

GEORGE E. WEEMS MEMORIAL HOSPITAL

GOVERNING BODY

SPECIAL MEETING MINUTES

FEBRUARY 7, 2008

Members Present: Gayle Dodds, Chairperson; Curt Blair, Co-Chair; Dr. Stephen Miniati; Mark Friedman; Paul Marxsen; Margie Solomon

Member Absent: Tammi Hardy

Staff Present: Charles Colvert, CEO/CFO; Dr. Paul Hart, Southland ER Physician Group; Candi Fox, CNO; Ginny Griner, HR Director; Becky Gibson, RN, Admin. Asst.

Other Present:

Franklin County: Alan Pierce, County Liaison; Michael Shuler, County Attorney; Wesley Tice, Director, Franklin Co. Health Department; Beth Blair

Gulf County: Billy Traylor, Chairman, Gulf County Commission; Don Butler, Admin. Asst.; Doug Kent; Gulf County Health Department

St. Joe Co.: Clay Smallwood, Billy Buzzett

Sacred Heart Health System: Dr. Henry Roberts, President, Sacred Heart Foundation; Roger Hall, President, Emerald Coast ; Peter Heckathorn, Exec. Vice President SHHS; Brian Matson, Vice President SHHS

Gayle Dodds called the meeting to order at 12:10 PM.

Mr. Colvert led the group in an opening prayer.

After introductions were made around the room, Dr. Henry Roberts began Sacred Heart's presentation (see attached - Regional Health Partnering Discussion) reviewing the market assumptions. Mr. Blair stated that Franklin County needs a plan that will work for both Franklin and Gulf counties and not just tie Franklin county into Sacred Heart's plan for Gulf County. He also stated that the limitations of Franklin county's sales tax referendum need to be discussed frankly, as ultimately the board has to answer to the County Commission. When asked for an opinion of lease versus management, Mr. Heckathorn stated that they needed to understand everyone's criteria, define a series of options. He stated that they were open on structure, and suggested the need to have a third party develop a model.

Dr. Hart questioned if Gulf Pines had not lost their critical access designation would Sacred Heart even be here, and Mr. Heckathorn responded that they did

not need a critical access designation to make money and it was never in their plans to have a critical access designation. He also stated that they would never ask Franklin County to give up something they perceived as valuable.

Michael Shuler asked how the sales tax ordinance was set up in Gulf County.

Doug Kent responded that the Health Trust Committee decides on how the monies will be spent. Mr. Shuler requested a copy of their sales tax ordinance to be sent to Alan Pierce, which Mr. Kent agreed to.

Mark Friedman asked if the hospital board recommended another company, would Sacred Heart still be interested in working with the selected company. Mr. Heckathorn replied that essentially they would be, but it would depend on how the chosen company structured the agreement and that a financial analysis would need to be done.

Mr. Shuler asked what was Sacred Heart's vision of managing. Mr. Heckathorn responded that there would be no cross subsidy, communities would pay for what they wanted and that there would be two licenses. On the topic of an advisory or governing board, Mr. Heckathorn responded that it will depend on the structure of the agreement. He felt a local planning board would serve the area better. Mr. Blair asked if there would be a decrease in the number of beds at Weems, and Mr. Heckathorn stated that the number of beds are based on the state data base. He re-iterated that he was not trying to institute a pre-ordained plan. Dr. Hart questioned that separate assets would create an environment of competition between Franklin and Gulf counties.

Mr. Colvert asked who Sacred Heart saw participating in developing a plan and how long would it take. Mr. Heckathorn stated that Sacred Heart would work with a third party and return in 60 days with the plan. Mark Friedman stated that the citizens of Franklin county were questioning where Sacred Heart was two years ago when the hospital was abandoned by its previous management company. Mr. Heckathorn responded that situations were very complex two years ago, and that their goal now was to come up with a structure that will decrease the residents anxiety, the key being to collect and address any issues. Billy Traylor, Gulf County Commission Chairman stated that Gulf county has worked with Sacred Heart for 2 ½ years and they were by far the best hospital around. He expressed the desire for Franklin county's friendship.

Gayle Dodds addressed to Clay Smallwood of the St. Joe Company that 20 years from now when they start building again that she would like to think that the company has an interest in the healthcare of Franklin County, as the St. Joe Company will benefit from Franklin County having a hospital. Mr. Smallwood responded that they were vested in Franklin County.

Mr. Blair stated that the hospital board needed to accomplish several tasks before making a final decision, among those tasks to discuss the pros and cons of each group. After a decision is made then a planning group can be convened. The representatives of Gulf County, Sacred Heart, the St. Joe Company, Wesley Tice and Michael Shuler left the meeting at this point.

Mr. Colvert presented the letter of intent from TMH (see attached). He stated

that there had been a conference call with TMH and Pioneer and Pioneer is in the process of drafting a lease document tying in TMH.

Mr. Colvert introduced Beth Blair. He stated that communication is going to be very important during the process of selecting a group to partner with, and that he feels the board should be proactive. Beth will be writing some articles and may occasionally call the members for comment. Also, the web page is changing and being made current.

Mark Friedman met with Marcia Johnson and has obtained the third quarter budget allocation.

The meeting was adjourned at 2:26 PM.

Respectfully Submitted,
Becky Gibson, RN
Administrative Assistant

Approved

Sam Hardy

Date

2/28/08