

West Volusia Hospital Authority
WVHA BOARD OF COMMISSIONERS REGULAR MEETING
August 18, 2016, 5:00 p.m.
Dreggors, Rigsby & Teal, P.A.
1006 N. Woodland Blvd., DeLand, FL

AGENDA

1. Call to Order
2. Opening Observance followed by a moment of silence
3. Approval of Proposed Agenda
4. Consent Agenda
 - A. Approval of Minutes Budget Workshop Meeting July 21, 2016
 - B. Approval of Minutes Regular Meeting July 21, 2016
5. Citizens Comments
6. Reporting Agenda
 - A. POMCO July Report – Written Submission
 - B. FQHC Report, Laurie Asbury, CEO, Northeast Florida Health Services, Inc. d/b/a/ Family Health Source (FHS) July Report
7. Hospital Quarterly Report
 - A. Florida Hospital Fish – Rob Deininger, President and/or Eric Ostarly, CFO
 - B. Florida Hospital DeLand – Lorenzo Brown, CEO and/or Nigel Hinds, CFO
8. Discussion Items
 - A. Review Proposed Budget 2016-2017
 - B. WVHA approval to pay legal retainer for Commissioner Ferrari
 - C. Site Visits 2015-2016 - DRT Engagement Letter attached
 1. Florida Department of Health – Emergency Dental Services
 2. Rising Against All Odds – Outreach/HIV/Aids Counseling
 3. Stewart-Marchman-Act (SMA) ARNP @ THND
 4. SMA-Homeless Program
 5. The House Next Door (THND)-Therapeutic Services
 6. The Neighborhood Center (TNC)-Outreach Services
 - D. Follow Up Items
 1. New Service Proposal –Adding second funding access point-follow up Ted Small
 2. West Plymouth Avenue paving and restriping parking lot and driveway/Medical Center Architectural Committee-follow up Ted Small
 3. Legislative Matters SB 1632-meeting materials available in electronic format 7 days before meetings-meeting material deadline the Tuesday the week before the scheduled meeting by noon
9. Finance Report
 - A. July Financials
10. Legal Update
11. Commissioner Comments
12. Adjournment

**WEST VOLUSIA HOSPITAL AUTHORITY
WVHA BOARD OF COMMISSIONERS**

BUDGET WORKSHOP

Dreggors, Rigsby & Teal
1006 N. Woodland Blvd., DeLand FL

July 21, 2016
DeLand, Florida

4:00 pm

Those in Attendance:

Commissioner Robert Mann
Commissioner Ross Dickinson
Commissioner Andy Ferrari
Commissioner Barb Girtman
Commissioner Kathie D. Shepard

CAC Present:

Judy Craig
Voloria Manning
Michael Ray
Dolores Guzman

Others Present:

Attorney for the Authority: Theodore Small
Accountant for the Authority: Ron Cantlay, Dreggors, Rigsby & Teal (DRT)
Administrative Support: Eileen Long, DRT

Call to Order

Chair Girtman called the meeting to order. The meeting took place at Dreggors, Rigsby and Teal, P.A. located at 1006 N. Woodland Blvd., DeLand, Florida, having been legally noticed in the Daytona Beach News-Journal, a newspaper of general circulation in Volusia County.

Approval of Proposed Agenda

Motion 078 – 2016 Commissioner Dickinson motioned to approve the agenda. Commissioner Mann seconded the motion. The motion passed unanimously.

Discussion Items

**Millage Rate – presentation attached
POMCO 2016-2017 Budget Forecast
Funding Applications and amounts requested**

There was discussion regarding the Truth in Millage (TRIM) budget process, the current rolled back rate and the amount that the WVHA budget holds in reserves of roughly \$12 million, \$6 million required to cover regular budgeted obligations for the first quarter of the fiscal year, October, November and into December. The Board was cautioned to establish a millage rate during the Regular meeting, following this budget Workshop, that allows room to reduce the millage rate rather than lowering it at this early stage in the budgeting process. The millage rate can always be reduced and it is quite costly to try and increase that initial millage rate once it has been voted upon.

4:05 p.m. Commissioner Kathie Shepard arrived.

There was Board agreement to begin the budget process at the rolled back rate.

4:21 p.m. Commissioner Andy Ferrari arrived.

Commissioner Ferrari agreed that the budget process should start at the rolled back rate.

Ms. Mary Gusky, Administrator of the Good Samaritan Clinic (GSC) was asked to break down the amount of funding that GSC is requesting for dental services; how much is being requested for emergency dental services and how much is full service dental care for that patient population that falls between the Federal Poverty Level (FPL) of 150-200% FPL.

Ms. Gusky explained to the Board that if a HealthCard member presents for full dental/preventative care, GSC does not turn them away, but rather gives them that dental care and never bills the WVHA for those services.

The Board utilized the CAC recommendations and went through the budgeted line items and made some recommendations, reductions and transfers into the Other Healthcare budgeted line item to cover unanticipated healthcare costs that may come up during fiscal year 2016-2017.

The Board discussed the new funded agency applications and made some further reductions and recommendations. There was much discussion regarding Community Legal Services and how they can reflect a direct/straight line to access to healthcare. After discussion, the Board consented to consider funding each of the remaining three new agency applicants at lesser amounts than requested, at this time during the budget process.

There was discussion in regards to adding a litigation budgeted line item and Board consent that \$50,000.00 should be placed in that budgeted line item.

Commissioner Comments

There being no further business to come before the Board, the meeting was adjourned.

Adjournment

Barb Girtman, Chair

July 21, 2016 Errata Sheet

Page 4 of 7

Pulmonary Critical Care Consultants of Volusia (PCCC) WVHA reimbursement for hospital doctor claims

Replace paragraph:

Mr. Shawn Jacobs of POMCO addressed this matter explaining that he has met with the team at POMCO and they have implemented a manual work around that will allow them to process and pay the claims in the immediate future and they are exploring a long term operational process to get this process functioning ~~outside the referral process.~~

With:

Mr. Shawn Jacobs of POMCO addressed this matter explaining that he has met with the team at POMCO and they have implemented a manual work around that will allow them to process and pay the claims in the immediate future and they are exploring a long term operational process to get this process functioning *by tying any PCCC of Volusia claims to the corresponding hospital's referral number for scheduled inpatient stays and by tying back to the emergency room (ER) visit for ER admissions.*

**WEST VOLUSIA HOSPITAL AUTHORITY
WVHA BOARD OF COMMISSIONERS REGULAR MEETING**

Dreggors, Rigsby & Teal
1006 N. Woodland Blvd., DeLand FL

July 21, 2016
DeLand, Florida

5:30 pm

Those in Attendance:

Commissioner Robert Mann
Commissioner Ross Dickinson
Commissioner Andy Ferrari
Commissioner Barb Girtman
Commissioner Kathie D. Shepard

CAC Present:

Voloria Manning
Michael Ray
Dolores Guzman
Judy Craig

Others Present:

Attorney for the Authority: Theodore Small
Accountant for the Authority: Ron Cantlay, Dreggors, Rigsby & Teal (DRT)
Administrative Support: Eileen Long, DRT

Call to Order

Chair Girtman called the meeting to order. The meeting took place at Dreggors, Rigsby and Teal, P.A. located at 1006 N. Woodland Blvd., DeLand, Florida, having been legally noticed in the Daytona Beach News-Journal, a newspaper of general circulation in Volusia County. Chair Girtman opened the meeting asking for reflections for the Armed Services, Law Enforcement and all in the community that are affected by so much that is happening in and around the community; followed with a moment of silence and the Pledge of Allegiance.

Commissioner Ferrari was not present when the Regular meeting was called to order.

Approval of Proposed Agenda

Chair Girtman presented an amended agenda, adding new Discussion Items 9. D., E., F., and G. Making Follow Up Items new agenda item 9. H. and requested a motion to approve.

Motion 079 – 2016 Commissioner Shepard motioned to approve the agenda adding items 9. D., E., F., G, making Follow Up items new agenda item 9. H. Commissioner Dickinson seconded the motion to approve the amended agenda. The motion passed unanimously.

Consent Agenda

**Approval of Minutes – June 16, 2016 Primary Care Application Workshop
- June 16, 2016 Joint Meeting with the CAC**

Motion 080 - 2016 Commissioner Dickinson motioned to approve the Consent Agenda. Commissioner Shepard seconded the motion. The motion passed unanimously.

Citizens Comments

There was one.

Citizens Advisory Committee (CAC) - Judy Craig, Chair

- **Summary CAC July 12, 2016 – Review of Process (email dated 7/14/2016)**

CAC Chair Judy Craig updated the Board as to the outcome from the CAC Review of Process Meeting and encouraged the Board to utilize the Committee member recommendations.

There was clarification from both the Board and the CAC that adding another WVHA application for WVHA funding opportunity during the current year was still open for consideration.

Reporting Agenda

- **HS1 Final Submission Report to the Board July 21, 2016**
- **POMCO June 2016 Report – Penny Barron, Client Development Executive, Shawn Jacobs, Account Executive**

Mr. Shawn Jacobs, Account Executive addressed the Board and updated them in regards to the Third Party Administrator (TPA) transition process that is now in its sixth month. He reviewed the June report submittal with the Board.

6:14 p.m. Commissioner Andy Ferrari joined the meeting already in progress.

- **FQHC Report - Laurie Asbury, CEO**
 - **Northeast Florida Health Services, Inc. d/b/a Family Health Source (FHS) June Report**

Contractual Utilization Reports to the WVHA Board of Commissioners

- **The House Next Door (THND) Steve Sally, Executive Director**

Mr. Steve Sally, Executive Director of THND addressed the Board and referred to the WVHA Annual Report handout placed at each Commissioner's table (attached). Mr. Sally updated the Board on THND's current year utilization for their therapeutic services WVHA contract as well as their WVHA HealthCard prescreening services contract. Mr. Sally stated that THND sent six therapists to the Pulse shooting victims in Orlando, the Monday after that shooting.

The Board asked for Mr. Sally to bring back some clarification as to the number of applications that THND is reporting in regards to volume sent to POMCO, as the POMCO report does not reflect that volume.

Mr. Sally will get back to the Board next week with that clarification.

- **Healthy Communities Outreach Program Steve Parris, Community Health Manager**

Mr. Steve Parris, Community Health Manager, Healthy Communities (HC) Outreach Program, addressed the Board and thanked them for their continued funding. This program provides for two outreach counselors who are out in the community and assist families with applying for Kidcare, they provide technical assistance to these families, they help to interpret English to Spanish. What they have found with these children that they are assisting is that their families did not have any insurance coverage either. The outreach counselors have become Certified Application Counselors (CAC) for the Affordable Care Act (ACA) and they assist these families in applying for ACA coverage. They help anybody throughout the community who require assistance. The enrollment in West Volusia currently for Florida Kidcare is 27,177 children, and that represents Medicaid, Medikids, Children's Medical Services and Healthy Kids.

Discussion Items

Proposed Millage Rate

Mr. Small referred to draft Resolution 2016-003 presented to the Board along with his legal update dated July 13, 2016.

Motion 081 – 2016 Commissioner Ferrari motioned to adopt Resolution 2016-003 adopting the rolled back rate, with the date, time and place for the first public budget hearing to be held on Thursday, the 1st day of September, 2016 at 5:05 p.m., at the Dreggors, Rigsby & Teal, P.A., 1006 N. Woodland Blvd., DeLand Florida. Commissioner Dickinson seconded the motion. The motion passed unanimously.

West Plymouth Avenue paving and restriping parking lot and driveway (estimates attached)

There was discussion as to which estimate the Board wanted to pursue in regards to the parking lot at West Plymouth Avenue; restriping or repaving. There were three questions that needed to be addressed: 1) WVHA owns 25% of the medical center and does the WVHA want representation on the Architectural Committee, if there is a vacancy on that Committee.

Commissioner Ferrari asked Ms. Laurie Asbury, NEFHS how bad was the parking area?

Ms. Asbury questioned the address that was referenced of 800 W. Plymouth Avenue on one estimate. The medical clinic is located at 844 W. Plymouth Avenue, 800 W. Plymouth Avenue is where the NEFHS pediatric clinic is located and that location is rented by NEFHS. Ms. Asbury further stated that there is a serious drainage matter in the parking lot that needs to be addressed as well.

Ms. Judy Craig also stated that their handicapped parking is not up to code either.

Mr. Small referred to his legal update, pages 3 and 4 and the three questions listed. The Board needed to indicate their preference in regards to the West Plymouth Avenue parking lot proposed repairs and the Architectural Committee and potential vacancies to same.

Motion 082 – 2016 Commissioner Shepard motioned to authorize Attorney Small to verify if Tyler Spore was voted onto the West Plymouth Avenue Medical Center's Architectural Committee and if there is a vacancy that can be filled by a WVHA Commissioner. Commissioner Ferrari seconded the motion. The motion passed unanimously.

The Board felt that the parking lot possibly requires more attention rather than the proposed restriping or repaving, as it has now come to the Board's attention that there is a drainage problem, roots breaking through the pavement, and the lack of a parking place properly identified and/or up to code for disabled parking.

Mr. Small assured the Board that he would address these matters with the property manager, Todd Swann Realty.

Getting to Zero – The United Nations initiatives on AIDS implemented in our community

Commissioner Kathie Shepard invited Ms. Brenda Flowers, President of Rising Against All Odds (RAAO) to address the Board in regards to this agenda item.

Ms. Flowers reported to the Board the United Nations Initiative on "Getting to Zero" on AIDS implemented in local communities. Ms. Flowers reported statistics in regards to AIDS infections, education, prevention and treatments, and how to avert future AIDS infections as identified at the UN Summit in Geneva Switzerland on June 30, 2016. They concluded that community efforts have proven critical in overcoming many of the major challenges in the AIDS response.

Commissioner Ferrari asked Ms. Flowers if she was still working at the Veteran's Administration (VA) as she was two years ago or had she retired from that job?

Ms. Flowers responded that she was not working at the VA anymore as she found that it was too stressful working there and running RAAO.

Volusia County Spring Hill CRA parcel addition/Resolution (provided in electronic format)

There was discussion and Board consent that they did not wish to pursue anything in regards to the Spring Hill CRA expansion.

Pulmonary Critical Care Consultants of Volusia (PCCC) WVHA reimbursement for hospital doctor claims

Mr. Shawn Jacobs of POMCO addressed this matter explaining that he has met with the team at POMCO and they have implemented a manual work around that will allow them to process and pay the claims in the immediate future and they are exploring a long term operational process to get this process functioning by tying any PCCC of Volusia claims to the corresponding hospital's referral number for scheduled inpatient stays and by tying back to the emergency room (ER) visit for ER admissions.

2016 Comunidad Wellness Expo (Registration Form attached)

Chair Girtman explained that this event was going to be held on Saturday, September 17, 2016, between the hours of 10:00 a.m. and 3:00 p.m., located at the Volusia County Fair Grounds, 3150 E. New York Avenue, DeLand, FL 32724. To become an exhibitor the cost is \$200.00 per booth, which includes one 8' table, two chairs, and two booth staff name tags. Ms. Dolores Guzman, CAC member has volunteered to man the WVHA table.

Motion 083 – 2016 Commissioner Ferrari motioned to authorize expending \$200.00 to attend the 2016 Comunidad Wellness Expo. Commissioner Dickinson seconded the motion. The motion passed unanimously.

Mr. Small asked if there was any way to track how HealthCard applicants hear about the WVHA program?

Ms. Long suggested adding that question to the WVHA HealthCard application.

Ms. Guzman said that both hospitals advise people of the WVHA program.

Ms. Laurie Asbury said that she currently tracks this data for internal purposes and tracking purposes.

Appeals Process

Commissioner Shepard asked the Board to review page 6 of Mr. Small's legal update.

Motion 084 – 2016 Commissioner Shepard motioned to adopt from Mr. Small's Legal Update formal appeals process/policy as outlined through items on pages 6 and 7: 4., 1., a., b., 2., a., 3., a., b., c., d., e:

- 1. Avoid discussing or writing about the WVHA Health Card Program as "insurance", a "plan", a "self-funded plan" "coverage" or the like. It is a local government benefit program, NOT insurance or an ERISA-qualified Plan which would subject it to a maze of state and federal regulations that are not applicable to it as a local government benefit program.*
 - a. Staff at all WVHA funded agencies should be trained or retrained about this important distinction.*
 - b. Appeal determination letters should be revised accordingly.*
- 2. The Board adopted the Member Application Appeals Process as recommended by POMCO. Please note that it does not include any requirement or expectation that members be notified about the right to bring a civil action or any time limits for such.*
 - a. Appeal determination letters should be revised accordingly.*
- 3. During TPA transitional meetings, it was discussed and confirmed that POMCO would continue the practice utilized by HSI/HNI of relying on THND (as prescreener) and FHS/NFHS (as PCP) to be principally responsible to liaise directly with applicants and WVHA Health Card Program members.*

Accordingly:

 - a. POMCO staff members should not receive calls from applicants or existing WVHA Health Card Program members. POMCO's WVHA dedicated service line is for WVHA funded providers only.*

- b. All applicants should contact THND for questions regarding their application status.*
- c. Approved/existing WVHA Health Card members should contact FHS/NEFHS for any benefit and claims questions.*
- d. DRT will re-direct applicants to contact THND and WVHA members to contact FHS/NEFHS regarding their questions on application status or benefits.*
- e. THND and FHS/NEFHS will in turn work with POMCO where needed to address applicant or member benefit and claims concerns, and make whatever recommendations they deem appropriate directly to the WVHA Board to improve the EGs or POMCO's implementation of the EGs.*

Commissioner Ferrari seconded the motion. The motion passed unanimously.

Mr. Small clarified that the formal policy should reference primary care providers rather than FHS/NEFHS, as Global too has the ability to make referrals into the specialty care network.

Motion 084 – 2016 (AMENDED) Commissioner Shepard amended her motion above to replace all references to “FHS/NEFHS” with “primary care providers”. Commissioner Ferrari seconded the amended motion. The motion passed unanimously.

Follow Up Items

- **New Service Proposal eligible for consideration**

Chair Girtman reviewed this revision that now only considers two annual funding cycles.

There was much discussion as to how the Board could implement a second window for receiving funding applications, in addition to the current cycle in April and adding another funding cycle in October. It was further suggested that the new applicants who present for funding in October could mentor with another funded agency representative and/or Commissioner, in lieu of an applicant workshop.

Mr. Small asked the Board if they wanted his assistance in drafting this new funding process?

There was Board consent that they wanted Mr. Small to draft this new funding process.

Mr. Small pointed out that the Board only considered the CAC answers to the questions contained in the ranking scores, and did not give any weight to the actual scores. Does the Board want to change the ranking/scoring sheet to only include the questions: “Please write your answers below for questions A), B), or C) if were up to you would you:

- A) Fund this applicant at 100% of the requested amount, why?
- B) Not fund this applicant, why?
- C) Or, fund this applicant but not at the requested amount but fund the amount of \$ _____, why?”

- **WVHA Eligibility Guidelines**
 - **WVHA Family Size-persons Not Considered Part of the Family Unit (Page 10 of 34)**

- **Verification of support if an applicant is claiming \$0 income and resides with others (Page 18 of 34)**

Commissioner Ferrari had this matter brought before the Board and he has since met with the representatives from POMCO and they have answered or addressed all of his concerns.

Financial Report

Mr. Ron Cantlay, DRT reviewed for the Board the June financial statements (see attached).

Motion 085 - 2016 Commissioner Mann motioned to pay bills totaling \$2,152,030.13 (See attached). Commissioner Shepard seconded the motion. The motion passed unanimously.

Legal Update

Mr. Theodore Small submitted his legal update memorandum dated July 13, 2016 (See attached).

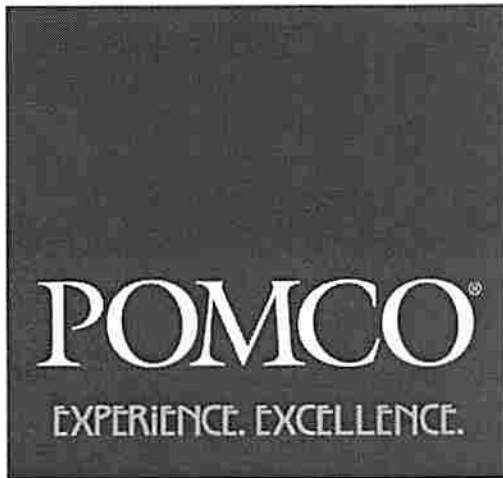
Commissioner Comments

Motion 086 – 2016 Commissioner Ferrari motioned to move the November CAC meetings from the second week of the month on Tuesday to the third week of the month on Tuesday, in order to avoid having a CAC meeting on the same day as local and/or general election days. Commissioner Shepard seconded the motion. The motion passed unanimously.

There being no further business to come before the Board, the meeting was adjourned.

Adjournment

Barb Girtman, Chair



POMCO

August 18, 2016

Submission Report for WVHA Board Members

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Enrollment Processing

Applications Received by Fiscal Year for the Period of 1/1/2016 to Present

Applications Received 01/01/2016 - Present

FiscalYr	Month Received	APPROVED	DENIED	PENDING	Grand Total	Approval Percentage
FY1516	201601	285	50	0	335	85.07%
	201602	233	30	1	264	88.26%
	201603	232	60	0	292	79.45%
	201604	193	55	5	253	76.28%
	201605	180	60	1	241	74.69%
	201606	252	27	42	321	78.50%
	201607	160	15	132	307	52.12%
Grand Total		1535	297	181	2013	76.25%

Applications Processed by Fiscal Year – Approval Percentage

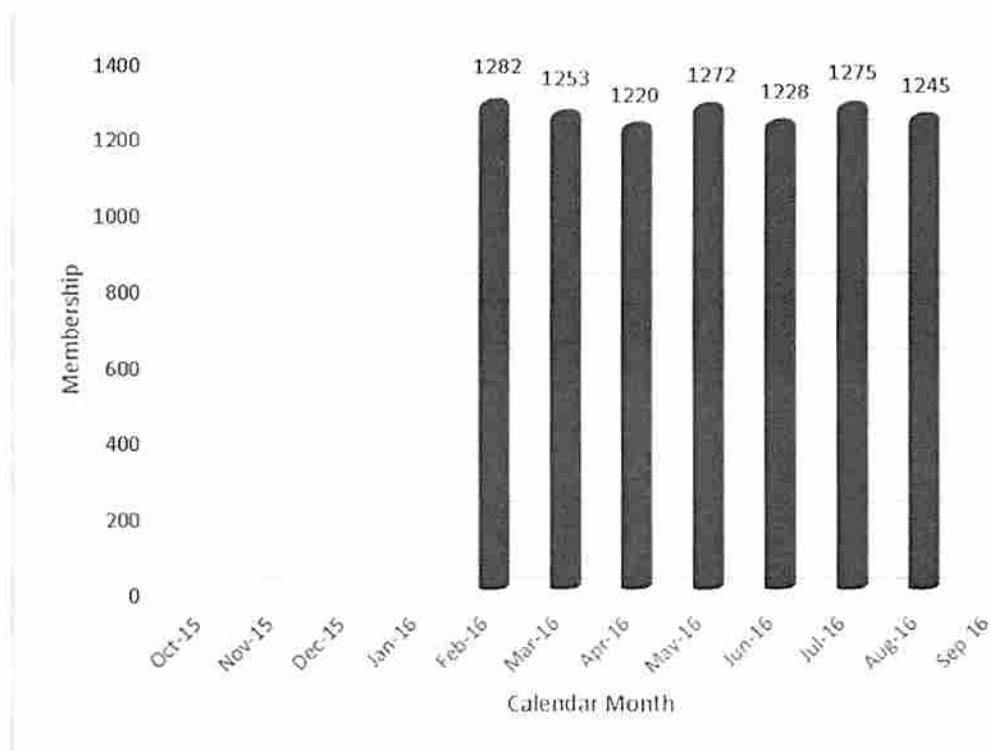
Fiscal Year	Applications Processed	Average Approval Percentage
FY1516	2013	76.25%

Enrollment Applications – Denial Summary Report

Period	Approved		Denied		Pending		Total Apps
	Apps	Pctg	Apps	Pctg	Apps	Pctg	
FY1516	1535	76.25%	297	14.75%	181	8.99%	2013
201601	285	85.07%	50	14.93%	0	0.00%	335
Active Eligible	285	100.00%		0.00%		0.00%	285
Declined - Not Elig for Plan		0.00%	22	100.00%		0.00%	22
Declined - Req'd Documentation Missing		0.00%	17	100.00%		0.00%	17
Terminated - Member has Medicaid Coverage		0.00%	10	100.00%		0.00%	10
Terminated - Member has Other Coverage		0.00%	1	100.00%		0.00%	1
201602	233	88.26%	30	11.36%	1	0.38%	264
Active Eligible	233	100.00%		0.00%		0.00%	233
Declined - Not Elig for Plan		0.00%	14	100.00%		0.00%	14
Declined - Req'd Documentation Missing		0.00%	15	100.00%		0.00%	15
Terminated - Member has Medicaid Coverage		0.00%	1	100.00%		0.00%	1
Pending - Multiple Reasons		0.00%		0.00%	1	100.00%	1
201603	232	79.45%	60	20.55%	0	0.00%	292
Active Eligible	232	100.00%		0.00%		0.00%	232
Declined - Not Elig for Plan		0.00%	34	100.00%		0.00%	34
Declined - Req'd Documentation Missing		0.00%	24	100.00%		0.00%	24
Declined - Application Withdrawn		0.00%	2	100.00%		0.00%	2
201604	193	76.28%	55	21.74%	5	1.98%	253
Active Eligible	193	100.00%		0.00%		0.00%	193
Declined - Not Elig for Plan		0.00%	30	100.00%		0.00%	30
Declined - Req'd Documentation Missing		0.00%	22	100.00%		0.00%	22
Declined - Unknown		0.00%	1	100.00%		0.00%	1
Terminated - Member has Medicaid Coverage		0.00%	2	100.00%		0.00%	2
Pending - Multiple Reasons		0.00%		0.00%	5	100.00%	5
201605	180	74.69%	60	24.90%	1	0.41%	241
Active Eligible	180	100.00%		0.00%		0.00%	180
Declined - Not Elig for Plan		0.00%	22	100.00%		0.00%	22
Declined - Req'd Documentation Missing		0.00%	37	100.00%		0.00%	37
Declined - Unknown		0.00%	1	0.00%		0.00%	1
Pending - Multiple Reasons		0.00%		0.00%	1	100.00%	1
201606	252	78.50%	27	8.41%	42	13.08%	321
Active Eligible	252	100.00%		0.00%		0.00%	252
Declined - Not Elig for Plan		0.00%	21	100.00%		0.00%	21
Declined - Req'd Documentation Missing		0.00%	6	100.00%		0.00%	6
Pending - Multiple Reasons		0.00%		0.00%	42	100.00%	42
201607	160	52.12%	15	4.89%	132	43.00%	307
Active Eligible	160	100.00%		0.00%		0.00%	160
Declined - Member Exceeds Income Level		0.00%	2	100.00%		0.00%	2
Declined - Member Has Medicaid Coverage		0.00%	1	100.00%		0.00%	1
Declined - Not Elig for Plan		0.00%	7	100.00%		0.00%	7
Declined - Req'd Documentation Missing		0.00%	4	100.00%		0.00%	4
Terminated - Not Elig for Plan		0.00%	1	100.00%		0.00%	1
Pending - Multiple Reasons		0.00%		0.00%	132	100.00%	132

Note that because patients can and do become eligible and/or terminate every day of the month, when reporting by month, the most current status only will be reflected on the monthly reports. If a member is approved but then is denied/termed in the same or subsequent month, the status of denied/termed will be reported and the approved status will be removed.

WVHA Health Card Program Eligibility – by Calendar Month – as of August 1, 2016



Eligibility reported above reflects eligibility as of the first of each month.

As of August 1, 2016, total program eligibility was 1,245 patients.

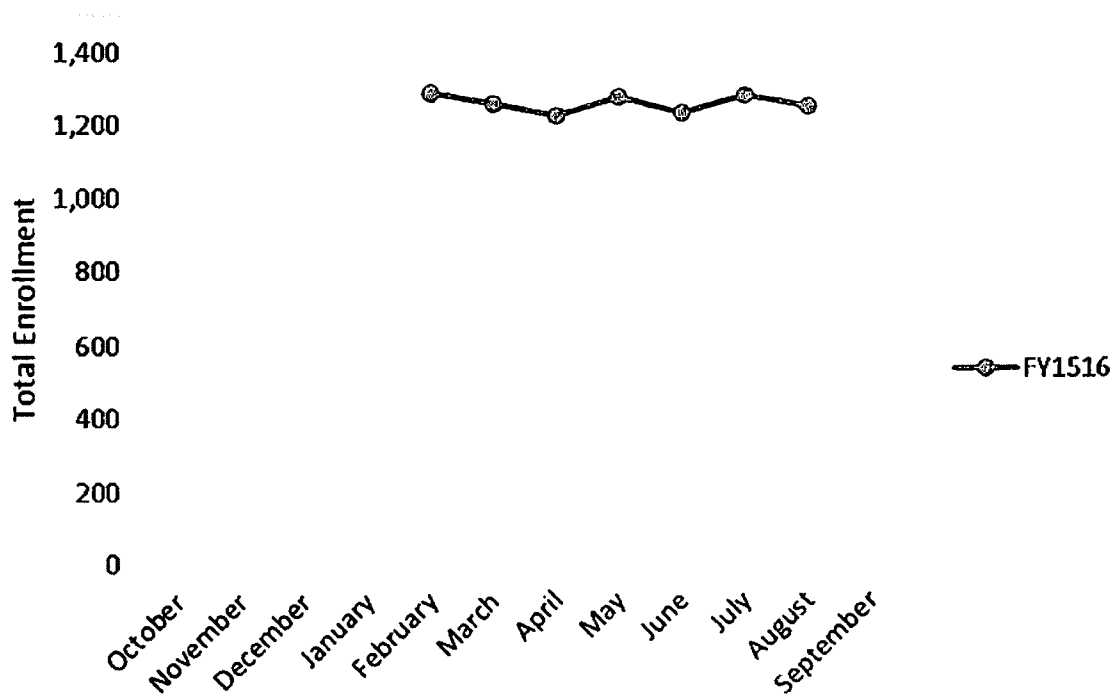
WVHA Enrollment by Fiscal Year – as of August 1, 2016

WVHA Enrollment

By Fiscal Year

Month of Fiscal Year FY1516

October	
November	
December	
January	
February	1,282
March	1,253
April	1,220
May	1,272
June	1,228
July	1,275
August	1,245
September	
Grand Total	8,775



Eligibility and Enrollment Update

Pended Application Increase in July

We've experienced an unusually high percentage of pended applications in the month of July based on incomplete or missing documentation. We've reached out to The House Next Door to review with POMCO's eligibility team towards getting the necessary data to complete the applications.

Claims & Referrals

PCCC of Volusia Claims

As discussed during the July 21, 2016 board meeting, POMCO has identified and reprocessed claims for PCCC of Volusia relative to services conducted at WVHA Hospitals either in an emergency or non-emergency event. We've also solidified processes to identify these types of scenarios and categorize or apply necessary coding to ensure claim processing and payment.

WVHA Application Appeals Notice Changes & Recommendations

POMCO Appeal Correspondence Updates – RE-Motion 084-2016

As per the above approved motion at the July 21, 2016 board meeting, POMCO has updated the application appeal notice templates changing any language with references of the "plan", "self-funded plan" or "coverage" to read the WVHA Health Card Program. We've also removed POMCO's boiler-plate template language regarding a member's right to bring a civil action when an appeal is denied. All appeals notices after July 21, 2016 will reflect these changes.

Recommended Update to Applicant's Right to Appeal Language

Under separate attachment POMCO is recommending changes to the language used on the notices of the applicant's right to appeal to clarify the purpose of the application appeals process and to discourage submission of details regarding the applicant's medical condition.

Specialist Provider Recruitment

Recruitment Updates

During the month of July 2016, POMCO secured a specialist contract with Atlantic Surgery Center at the following location:

541 Health Blvd

Daytona Beach FL 32114

(386) 239-0021

Medical and Prescription Drug Claim Data

Pharmacy Claims by Fiscal Year by Service Month (Month Prescription Filled)

	FY1516				
Month	Drug Costs	Dispensing Fee Less Copayments	Total Costs	Total Rx's Filled	Avg Cost Per Rx
October					
November					
December	\$28,544.82	\$28,938.00	\$57,482.82	2,067	\$27.81
January	\$20,145.97	\$25,690.00	\$45,835.97	1,835	\$24.98
February	\$21,408.85	\$29,190.00	\$50,598.85	2,085	\$24.27
March	\$21,597.93	\$29,190.00	\$50,787.93	2,085	\$24.36
April	\$22,829.30	\$29,540.00	\$52,369.30	2,110	\$24.82
May	\$30,211.04	\$29,652.00	\$59,863.04	2,118	\$28.26
June	\$89,111.61	\$29,204.00	\$118,315.61	2,086	\$56.72
July					
August					
September					
Grand Total	\$233,849.52	\$201,404.00	\$435,253.52	14,386	\$30.26

Combined Medical Costs (as of Claims Payment through 7/31/2016)

Fiscal Year	Hospital	Lab	PCP	Specialty	Facility Physicians	Pharmacy	Total Costs	Member Months	Overall Per Member Per Month (PMPM)	Hospital PMPM	Lab PMPM	PCP PMPM	Specialty PMPM	Pharmacy PMPM
FY1516	\$1,836,426.49	\$126,639.45	\$389,003.85	\$1,106,106.05	\$0.00	\$435,253.52	\$3,893,429.36	8,812	\$441.83	\$208.40	\$14.37	\$44.14	\$125.52	\$49.39
January	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$57,482.82	\$57,482.82	1,282	\$44.84	\$0.00	\$0.00	\$0.00	\$0.00	\$44.84
February	\$57,970.45	\$264.82	\$15,002.25	\$14,414.91	\$0.00	\$45,835.97	\$133,488.40	1,282	\$104.13	\$45.22	\$0.21	\$11.70	\$11.24	\$35.75
March	\$341,919.64	\$2,928.52	\$112,830.90	\$146,003.63	\$0.00	\$50,598.85	\$654,281.54	1,253	\$522.17	\$272.88	\$2.34	\$90.05	\$116.52	\$40.38
April	\$454,525.75	\$44,709.40	\$89,291.39	\$281,087.94	\$0.00	\$50,787.93	\$920,402.41	1,220	\$754.43	\$372.56	\$36.65	\$73.19	\$230.40	\$41.63
May	\$275,027.20	\$26,042.28	\$57,651.30	\$161,251.64	\$0.00	\$52,369.30	\$572,341.72	1,272	\$449.95	\$216.22	\$20.47	\$45.32	\$126.77	\$41.17
June	\$427,406.43	\$25,825.74	\$52,782.76	\$238,166.32	\$0.00	\$59,863.04	\$804,044.29	1,228	\$654.76	\$348.05	\$21.03	\$42.98	\$193.95	\$48.75
July	\$279,577.02	\$26,868.69	\$61,445.25	\$265,181.61	\$0.00	\$118,315.61	\$751,388.18	1,275	\$589.32	\$219.28	\$21.07	\$48.19	\$207.99	\$92.80
August														
September														
Grand Total	\$1,836,426.49	\$126,639.45	\$389,003.85	\$1,106,106.05	\$0.00	\$435,253.52	\$3,893,429.36	8,812	\$441.83	\$208.40	\$14.37	\$44.14	\$125.52	\$49.39

Medical and pharmacy costs are reported on a paid basis

PCP Encounter Claims by Clinic by Month (as of Claims Payment through 7/31/2016)

	FY1516				
Month	NEFHS Deland	NEFHS Deltona	NEFHS Pierson	NEFHS Stone Street	Total
February	2	56	76	0	134
March	62	436	517	0	1,015
April	47	332	418	0	797
May	23	226	275	0	524
June	13	190	261	0	464
July	16	270	248	0	534
August					
September					
Grand Total	163	1,510	1,795	0	3,468

PCP encounter claims are reported on a paid basis.



POMCO

August 18, 2016

Recommendations for WVHA Board Approval



WVHA Health Card Application Appeals Process

POMCO is suggesting the following changes to the WVHA Health Card application appeals process to help clarify its purpose. The second paragraph below represents the suggested changes.

Member Messaging for Denial

If you have questions or disagree with the reasons your application for the WVHA Health Card was denied, you must send your inquiries or disagreement to the following address within 45 days of the date on the written denial notice: POMCO Group Appeals Department, P. O. Box 6329, Syracuse, NY 13217. Attach any additional documentation you may have in your possession that would provide additional support for your application being reconsidered for approval.

Please note that the purpose of the WVHA Health Card application appeals process is for the WVHA Board to review and confirm whether or not POMCO interpreted and applied the WVHA Health Card eligibility guidelines as intended. Therefore your appeals submission and additional documentation should be limited to proving the reason(s) of your appeal. Your medical conditions should not be reflected in your appeal submission details since it has no bearing on the eligibility process and will become part of the public record when submitted for the WVHA Board's review.

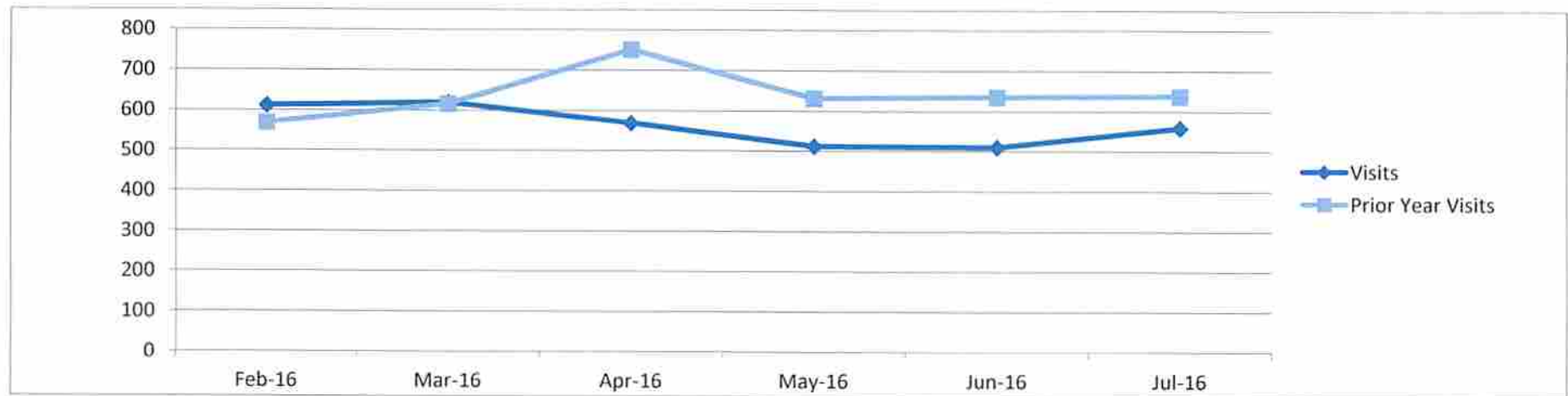
Your request will be reviewed and you will receive a written response within 60 days of the request by POMCO's Appeals Department.

The process will remain the same as previously approved:

POMCO makes the initial appeal determination. If after review of the additional documentation, and the denial is reversed by POMCO, a letter is sent to the applicant and the applicant is enrolled back to the application date. If the denial is upheld, then the appeal would be presented to the WVHA Board at their next meeting for discussion and determination to continue with the final denial or to reverse it. Once that determination is made, a letter is sent to the applicant with the decision.

Patient Visits

	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Visits	612	619	569	512	510	558
Prior Year Visits	569	616	751	631	635	638



Patient Visits by Provider Type

Provider Type	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Medical Doctor	237	225	211	186	183	190
PA's	375	394	358	326	327	248
Total Medical	612	619	569	512	510	438
Dentist	0	0	0	0	0	0
Hygienist	0	0	0	0	0	0
Total Dental	0	0	0	0	0	0
Total	612	619	569	512	510	438

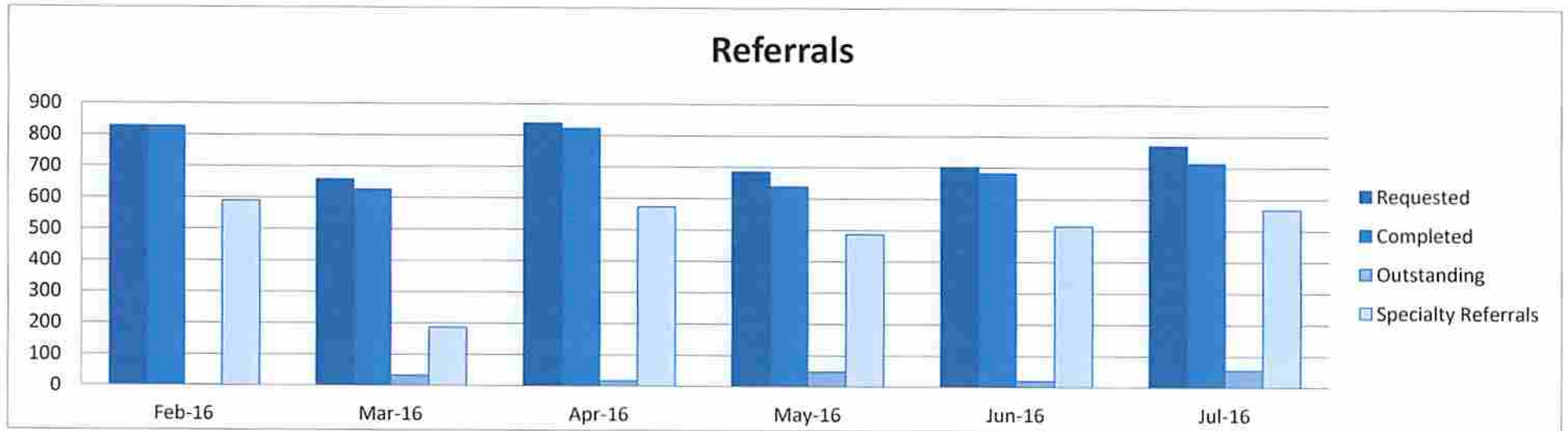
Patient Visits: Saturday Walk-ins (DeLand)

Date	Scheduled	Walk-ins	No Shows	R/S	Cancel	Total Seen
5/14/2016	7	0	0	0	0	7
5/21/2016	4	0	0	0	0	4
5/28/2016	10	0	0	0	0	10
6/4/2016	4	0	0	0	0	4
6/11/2016	8	0	0	0	0	8
6/18/2016	8	0	1	0	0	7
6/25/2016	10	0	1	0	0	9
7/2/2016	0	0	0	0	0	0
7/9/2016	0	0	0	0	0	0
7/16/2016	0	0	0	0	0	0
7/23/2016	0	0	0	0	0	0
7/30/2016	0	0	0	0	0	0
8/6/2016	0	0	0	0	0	0

Referrals

	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
Requested	827	658	839	685	702	769
Completed	826	626	822	638	682	714
Outstanding	1	32	17	47	20	55
Specialty Referrals	589	187	573	487	514	567

Referrals

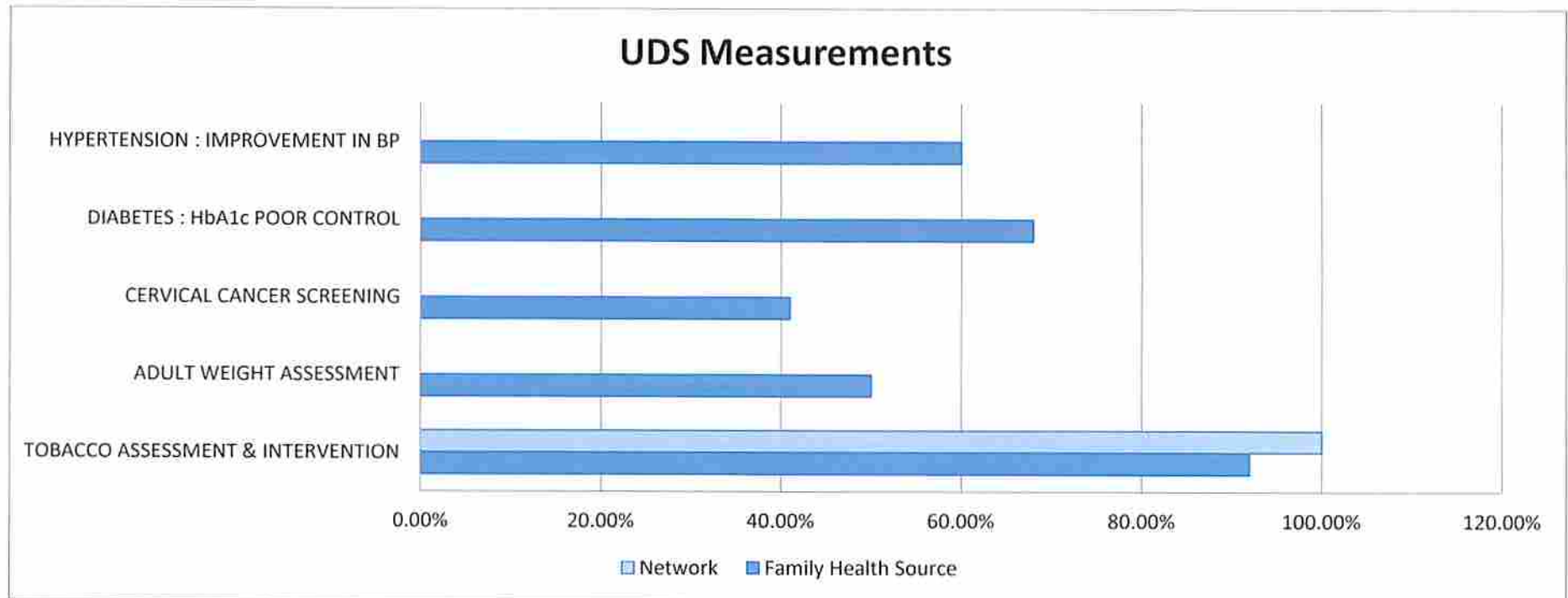


Appointment Times

Location	Provider	Appointments
Pierson	Kessack	Next Day
DeLand	Smith	Same Day
DeLand	Johnson	Same Day
Deltona	Rodriguez	2 Days
Deltona	Macalua	Same Day
Deltona	Mancini	Next Day
Pediatrics	Rojas-Sanchez	Same Day
Pediatrics	Desouza	Same Day

UDS Measures

Clinical Measure	Family Health
TOBACCO ASSESSMENT & INTERVENTION	92.00%
ADULT WEIGHT ASSESSMENT	50.00%
CERVICAL CANCER SCREENING	41.00%
DIABETES : HbA1c POOR CONTROL	68.00%
HYPERTENSION : IMPROVEMENT IN BP	60.00%



West Volusia Hospital Authority
Preliminary Budget 2016-2017

	2015-2016	Actual Annualized	2016-2017 Rollback shown 1.5900
Millage			
Revenue Reduction			
Revenues			
Taxes	12,225,000	12,425,000	12,350,000
Investment income	65,000	56,263	65,000
Rent Income	66,876	66,876	67,301
Other Income		2,247	
Other Sources - Use of Reserves		-	
Total Revenues & Other Sources	12,356,876	12,550,386	12,482,301
Healthcare Expenditures			
Hospitals			
Hospitals	5,316,748	3,899,426	5,350,949
Physicians	325,000	141,943	325,000
NEFHS - Primary care clinics	736,940	730,972	730,000
Pharmacy	703,666	666,393	688,938
Pre-Natal	100,000	17,873	30,000
Lab Services	256,320	198,682	307,065
Specialty Care	2,670,840	2,248,547	2,612,610
County of Volusia Medicaid Reimbursement	2,150,000	2,102,346	2,197,953
HCRA-In County	400,000	175,185	400,000
HCRA-Outside County	419,612	-	419,612
Local Match Funding			
SMA-Baker Act	400,000	366,800	425,000
Other funded agencies			
FL Dept of Health - Dental	150,000	5,738	300,000
Good Samaritan			
Health Clinic	60,000	23,399	24,096
Dental	50,000	44,480	57,712
Global Health Care-Primary care	313,600	7,168	313,600
Healthy Communities(Kid Care)	72,536	66,034	72,036
Healthy Start Coalition of Flagler & Volusia-Outreach	73,566	44,896	73,500
Healthy Start Coalition of Flagler & Volusia-Fam Services	68,918	37,629	68,900
The House Next Door	181,975	60,910	181,975
The Neighborhood Center	50,000	27,867	70,000
SMA Residential	150,000	499,926	450,000
Rising Against All Odd-HIV/Aids	152,667	148,937	210,000
SMA ARNP Services @ THND	7,000	3,818	7,000
SMA Homeless Program	78,336	72,947	78,336
New programs			
Hispanic Health Initiatives		-	188,000
Global Healthcare System Urgent Care		-	324,000
Community Legal Services		-	141,347
Other Healthcare	400,000	-	400,000
Total Healthcare Expenditures	15,287,724	11,591,916	16,447,629
Total Healthcare Expenditures			
Other Operating			
Tax Coll/Appraiser Fees	478,356	570,862	500,000
Tax Increment Districts	35,000	32,399	40,000
TPA Services	455,000	657,369	400,000
Eligibilty/Enrollment	85,745	68,525	85,745
Application Screening (RAAO & THND)	106,238	127,883	205,477
Other operating fees	293,000	297,342	300,200
Total Operating expenditures	1,453,339	1,754,380	1,531,422
Total Expenditures	16,741,063	13,346,296	17,979,051
Excess revenue over expenditures	(4,384,187)	(795,910)	(5,496,750)



Dreggors, Rigsby & Teal, P.A.

Advisors for Life

Certified Public Accountant Registered Investment Advisor

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Ronald J. Cantlay, CPA/CFP™
Robin C. Lennon, CPA
John A. Powers, CPA

August 18, 2016

To The Board of Commissioners
West Volusia Hospital Authority
P.O. Box 940
DeLand, FL 32720-0940

This letter documents our agreement, as administrators for the West Volusia Hospital Authority, to perform these agreed-upon procedures related to grantee site visits for the fiscal year of 2016-17. The procedures are enumerated below. We will meet with you as needed to discuss the agreed-upon procedures, results, and other issues that may arise.

- Inquire and document as to the grantee's monitoring procedures with respect to contract compliance.
- Select a sample of transaction and test compliance with contract provisions.
- Prepare a written report summarizing the results with recommendations to the Board of Commissioners.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described above either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed above do not constitute an examination, we will not express an opinion on financial statements. In addition, we have no obligation to perform any procedures beyond those listed above.

MEMBERS

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of West Volusia Hospital Authority and should not be used by anyone other than this specified party. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The documentation for this engagement is the property of Dreggors, Rigsby & Teal, P.A. and constitutes confidential information. If requested, access to such attest documentation will be provided under the supervision of Dreggors, Rigsby & Teal, P.A. personnel. Furthermore, upon request, we may provide copies of selected documentation to West Volusia Hospital Authority. West Volusia Hospital Authority may intend, or decide, to distribute the copies or information contained therein to others at their own discretion.

Our fee for these services will be based upon our prevailing standard hourly rates for the particular staff employed.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter.

Acknowledged:



Dreggors, Rigsby & Teal, P.A.

West Volusia Hospital Authority

Date

Eileen Long

From: Schaeffer, Deanna <Deanna.Schaeffer@halifax.org>
Sent: Monday, March 14, 2016 12:00 PM
To: Law Office--Ted Small; Eileen Long
Subject: Legislative Matters of Interest
Attachments: 0479ER.pdf; 0194ER.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: Red Category

Good day. Below please find legislative matters of possible interest that passed during the legislative session which ended March 11th:

- The Appropriations Bill with revisions to the Low Income Pool.
The legislature was required to manage a reduction in funding for the Low Income Pool from its current year allocation of \$1 billion to \$608 million for SFY 2016-17 as well as to develop a model that met the restrictive "Special Terms and Conditions" that govern allocation of the funds as imposed by the Centers for Medicare and Medicaid Services (CMS). The impact of the approved funding methodology results in possible funding allocations to Deland Hospital and Florida Fish Memorial as follows, assuming all required inter-governmental transfers (IGTs) are provided. Required federal match for LIP in SFY 2016-17 is 38.99%.
 - Florida Hospital Deland \$633,927 (including IGT)
 - Florida Hospital Fish Memorial \$44,769 (including IGT)
- HB 479 pertaining to requirements for Special District websites. The bill text is attached and some of the highlights are as follows:
 - The bill requires posting of a tentative budget at least 2 days prior to the budget hearing and further requires that it remain posted at least 45 days. It also requires that the final budget be posted for at least 2 years.
 - Requirements for information that must be posted on the website, in addition to required information as is noted on the Department of Economic Opportunity website www.floridajobs.org/SDwebsites, pursuant to passage of SB 1632 in 2014 that amended FS 189, are as follows:
 - The public facilities report, if applicable.
 - A listing of its regularly scheduled public meetings as required by s. 189.015(1). ✓
 - The link to the Department of Financial Services' website as set forth in s. 218.32(1)(g). ✓
 - At least 7 days before each meeting or workshop, the agenda of the event, along with any meeting materials available in an electronic format, excluding confidential and exempt information.
 - The information must remain on the website for at least 1 year after the event.
- SB 194 Relating to exemption of healthcare taxing districts for CRAs created after July 1, 2016. The bill passed both chambers and is pending action by the governor. The bill text is attached.

Please let me know if there are any questions or if additional information is required.

Dee

**West Volusia Hospital Authority
Financial Statements
July 31, 2016**



Dreggors, Rigsby & Teal, P.A.

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To The Board of Commissioners
West Volusia Hospital Authority
P. O. Box 940
DeLand, FL 32720-0940

Management is responsible for the accompanying balance sheet (modified cash basis) of West Volusia Hospital Authority, as of July 31, 2016, and the related statement of revenue and expenditures - budget and actual (modified cash basis) for the month then ended and year-to-date, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplemental information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to West Volusia Hospital Authority.

Dreggors, Rigsby & Teal, P.A.

Dreggors, Rigsby & Teal, P.A.
Certified Public Accountants
DeLand, FL

August 4, 2016

MEMBERS

**West Volusia Hospital Authority
Balance Sheet
Modified Cash Basis
July 31, 2016**

Assets

Current Assets

Petty Cash	\$ 100.00
Intracoastal Bank - Money Market	14,102,424.64
Intracoastal Bank - Operating	<u>500,035.07</u>
Total Current Assets	<u>14,602,559.71</u>

Fixed Assets

Land	145,000.00
Buildings	422,024.71
Building Improvements	350,822.58
Equipment	<u>755.35</u>
Total Fixed Assets	<u>918,602.64</u>
Less Accum. Depreciation	<u>(267,068.62)</u>
Total Net Fixed Assets	<u>651,534.02</u>

Other Assets

Deposits	<u>2,000.00</u>
Total Other Assets	<u>2,000.00</u>

Total Assets **\$15,256,093.73**

Liabilities and Net Assets

Current Liabilities

Security Deposit	\$ 5,110.00
Total Current Liabilities	<u>5,110.00</u>

Net Assets

Nonspendable Fund Balance	651,534.02
Restricted Fund Balance	208,000.00
Assigned Fund Balance	4,384,187.00
Unassigned Fund Balance	8,825,633.45
Net Income Excess (Deficit)	<u>1,181,629.26</u>
Total Net Assets	<u>15,250,983.73</u>

Total Liabilities and Net Assets **\$15,256,093.73**

West Volusia Hospital Authority
Statement of Revenue and Expenditures
Modified Cash Basis
Budget and Actual

For the 1 Month and 10 Months Ended July 31, 2016

	<u>ANNUAL BUDGET</u>	<u>CURRENT PERIOD ACTUAL</u>	<u>YEAR TO DATE ACTUAL</u>	<u>BUDGET BALANCE</u>
Revenue				
Ad Valorem Taxes	\$12,225,000.00	\$ 12,996.36	\$12,425,062.27	\$ (200,062.27)
Investment Income	65,000.00	4,688.31	52,031.21	12,968.79
Rental Income	66,876.00	5,573.00	55,730.00	11,146.00
Other Income	0.00	0.00	1,685.14	(1,685.14)
Total Revenue	12,356,876.00	23,257.67	12,534,508.62	(177,632.62)
Healthcare Expenditures				
Adventist Health Systems	5,641,748.00	443,632.31	3,474,658.70	2,167,089.30
Northeast Florida Health Services	1,545,606.00	55,718.26	1,124,183.16	421,422.84
Specialty Care	2,927,160.00	276,254.98	2,121,854.51	805,305.49
County Medicaid Reimbursement	2,150,000.00	182,706.63	1,759,466.13	390,533.87
The House Next Door	181,975.00	17,092.76	62,775.42	119,199.58
Global Health Care	313,600.00	3,808.00	9,184.00	304,416.00
SMA - Residential Treatment	150,000.00	69,407.26	444,351.44	(294,351.44)
The Neighborhood Center	50,000.00	3,984.54	24,884.58	25,115.42
Rising Against All Odds	152,667.00	17,330.39	129,032.85	23,634.15
Florida Dept of Health Dental Svcs	145,000.00	1,495.88	2,545.88	142,454.12
Good Samaritan	110,000.00	6,921.50	57,830.50	52,169.50
Stewart Marchman - ACT	485,336.00	43,910.21	376,584.24	108,751.76
Healthy Communities	72,536.00	6,804.74	56,330.30	16,205.70
Health Start Coalition of Flagler & Volusi	142,484.00	9,047.34	70,941.64	71,542.36
H C R A	819,612.00	52,823.30	165,572.99	654,039.01
Other Healthcare Costs	400,000.00	0.00	0.00	400,000.00
Total Healthcare Expenditures	15,287,724.00	1,190,938.10	9,880,196.34	5,407,527.66
Other Expenditures				
Advertising	5,000.00	296.98	10,866.34	(5,866.34)
Annual Independent Audit	15,500.00	0.00	15,200.00	300.00
Building & Office Costs	6,500.00	562.55	3,088.65	3,411.35
General Accounting	60,900.00	4,812.25	44,195.00	16,705.00
General Administrative	65,100.00	5,471.25	55,495.55	9,604.45
Legal Counsel	85,000.00	7,900.00	76,370.00	8,630.00
Special Accounting	20,000.00	0.00	0.00	20,000.00
City of DeLand Tax Increment District	35,000.00	0.00	24,299.00	10,701.00
Tax Collector & Appraiser Fee	478,356.00	88.44	428,235.12	50,120.88
TPA Services	455,000.00	0.00	493,027.00	(38,027.00)
Eligibility / Enrollment	85,745.00	0.00	51,393.50	34,351.50
Application Screening	106,238.00	13,638.46	109,550.62	(3,312.62)
Workers Compensation Claims	25,000.00	0.00	15,389.78	9,610.22
Other Operating Expenditures	10,000.00	1,530.00	22,974.41	(12,974.41)
Loss on Disposition of Assets	0.00	(30.00)	122,598.05	122,598.05
Total Other Expenditures	1,453,339.00	34,269.93	1,472,683.02	(19,344.02)
Total Expenditures	16,741,063.00	1,225,208.03	11,352,879.36	5,388,183.64
Excess (Deficit)	<u>\$(4,384,187.00)</u>	<u>\$ (1,201,950.36)</u>	<u>\$ 1,181,629.26</u>	<u>\$ 5,565,816.26</u>

See Accountants' Compilation Report

West Volusia Hospital Authority
Schedule I - Healthcare Expenditures
Modified Cash Basis
Budget and Actual

For the 1 Month and 10 Months Ended July 31, 2016

	<u>ANNUAL BUDGET</u>	<u>CURRENT PERIOD ACTUAL</u>	<u>YEAR TO DATE ACTUAL</u>	<u>BUDGET BALANCE</u>
Healthcare Expenditures				
Adventist Health Systems				
Florida Hospital DeLand	\$ 2,658,374.00	\$ 249,414.81	\$ 1,790,450.35	\$ 867,923.65
Florida Hospital Fish Memorial	2,658,374.00	194,217.50	1,577,751.28	1,080,622.72
Florida Hospital DeLand - Physicians	162,500.00	0.00	58,631.14	103,868.86
Florida Hospital Fish - Physicians	162,500.00	0.00	47,825.93	114,674.07
Northeast Florida Health Services				
Primary Care Clinics	736,940.00	52,208.25	600,437.09	136,502.91
Dental	5,000.00	0.00	4,303.50	696.50
Obstetrics	100,000.00	3,510.01	19,647.77	80,352.23
Pharmacy	703,666.00	0.00	499,794.80	203,871.20
Specialty Care				
Specialty Care Providers	2,670,840.00	252,790.52	1,939,200.94	731,639.06
Laboratory Services	256,320.00	23,464.46	182,653.57	73,666.43
County Medicaid Reimbursement	2,150,000.00	182,706.63	1,759,466.13	390,533.87
Florida Dept of Health Dental Svcs	145,000.00	1,495.88	2,545.88	142,454.12
Good Samaritan				
Good Samaritan Health Clinic	60,000.00	2,441.50	19,990.50	40,009.50
Good Samaritan Dental Clinic	50,000.00	4,480.00	37,840.00	12,160.00
The House Next Door	181,975.00	17,092.76	62,775.42	119,199.58
Global Health Care	313,600.00	3,808.00	9,184.00	304,416.00
SMA - Residential Treatment	150,000.00	69,407.26	444,351.44	(294,351.44)
The Neighborhood Center	50,000.00	3,984.54	24,884.58	25,115.42
Rising Against All Odds	152,667.00	17,330.39	129,032.85	23,634.15
Stewart Marchman - ACT				
SMA - ARNP Services at THND	7,000.00	236.00	3,099.50	3,900.50
SMA - Homeless Program	78,336.00	8,369.83	63,080.07	15,255.93
SMA - Baker Act - Match	400,000.00	35,304.38	310,404.67	89,595.33
Healthy Communities				
Healthy Communities Kid Care Outreach	72,536.00	6,804.74	56,330.30	16,205.70
Health Start Coalition of Flagler & Volusia				
HSCFV - Outreach	73,566.00	6,225.12	39,897.40	33,668.60
HSCFV - Fam Services	68,918.00	2,822.22	31,044.24	37,873.76
HCRA				
H C R A - In County	400,000.00	52,823.30	184,212.06	215,787.94
H C R A - Outside County	419,612.00	0.00	(18,639.07)	438,251.07
Other Healthcare Costs	400,000.00	0.00	0.00	400,000.00
Total Healthcare Expenditures	<u>\$15,287,724.00</u>	<u>\$ 1,190,938.10</u>	<u>\$ 9,880,196.34</u>	<u>\$ 5,407,527.66</u>

See Accountants' Compilation Report

West Volusia Hospital Authority
Schedule II - Statement of Revenue and Expenditures
Modified Cash Basis

For the 1 Month and 10 Months Ended July 31, 2016 and July 31, 2015

	1 Month Ended <u>July 31, 2016</u>	1 Month Ended <u>July 31, 2015</u>	10 Months Ended <u>July 31, 2016</u>	10 Months Ended <u>July 31, 2015</u>
Revenue				
Ad Valorem Taxes	\$ 12,996.36	\$ 6,541.46	\$12,425,062.27	\$13,431,046.83
Investment Income	4,688.31	5,836.82	52,031.21	57,339.77
Rental Income	5,573.00	5,594.00	55,730.00	55,940.00
Other Income	0.00	0.00	1,685.14	25.00
Total Revenue	<u>23,257.67</u>	<u>17,972.28</u>	<u>12,534,508.62</u>	<u>13,544,351.60</u>
Healthcare Expenditures				
Adventist Health Systems	443,632.31	18,252.48	3,474,658.70	4,035,832.90
Northeast Florida Health Services	55,718.26	107,726.66	1,124,183.16	1,353,684.89
Specialty Care	276,254.98	178,655.94	2,121,854.51	1,976,097.32
County Medicaid Reimbursement	182,706.63	168,896.87	1,759,466.13	1,688,968.50
Payment on HB 5301	0.00	0.00	0.00	127,646.00
Florida Dept of Health Dental Svcs	1,495.88	0.00	2,545.88	0.00
Good Samaritan	6,921.50	7,462.00	57,830.50	67,294.00
The House Next Door	17,092.76	3,189.42	62,775.42	41,040.87
Global Health Care	3,808.00	0.00	9,184.00	0.00
SMA - Residential Treatment	69,407.26	0.00	444,351.44	110,775.50
The Neighborhood Center	3,984.54	2,280.46	24,884.58	29,899.36
Rising Against All Odds	17,330.39	6,546.05	129,032.85	75,224.10
Stewart Marchman - ACT	43,910.21	28,205.93	376,584.24	352,859.67
Healthy Communities	6,804.74	4,789.84	56,330.30	51,517.38
Health Start Coalition of Flagler & Volusi	9,047.34	0.00	70,941.64	0.00
H C R A	52,823.30	54,197.36	165,572.99	418,314.32
Total Healthcare Expenditures	<u>1,190,938.10</u>	<u>580,203.01</u>	<u>9,880,196.34</u>	<u>10,329,154.81</u>
Other Expenditures				
Advertising	296.98	2,870.78	10,866.34	5,791.60
Annual Independent Audit	0.00	0.00	15,200.00	15,500.00
Building & Office Costs	562.55	930.80	3,088.65	4,952.98
General Accounting	4,812.25	5,036.00	44,195.00	43,372.25
General Administrative	5,471.25	6,916.25	55,495.55	57,406.25
Legal Counsel	7,900.00	5,380.00	76,370.00	61,110.00
Other Operating Expenditures	1,530.00	3,661.25	22,974.41	6,338.31
City of DeLand Tax Increment District	0.00	0.00	24,299.00	28,512.00
Tax Collector & Appraiser Fee	88.44	50,649.79	428,235.12	420,911.33
TPA Services	0.00	28,082.00	493,027.00	351,604.00
Eligibility / Enrollment	0.00	6,221.00	51,393.50	53,810.00
Application Screening	13,638.46	6,153.00	109,550.62	55,377.08
Workers Compensation Claims	0.00	0.00	15,389.78	12,314.07
Loss on Disposition of Assets	(30.00)	0.00	122,598.05	0.00
Total Other Expenditures	<u>34,269.93</u>	<u>115,900.87</u>	<u>1,472,683.02</u>	<u>1,116,999.87</u>
Total Expenditures	<u>1,225,208.03</u>	<u>696,103.88</u>	<u>11,352,879.36</u>	<u>11,446,154.68</u>
Excess (Deficit)	<u>\$ (1,201,950.36)</u>	<u>\$ (678,131.60)</u>	<u>\$ 1,181,629.26</u>	<u>\$ 2,098,196.92</u>

See Accountants' Compilation Report

LEGAL UPDATE MEMORANDUM

TO: WVHA Board of Commissioners
DATE: August 10, 2016
FROM: Theodore W. Small, Jr.
RE: West Volusia Hospital Authority - Update for August 18, 2016 Regular Meeting

Summarized below are updates on active legal matters/issues for which some new information has become available since my last legal e-update dated July 13, 2016. This Memorandum will not reflect updates on matters resolved by a final vote of the Board and thereby already summarized in the 7/21/16 Meeting Minutes.

I. Discussion Agenda Item: "WVHA approval to pay legal retainer for Commissioner Ferrari"

In anticipation of legal questions that may arise from this Discussion Agenda item, counsel notes the following generally applicable common law rule that requires the Board--not the Board's lawyer, the Florida Attorney General or a court--to determine in the first instance after review all facts and circumstances: 1. whether the subject litigation arises out of or in connection with the performance of Commissioner Ferrari's official duties and if so, then 2. whether the litigation serves a public purpose?

These questions arise from law cited in a string of Florida Attorney General Opinions where various local governments have requested the Attorney General to opine on similar matters. Based on a quick search for such AG Opinions, counsel is attaching at the end of this update what appears to be the latest such AG Opinion dated August 6, 2013. Also, pasted below is an excerpt from AGO 91-58, which is a concise summary of the relevant common law from The Supreme Court of Florida and is often cited within these AG Opinions:

The Supreme Court of Florida, in *Thornber v. city of Fort Walton Beach*, recognized the common law principle that "public officials are entitled to legal representation at public expense to defend themselves against litigation arising from the performance of their official duties while serving a public purpose." Citing *Chavez v. City of Tampa*, *supra*, the Court held that for public officials to be entitled to representation at public expense, the litigation must:

- "1) arise out of or in connection with the performance of their official duties and**
- 2) serve a public purpose."**

II. CAC: Revisions to Funding Application and Review Process

Effective August 18, 2016, the WVHA Citizens Advisory Committee (“CAC”) funding application and review process shall be modified as follows:

- A. Unless the Board notifies the CAC that numerical ranking would be useful to the Board’s evaluation of a particular set of funding applications, the CAC is no longer required to score and compile a rank comparison of applications. Generally CAC members will only be requested to make recommendations on whether the application should receive full, partial or no funding.**
- B. The CAC shall utilize two separate tracks to review and make recommendations on funding applications:**
 - 1. Track 1: For applications submitted by an existing provider to renew an existing funding agreement with WVHA, the CAC shall engage in the same Q&A review and develop recommendations that it has utilized over many years. The CAC shall have discretion to streamline that traditional process when ranking is not requested.**
 - a. The deadline for Track 1 applications shall remain 12:00p.m. Noon, on the first Friday in April of each year.**
 - b. The Application shall be made available at least 45 days before the Application deadline.**
 - c. A mandatory WVHA Funding Application Workshop shall be scheduled at least 21 days before the Application deadline.**
 - 2. Track 2: For applications proposing that WVHA fund new health care or access to health care services, even if it comes from a currently funded entity, the CAC shall engage in a fast track review process that will allow the CAC to complete its review and make recommendations to the Board within 30-60 days. This fast-tracking requirement is based on an expectation that 5 or less such “new service or access” proposals will be submitted in any given cycle. If more applications are received, the Board recognizes that the review process may take longer than 60 days.**
 - a. Only “new service or access” proposals (i.e., those that are NOT already being funded by WVHA for this particular provider) would be eligible for consideration in Track 2 process;**
 - b. The two deadlines for submission of these “new service or access” proposals would be at 12:00 Noon on the first Friday in April and 12:00p.m. Noon on the first Friday in October of each year;**
 - c. These “new service or access” proposals shall utilize the most recently approved WVHA Application for Funding as the required format and required information; The Application shall reflect that those applying to provide “new service or access” are strongly encouraged to request assignment of a**

“mentor” from someone at a currently funded agency who can assist them understand application and funding requirements.

- i. The Application shall be made available at least 45 days before the Application deadline.**
 - ii. A mandatory WVHA Funding Application Workshop shall be scheduled at least 21 days before the Application deadline**
- d. To the maximum extent feasible, these “new service or access” proposals would be considered by the CAC as a separate agenda item during its regularly scheduled meetings so that this process does not require scheduling any additional meetings of the CAC;**
- e. Unless CAC members determine that there is good cause for expanding consideration to two meetings or there is a lack of a quorum to take action, the CAC shall review, consider and vote to fund in whole, in part or not at all each “new service or access” proposal during a single meeting. This review, consideration and vote shall occur at the next regularly scheduled CAC meeting after the April 1 and October 1 submission deadlines;**
- f. The application for funding and recommendation of the CAC concerning these “new service or access” proposals will be added to the Board’s Discussion Agenda at the next Regular Meeting after the CAC has voted upon its recommendations, either all, some or none of the requested funding;**
- g. If the Board ultimately approves the “new service or access” proposal after due consideration of the recommendation from the CAC, a new Funding Agreement will be negotiated and presented to the Board for consideration at the next Regular Meeting after the Board’s approval;**
- h. Subject to discretion of the Board, it is anticipated that the funding agreements for such approved “new service or access” proposals would have a term of at least six months (for those that apply in October) but no more than 14 months (for those that apply in April) that run from the date of approval and would end on September 30th after that first 6 months so that eventually all these new agreements run from fiscal year to fiscal year;**
- i. Once a “new service or access” proposal is funded, that agency will thereafter apply for renewal of funding at the start of the next fiscal year on the next April 1 after it receives funding using the same CAC Track 1 funding process**
- j. Both the CAC’s recommendation and the Board’s consideration of these “new service or access” proposals will**

give due consideration to whether the “Other Healthcare Costs” contains adequate funds for the proposed new services and the Board shall factor the potential for receipt of such “new” service proposals within their annual budget deliberations and votes;

- k. The “Other Healthcare Costs” line item or a new “New Services or Access” line item should be funded at an agreed level (e.g., \$1 million dollars for the initial year); once the Board approves proposals that would exhaust that budgeted amount, no further applications for “new service or access” would be approved until the Board votes to transfer to that line item unspent monies that is already available within the overall Final Budget approved for that fiscal year.

III. HB 479: Publication of Agenda and “Meeting Materials Available in Electronic Format” 7 Days Before Meetings.

As reported several months ago, Governor Scott signed HB 479/ SB 956 with an effective date of 10-1-16, which requires that “At least 7 days before each meeting or workshop, the agenda of the event, along with any meeting materials available in an electronic format, excluding confidential and exempt information...” be posted on a special districts website.

Neither the bill itself nor the legislative bill analysis (attached) provides any insight on whether the posting requirement precludes consideration of items that represent a change to the agenda that was posted or consideration of meeting materials that were not “available in electronic format” 7 days before the meeting or workshop.

If such restrictions were intended, it would require substantial changes from the way WVHA conducts business at its once monthly meetings because some materials such as payables spreadsheet only become available in electronic format hours before the meeting and some items are added to the agenda at the beginning of a meeting including some items that waiting a month would frustrate WVHA’s overall purpose and goals.

Based on the apparent lack of any definitive indications of legislative intent or any interpretative guidance before the effective date of this new requirement, counsel recommends that the Board approach compliance based on a plain reading of the statute which would only require publication of materials that are, in fact, available in electronic format at least 7 days in advance of a meeting or workshop and then supplement that posting with supplemental materials on some established set of intervals (e.g., 3 days and 1 day) when such supplemental material becomes available.

IV. West Plymouth Professional Center Parking Lot Maintenance. [See new info. in italics and bold]

At the request of a board member, counsel followed up with the June 28th email and "To Whom It May Concern" memorandum from the Architectural Committee. The following clarifications are noteworthy:

1. Under the relevant deed covenants that run with land which are mandatory upon all owners of property in the complex, a majority vote of the Architectural Committee is akin to a board of a homeowner's association in a residential development and its decisions are determinative of whether maintenance and improvements of common areas occur and at what costs. There is no appeal process of those decisions. As owner of 3 of the total 12 ownership units in the complex, WVHA owns 25% of the units and accordingly is generally assessed 25% of the total costs for any common area maintenance or improvements. However, WVHA was not one of the original owners and members of the Architectural Committee and therefore, it currently has no vote on its maintenance and improvement decisions. Pursuant to the covenants, Dan Trivett and C. Slaughter are original members of the Architectural Committee.
 - a. Tyler Sporer is the son of original member Stephen Sporer, but counsel is waiting for clarification from Swann Realty on whether Tyler Sporer was properly voted upon by all complex owners to replace his father on the Architectural Committee.
 - b. Counsel has also inquired whether C. Slaughter's membership on the Architectural Committee was terminated based on the terms of his recent sale of his practice. Swann Realty's preliminary response was that he is still a member of the Architectural Committee because he sold his practice but not his partial ownership interest in the complex.
2. Dr. Rawji is the source of the original request that Swann Realty, as the property manager for the complex, seek bids to maintain or improve the parking areas. Dr. Rawji is also an owner of 3 units and would thereby become responsible for 25% of the eventual costs of any parking area maintenance or improvements.
3. Regarding the two bids attached to the email, it is important to note that the bids are one for each of two alternative choices. Although the Architectural Committee has the right to make a final determination between those choices, WVHA has been notified by the June 28th correspondence of those choices and it has a right to express its preference for either spending \$989.49 to reseal and restripe or \$10,413.00 to repave the parking lot.

Counsel recommends that the Board discuss and vote upon expressing its preference between

the two choices mentioned in #3, supra; whether it would desire to become a candidate for membership on the Architectural Committee if one or more vacancy were declared to exist (its inability to meet and participate with an actual vote spontaneously may become a hindrance to effective management should exigent circumstances require an immediate decision, but the vote of two other members could overcome that hindrance for time-sensitive matters); and if not, whether it has a preference between the other current owners to fill such a vacancy???

Counsel followed up as requested on July 22nd with the property manager at Swann Realtor. The property manager promised to bring all of WVHA's concerns to the immediate attention of the Architectural Committee. After multiple follow-up emails with the property manager including notification that on July 22nd NFHS/FHS had one of its clients fall in the parking lot and then taken by ambulance to the ER, until today counsel had not received any responses from the Architectural Committee. But counsel received a call from Dr. Trivett who apparently desires to set up a meeting to discuss these matters. Counsel would prefer to coordinate this meeting so that either the chair or another member of the Board can participate next week.

V. WVHA Health Card Program Eligibility Guidelines. [See new info. in italics and bold]

[Refer back to Legal Update Memorandum dated 4/9/14, 7/19/14, 9/17/14, 11/12/14, 2/11/15, 6/10/2015, 10/7/15, 11/11/15, 3/9/16 and 4/12/16 for additional background details.]

From the inception, the Guidelines were adopted from a legal perspective to establish uniform, fair and non-discriminatory standards to comply with the Enabling Legislation's requirement that tax dollars are spent on primarily individuals who are both "residents" of the Tax District and who are "indigent" as defined within the Guidelines.

It is noteworthy that currently the Guidelines are utilized by WVHA in two distinct ways which are often confused by providers, potential providers and applicants for funding:

1. First, they are utilized by WVHA's third party administrator ("TPA"), currently POMCO, as the governing rules for determining who is eligible to receive a WVHA Health Card. Once deemed eligible by POMCO, an applicant receives a Health Card (effective usually for 6 months) which automatically makes them eligible to receive hospital care, primary care, dental care, specialty care and pharmacy benefits at any provider who has signed a funding agreement to provide such services to those who are currently enrolled in the Health Card Program;
2. Second, the Guidelines are incorporated in whole or part as the governing rules for a funded agency to qualify some of their individual clients to become eligible for WVHA reimbursement (at the contracted rate) for contracted services at that agency only. Even though these individuals are generally required to provide the same information, including proof that they have applied for the ACA and that they are not qualified for Medicaid or other affordable private health insurance, the individuals who qualify through these funded agencies do not receive a Health Card and therefore are not automatically eligible to receive other healthcare services available at other funded agencies, the hospitals, specialty care providers, pharmacy benefits, etc.

VI. Legal Context for Budget Workshop/TRIM Procedure [Tax/Budgeting] [See new

info. in italics and bold]

Please note that the Authority's budget process is governed by the Truth in Millage ("TRIM") process as set forth in Chapter 200, Florida Statutes and the related Department of Revenue compliance regulations. In general, TRIM requires that taxing entities such as the Authority hold two public hearings for open discussion on their proposed millage rate and proposed budget. Such public hearings must first deal with any increase in millage over the statutory rolled-back rate (RBR) necessary to fund the proposed budget, if any, and the specific purposes for which taxes are being increased. The millage rate must be adopted first and then the budget must be adopted with a separate vote. Notices for the first public hearing ("TRIM Notice") is mailed to taxpayers by the County Property Appraiser on the Notice of Proposed Property Taxes. Notice for the second public hearing is handled by the Authority with a newspaper advertisement in a statutorily mandated format and publication deadline.

For Board member personal vacation scheduling purposes, please note that the Authority's TRIM budgeting process usually starts in July coincident with the Property Appraiser's certification of the tax roll and ends in late September with a final budget hearing and submission of certifications of compliance to the State's TRIM Compliance Office. Therefore, even though tentative dates have already been voted upon (see below in Paragraph H *infra*), Board members should maintain as much flexibility as possible in their September schedules in order to ensure a quorum and whatever majority is necessary to satisfy the TRIM requirements.

For most years since 2007, the Board has voted to adopt millage at the "rolled-back rate" ("RBR"), which is the rate calculated with a statutory formula to allow the Board to raise the same amount of revenue as it did in the immediate past tax year with a simple majority vote. Refer to counsel's 9/17/2014 for a complete history of final millage votes. The following are descriptions of the exceptional years where the Board has voted to set its final millage rate either below or above that statutory rolled-back rate, which meant a tax decrease or increase in layman's terms:

Regarding the 2015-16 budget year, the TRIM Final Budget Hearing was held on Thursday, September 17, 2015, and the Board voted 5-0 to set its final millage at 1.6679 mills with a separate 5-0 to adopt the Authority's 2015-16 final budget of \$16,741,063.00. Therefore, the 2015-16 tax year's millage of 1.6679 mills was a 10% decrease over the 1.8532 mills rolled-back rate;

Regarding the 2014-15 budget year, the TRIM Final Budget Hearing was held on Thursday, September 25, 2014, and the Board voted 4-0-1 (vacant) to set its final millage at 1.9237 mills with a separate 4-0-1 (vacant) to adopt the Authority's 2014-15 final budget of \$15,989,676.00. Therefore, the 2014-15 tax year's millage of 1.9237 mills was a 15% decrease over the 2.2632 rolled-back rate;

Regarding the 2013-14 budget year, the TRIM Final Budget Hearing was held on Thursday, September 19, 2013, and the Board voted 5-0 to set its final millage at 2.3759 mills with a separate 5-0 to adopt the Authority's 2013-14 final budget of \$17,453,695.00. Therefore, the 2013-14 tax year's millage of 2.3759 mills was a 1.5%

decrease over the 2.4121 rolled-back rate;

Regarding the 2009-10 budget year, the TRIM Final Budget Hearing was held on Tuesday, September 22, 2009, and the Board voted unanimously to set its final millage at 1.745 mills with a separate unanimous vote to adopt the Authority's 2008-09 final budget of \$15,680,000.00. Therefore, the 2009-10 tax year's millage of 1.745 mills was a 2.04% decrease over the 1.7813 rolled-back rate;

Regarding the 2007-2008 budget year, the TRIM Final Budget Hearing was held on Wednesday, September 12, 2007, and the Board unanimously voted to set its final millage at 1.2619 mills with a separate unanimous vote to adopt the Authority's 2007-08 final budget of \$18,414,937.00. Therefore, the current tax year's millage of 1.2619 mills is the same as the final millage adopted for 2006-07, but it represented a 10.37 percent increase over the statutory rolled-back rate of 1.1433 mills.

On June 1, 2016, the Volusia County Property Appraiser sent the Authority official notification that based on its "pre-preliminary estimate", the total taxable value of property in the Authority's tax district is \$8,181,945,419, which represents a net change of +4.93% from 2015 taxable value.

For Board planning purposes please begin to anticipate the following TRIM deadlines and special meeting dates during the next few months:

- A The process will begin with the Property Appraiser certifying the tax roll by July 1, 2016;
- B By a date to be set by the Board, the accountants must circulate a proposed budget to the Board;
- C At its July 21, 2016 Regular Meeting, the Authority will need to determine its proposed millage rate, including considerations of any increase above the rolled-back rate, and the date, time and place of the first of two required public hearings ("Tentative Budget Hearing"). The Tentative Budget Hearing must take place no earlier than September 3 and no later than September 18.
- D By August 4th, the Authority (via DRT) will need to notify the Property Appraiser of prior year millage rate, proposed current millage rate, RBR and date, time and place for the Tentative Budget Hearing;
- E By August 24th, the Property Appraiser will send out the required TRIM Notice. The Authority also generally advertises the Tentative Budget Hearing as it would for a regular meeting even though such supplemental advertisement is not required;
- F Within 15 days after the Tentative Budget Hearing occurs and the Tentative Millage and Budget are adopted, the Authority will need to advertise its second and final public hearing on the millage and budget ("Final Budget Hearing"). The advertisement for the Final Budget Hearing must be published at least 2, but no more than 5 days before the hearing takes place.
- G Hearing dates selected by the Volusia County Council and Volusia County School Board take priority. Based on information DRT received from these entities, the School Board will have its TRIM hearings on July 25th and September 13th. The County Council will have its TRIM hearings on September 8th and September 22nd.

- H To reconcile these statutory scheduling requirements with the Authority's current meeting schedule and depending on any changes to the County Council or School Board schedule, the Board has scheduled the Tentative Budget Hearing for 5:05p.m. on Thursday, September 1, 2016; and tentatively scheduled publication of the Final Budget Hearing no later than Tuesday, September 15, and a Special Meeting scheduled for the Final Budget Hearing at 5:05p.m. on Thursday, September 15, 2016, followed immediately by a regular meeting already scheduled for that same date.
- I Within 3 days of the Final Budget Hearing, the Authority (via DRT) must forward the resolution adopting the final millage rate to the Property Appraiser.
- J Within 30 days of the Final Budget Hearing, the Authority (via DRT) must submit its TRIM Compliance package (DR-422).

VII. WVHA's Transition from HSI to New Third Party Administrator *[See new info. in italics and bold]*

[Refer back to Legal Update Memorandum dated 6/10/15, 8/12/15, 10/7/15, 11/11/15, 1/13/16, 2/10/16 and 7/13/16 for additional background details.]

Regarding the DaVita negotiations, POMCO has noted in its February update to the Board that DaVita is only willing to consider agreeing to a lower (\$1200/Visit vs. \$1700/Visit) reimbursement rate if WVHA is willing to do a direct contract with DaVita, as opposed to it signing a contract with POMCO to provide services at that rate to all individuals in POMCO's specialty care network. If the Board authorizes such negotiations, counsel will pursue them to their logical conclusion. Fortunately, the Board has approved the Seventh Amendment to the Indigent Healthcare Reimbursement Agreement, which is allowing for WVHA to reimburse FHD for services it purchases from DaVita to provide dialysis to Health Card members when they are discharged from the hospitals.

On first reading of POMCO's recommended change to the WVHA Health Card Appeal Process dated August 18, 2016, the recommendation appears consistent with Board's legal obligations and current practice for handling protected health information.

VIII. Formal Notice of Potential Claim for Damages against WVHA corporately and Chair Ferrari individually by Travis McBride and Central Florida Mental Health Associates, LLC. *[See new info. in italics and bold]*

[Refer back to Legal Update Memorandum dated 6/10/15 and 8/12/15 for additional background details.]

In a second certified letter to counsel dated 5/19/2015, McBride's attorney (Gary J. Boynton, Esq. of Winter Park) notified WVHA that McBride and his company intend to sue Chair Ferrari individually and WVHA "corporately". Regarding the basis for the threatened lawsuit, this second letter modifies the original notice by including the following dates of alleged damage:

"The nature of the claim includes, but is not limited to, defamation, slander and interference with their contractual relationship. The onset of these damages began on

June 22, 2014 and again on 07/24/14, 07/25/14, 08/22/14, 08/24/14, 08/25/14, 03/11/15, and continuing.”

Based on public record search and shared information from Commissioner Ferrari, Attorney Boynton filed the threatened lawsuit on June 16, 2016 against Andy Ferrari individually and West Volusia Hospital Authority as defendants. The Case is pending in the Volusia County Circuit Court (civil) and it has been assigned to Judge Randell H. Rowe. The docket reflects that a 20-day summons was issued for WVHA, but Ms. Long has confirmed that this summons has not been served upon WVHA at its official address. The Complaint available online reveals that Central Florida Mental Health Associates LLC (“CFMHA”) is alleging two counts (“tortious interference with a business relationship” and “deceptive and unfair and trade practices”) against both WVHA and Ferrari and one count of “defamation” against Ferrari individually. In layman’s terms, both counts against WVHA contend that WVHA is liable because Ferrari made statements or took actions that caused harm to CFMHA while he was acting as the “agent”, “servant” or “employee” of WVHA. As previously authorized by the Board, counsel intends to vigorously defend these claims against WVHA once it has been properly served. Counsel will depend on DRT to notify counsel as soon as it receives the summons so that an appropriate response can be filed within the 20-day time limit. *Counsel was copied on a letter from the County of Volusia’s Legal Department notifying CFMHA’s attorney that he had misdirected a summons to the Chair of the County Council instead of directing it to the actual named co-defendant, WVHA. However, to date counsel has not received any notification that WVHA has been served with a summons.*

IX. Workers Compensation Case. [See new info. in italics and bold]

[Refer back to Legal Update Memorandum dated 1/7/15, 5/8/13, 11/7/12, 8/10/12, 3/10/15 and 2/10/16 for additional background details.]

Contrary to most common sense expectations, the Authority--which terminated its last employees in 2006 and sold the hospitals in 2000--remains liable on periodic “tail” treatment claims for injuries to its former hospital employees. Since 2000, these treatment claims have been processed (assessed for relationship to original injury and eligibility for payment determined) by Adventist Health System’s Worker’s Compensation Department (“Adventist”). Adventist has retained specialized worker’s compensation counsel (Jeffrey J. Branham of the firm of Dean, Ringers, Morgan & Lawton, P.A.) to handle any of the specialized legal matters that come up from time to time. The undersigned oversees the separately retained counsel by reviewing and giving provisional approval for Adventist to pay their bills. Of the many worker’s compensation claims that were active in 2000, by 2007 only one former hospital workers continues to actively treat and submit substantial claims.

X. General Compliance with the Sunshine Law:

The Government in the Sunshine Law, section 286.011, Florida Statutes, provides in pertinent part:

'All meetings of any board or commission . . . of any agency or authority of any county, municipal corporation, or political subdivision . . . at which official acts are to be taken are declared to be public meetings open to the public at all times, and no resolution, rule, or formal action shall be considered binding except as taken or made at such meeting.'

It is impossible to summarize all relevant points of the Sunshine Law, but please note that courts uniformly interpret this provision as prohibiting two or more members of the same board or commission from discussing any matter on which foreseeable action will be taken by the public board or commission. (If your discussion with another board member concerns personal or business matters unrelated to the Authority, the Sunshine Law does not apply)

Please note that the Sunshine Law DOES apply to "off-the record" chats during meetings or during breaks, written correspondence, telephone conversations and e-mails exchanges between two or more board members if such communication concerns matters likely to come before the Board. It also prohibits nonmembers (staff, lawyers, accountants, and members of the public) from serving as liaisons between Board members concerning matters likely to come before the Board.

Please note that as the Board's attorney, counsel's role is to assist the aggregate Board with legal compliance, not to provide individualized legal opinions to a particular board member. For specific questions concerning your own compliance, please direct those inquiries to the Florida Commission on Ethics. Their website can be found at <http://www.ethics.state.fl.us/>. Although their website material suggests the need for a written inquiry, each individual Board member is a "public officer" and thereby has the right to obtain informal telephone advice on common questions at (850) 488-7864.

Florida Attorney General Advisory Legal Opinion

Number: AGO 2013-15

Date: August 6, 2013

Subject: Municipalities -- Attorney's Fees

**Ms. Darcee S. Siegel
City Attorney
City of North Miami Beach
17011 Northeast 19th Avenue
North Miami Beach, Florida 33162-3100**

Dear Ms. Siegel:

On behalf of the City of North Miami Beach, you ask the following question:

May the city reimburse legal fees incurred by an individual councilmember for challenging a candidate's qualifications to run for the city council when the suit was filed after discovery of credible evidence that the candidate was not a bona fide resident of the city as required by the city's charter?

In sum:

Reimbursement of a councilmember's legal fees may be authorized only when the litigation arises from the exercise of official duties and fulfills a public purpose. While a city has the authority to bring suit to fulfill a municipal purpose, such action must be taken by a majority of the governing body and not at the initiative of an individual councilmember.

You state that a routine investigation of candidates' qualifications by the city's police department was inconclusive as to one candidate's residency. An individual councilmember, thereafter, conducted an online search and discovered evidence that the candidate resided in another town within the 12 months prior to filing her qualifying papers. The councilmember filed suit to enjoin the counting of votes for the candidate and for declaratory judgment as to the candidate's qualification to run for office. After an expedited hearing, the court found the candidate's testimony to not be credible, the candidate failed to show evidence of the required residency, and that competent evidence showed that the candidate resided in another city. The city now wishes to reimburse the councilmember for the legal fees incurred and as support, asserts that it supports the filing of the declaratory action.

While the courts of this state have recognized a common law right of public officials to legal representation at public expense to defend themselves against charges arising from the performance of their official duties and while serving a public purpose, [1] I am not aware of, nor have you drawn my attention to, any statute or case law suggesting that an individual councilmember is entitled to reimbursement of legal expenses incurred in prosecuting an action against another party.

In Attorney General Opinion 91-59, this office considered whether a county was required to reimburse a county

commissioner for legal fees incurred in defending the commissioner's qualifications to run for office. The opinion discusses a decision of the Supreme Court of Florida addressing the payment of attorney's fees incurred by public officials. In *Thornber v. City of Fort Walton Beach*, [2] the Court set forth the standard that "[f]or public officials to be entitled to representation at public expense, the litigation must (1) arise out of or in connection with the performance of their official duties and (2) serve a public purpose." Applying this standard to the question presented, this office concluded that the charges against the county commissioner did not arise from misconduct while performing the official duties of the office, but rather occurred prior to the commissioner's election to that office. Accordingly, the commissioner was not entitled to reimbursement for attorney's fees incurred in defending an action challenging his or her qualifications to run for office.

You assert that the suit for declaratory judgment of a candidate's residency served a public purpose in assuring that the city's charter and ordinance, requiring residency in the city during the 12 months prior to qualification, were not violated. While the enforcement of the city's charter and ordinances may fulfill a public purpose, the second prong of the standard for reimbursement of attorney's fees set forth in *Thornber* requires that the action arise out of or in connection with the performance of official duties. A legal challenge to the qualifications of a candidate brought by a sitting councilmember would not appear to satisfy the *Thornber* test requiring a nexus to the performance of the sitting councilmember's official duties.

The filing of suits is an action which may be initiated and pursued by the city commission as a collegial body. [3] However, official action by a collegial body is taken by majority vote [4] and not by the initiative of a single member. [5]

Accordingly, it is my opinion that the city may not reimburse legal fees incurred by a councilmember individually prosecuting an action challenging a candidate's qualifications to run for the city council when such action was not taken while performing the official duties of the office.

Sincerely,

Pam Bondi
Attorney General

[1] See, e.g., *Markham v. State, Department of Revenue*, 298 So. 2d 210 (Fla. 1st DCA 1974); *Ferrera v. Caves*, 475 So. 2d 1295 (Fla. 4th DCA 1985). And see *Maloy v. Board of County Commissioners of Leon County*, 946 So. 2d 1260 (Fla. 1st DCA 2007) (analyzing interplay of doctrine of sovereign immunity and common law right of public officials to receive legal representation at taxpayer expense in defending themselves against litigation arising out of their official duties and while serving a public purpose).

[2] 568 So. 2d 914 (Fla. 1990).

[3] See s. 166.021(1), Fla. Stat., recognizing that municipalities have "governmental, corporate, and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law."

[4] See s. 166.041(4), Fla. Stat., providing:

"A majority of the members of the governing body shall constitute a quorum. An affirmative vote of a majority of a quorum present is necessary to enact any ordinance or adopt any resolution; except that two-thirds of the membership of the board is required to enact an emergency ordinance. On final passage, the vote of each member of the governing body voting shall be entered on the official record of the meeting. All ordinances or resolutions passed by the governing body shall become effective 10 days after passage or as otherwise provided therein."

[5] Cf. Op. Att'y Gen. Fla. 97-61 (1997) (attorney for a school board represents the board as a collegial body and acts at the request of the board as a collegial body and not at the request of an individual member).