentives that would foster change. The public should not participate financially, unless it was accountable for the design of the system.

- A balance was needed to ensure that there was a financial incentive for private institutions, as the delivery system was predominantly private, and it was important to remain engaged in the marketplace, leading to better care for the community.

Responding to Commission Member Traverse, Mr. Chenette noted that the Health Care District had been conservative by planning for the future to reduce millage, as the $2 mill cap was

a forever cap. The revenues increased approximately 8% to 10% last year.

Responding to Commission Member Friedman, Mr. Chenette indicated that the Health Care District would continue to create an environment that would be friendly to physicians so that they would want to practice in Palm Beach County; the state statute limited the District's authority to foster certain changes. He stated that the District would be pleased to be engaged with the Medical Care Commission to do future planning relative to the physician supply and academic centers.

Chair Dennis introduced Joseph Ierardi, who was appointed by the Mayor of West Palm Beach to be the Commission's liaison with the City of West Palm Beach.

Mr. Ierardi commented that he was still in the process of determining the best way to liaison with the Commission, and would be briefing the Mayor of West Palm Beach on these accounts. He declared that he was a charter member of The BioMotion Foundation, which was a tenant of Tenet, and that he would research as to whether it would be a problem.

Mr. Chenette invited Chair Dennis to make a public comment at the Health Care District's Board Meeting on February 14, 2007.

VI. COMMENTS FROM THE PUBLIC

There were none.

VII. SCHEDULING OF NEXT MEETING DATE

Chair Dennis chose not to set the next meeting date at this time.

VIII. ANY OTHER MATTERS

There were none.

X. ADJOURNMENT

There being no further business, the meeting of the Medical Care Commission of February 12, 2007, was adjourned at 10:40 a.m.

Michael Dennis, M. D.
Chairman