

- DRAFT MEETING MINUTES -

Florida Commission on Review of Taxpayer Funded Hospital Districts

Meeting Date: October 21, 2011

Time: 10:00a.m. – 4:00 p.m.

Location: Agency for Health Care Administration, Conference Room A

Members Present: Dominic Calabro, Chair, Brad Dinkins, Paul Duncan, Jacob C. Jackson (via phone), Marshall Kelley, J. Scott McCleneghen (via phone), Representative Matt Hudson, Senator Joe Negron represented by Senator Claude Hendon, and Jeff Gregg, Executive Director

Member(s) Absent: Randall McElheney

AHCA Staff Present: Kaylyn Boles, Ryan Fitch, Marsha Webb, Beth Eastman, Bill McCort, Molly McKinstry, and Faye Miller

Interested Parties Present: Paul Belcher, Florida Hospital Association; Blaine Cherry, Florida Tax Watch; Sonya Sowards, Florida Tax Watch; John Ratliff; Jennifer Hinson, Ausley & McMullen; John Owens, Financial Healthcare Strategies; Danielle Scoggins, FLOG; Lori Hundley, Parrish Medical; Jim Zingale, Safety Net Hospital Alliance of Florida; Kristina Pickens, Robert M. Levy Associates; Keon Lee, FSU; and Lisa Totten, Sarasota Memorial Hospital.

Welcome and Introductions: Dominic Calabro, Chair, called the meeting to order and welcomed the Florida Commissioner's Review of Taxpayer Funded Hospital Districts (Commission members) and interested parties.

Review and Approval of September 6th Meeting Minutes: Chairman Calabro called for a review and approval of the minutes from the September 6, 2011 commission meeting. A motion was made by Representative Hudson and seconded by Commissioner Kelley. The minutes were approved.

Presentation by Margie Patchett, founder and director Volusia Tax Reform: Ms. Patchett founded Volusia Tax Reform, and it is made up of a board of professionals from Volusia County. This board also has subcommittees. She noted that Volusia County has the 3rd highest millage rate in the state at a little over 22 mils. She discussed the three tax districts in Volusia County, which are Halifax Hospital Medical Center, Southeast Volusia Hospital District (Bert Fish), and West Volusia Hospital Authority. The West Volusia Hospital Authority is the only elected board. The other two are appointed by the Governor. Ms. Patchett noted that there is no uniformity between the three.

She provided charts of property taxes collected for the three districts since 2001. She believes that the districts unfairly compete against the private hospitals, which prompted Halifax to build a \$200M building when Florida Hospital built a new facility in Ormond Beach. Halifax then raised property taxes higher. The county has talked about moving indigent care funding to sales tax instead of property tax. There was some discussion among Commission members regarding how laws are changed and whether they have to go back to the Legislature. Ms. Patchett

responded yes, since the local government did not set it up. Representative Hudson noted that there is a process in law to change this. Anyone can draft a local bill and present it; there are timelines, etc. involved.

Analysis of Hospital Data, Dr. Keon-Hyung Lee: Dr. Keon-Hyung Lee from Florida State University presented findings from an analysis of the hospital data received from AHCA. There were handouts of the results.. The data was for FY0910 and the data was confined to a period of one calendar year sometime between May 1, 2009 and December 31, 2010. Dr. Lee used OLS Regression for his analysis. He provided a lengthy technical discussion of the results, which showed that government hospitals are more expensive, by approximately 15-17%.

The Commission would like to have this same analysis by the next meeting with the For-Profit and Not-for-Profit hospitals split up along with an analysis without Jackson Memorial Hospital as they are an outlier. The Commission would also like to include all of the clinical outcome measures in an analysis. Commissioner Duncan's group will assist with additional analyses.

Public Comment: The Commissioners did not receive any public comments.

Agenda Items for Next Meeting: Presentation by representatives of Tenet hospitals and a presentation by Representative Metz about the North Lake Hospital District.

Meeting Adjourn: The meeting adjourned at 12:30 p.m.