

WORKSHOP

OCTOBER 6, 1988

The Board of County Commissioners, Walton County, Florida, met in a Workshop session on October 6, 1988, at 9:00 A.M.

The following Board Members were present: Chairman Joe R. Griffin, Vice-Chairman Sam Pridgen and Commissioner Robert G. Fleet. The County's Attorney, Mr. George R. Miller, was also present. Commissioners Edward D. Armbruster and W. F. Miles were absent due to previous appointments.

Chairman Griffin called the Workshop to order and stated its purpose: to discuss the proposed Birthing Center to be located in the Walton County Regional Hospital. Chairman Griffin stated that the following questions need to be addressed:

1. Who and how will the program be funded after the 350,000 dollars is depleted?
2. How many doctors will be on staff to provide the service required of a birthing center?
3. What type of liability will the County incur, if a malpractice suit is filed against the Hospital?
4. Who will pay for the indigent people who use the birthing center?
5. What long range effect will this have on the financial stability of our hospital?

Dr. Howard F. Currie, County Health Unit Director, introduced Dr. Dick Grimm as the central spokesperson for the supporters of the birthing center. Dr. Grimm advised the Board that he was contacted by Dr. Currie to aid in the development of a complete system of maternal and child health care for this area. Currently there are more than 700 pregnant women within the tri-county area (Washington, Holmes, and Walton) who must travel to other counties for labor and delivery services. Dr. Grimm further advised that the federal government recognized that ALL pregnant women and their unborn children deserve a safe delivery; therefore, the Medicaid eligibility requirements were broadened to include anyone within 100% of the federal poverty level. Dr. Grimm stated that he and his colleagues had calculated the revenue to be generated by the birthing center on an extremely conservative model. They had estimated that, after three years, the center would

have 500 clients enrolled. In the last year, the prospective birthing center has 455 clients enrolled already. The center has not even opened yet. Secondly, they estimated that only the Medicaid cases would be "collectible." Therefore, approximately 50% of the funds would be collectible. Thirdly, Dr. Grimm and his associates estimated that approximately 20% of the births would be performed by Cesarean section which would provide a Medicaid reimbursement of \$1,200.00 versus \$800.00 for a "natural" birth. Finally, no consideration was given to patients "filtering in" from other areas. Dr. Grimm advised that, based on the "model," the operating costs would be \$302,000.00 and the expected revenue generated would be \$315,000.00. Dr. Grimm reminded the Board that these figures are based on a very conservative model.

Dr. Grimm advised that the number of doctors on staff will depend largely on recruiting measures. Dr. Grimm stated that one obstetrician and three nurse midwives will probably be hired at the onset.

Dr. Grimm stated that he is uncertain as to the question of liability. Chairman Griffin advised that the County's liability is the Board's main concern. Chairman Griffin asked Mrs. Jo Hudson, Walton County Regional Hospital Administrator, if the hospital's insurance rates will increase because of the addition of the birthing center. Mrs. Hudson answered that the premiums will not increase because of the birthing center. The premiums increase per census.

Dr. Grimm advised that because Medicaid is now available to all within 100% of the federal poverty level, most indigents will be covered. Dr. Grimm further advised that for those individuals or families slightly over the poverty level there is the Medically Needy Program. This program provides funds to help pay for significant medical costs which exceed a certain percentage of the individual's or family's monthly income.

Regarding the birthing center's long-range effect on the hospital's financial stability, Dr. Grimm stated that representatives from the hospital might be better able to answer that question. Dr. Grimm further stated that it is his opinion that the birthing center can only have a positive effect on the hospital. It will be serving all expectant mothers - not only those on Medicaid. Chairman Griffin

advised that a Public Hearing should have been held before the County gave its support to the birthing center. Chairman Griffin further advised that he had been approached by several doctors who stated that they will not help in delivering the babies should the obstetrician not be present. The other doctors have no liability insurance for delivering babies. Chairman Griffin further questioned how much, if any, cost-sharing will be provided by other counties and states whose residents participate in the birthing center. Dr. Currie advised that if a woman in labor appears at the Emergency Room, Emergency Room personnel will refer the patient directly to the Labor and Delivery Room where the nurse midwife will take over. Dr. Currie advised that, at the present time, Alabama Medicaid will not reimburse a Florida hospital or doctor, but he and others will be discussing the problem with Alabama HRS personnel to arrive at an agreeable conclusion. Dr. Currie further advised that the birthing center can refuse any woman not receiving pre-natal care.

A lady in the audience advised that her daughter went to Andalusia, Alabama, for her pre-natal care and was told that she was required to pay a substantial percentage of the total bill before she could receive care.

Chairman Griffin stated that he is concerned about the legal ramifications of turning away a woman in labor. Mr. Miller advised that he has reservations about turning anyone away from an emergency room. Mrs. Hudson advised that the hospital cannot turn away anyone in an emergency situation.

Chairman Griffin asked who will cover the liability of the obstetrician and the nurse midwives. Dr. Currie advised that the state carries the liability insurance for public health care professionals. Dr. Currie further advised that there will be a contract with any surgeon performing a Cesarean section. Mr. Miller asked if the hospital has malpractice insurance. Mrs. Hudson advised that the hospital does have malpractice coverage.

A young, expectant mother from the audience advised that she had an appointment with a Milton obstetrician at 9:45 p.m. She saw the doctor

at 12:00 midnight. Another young, expectant mother advised that she is in the same situation.

Commissioner Fleet stated that the creation of the birthing center will create excessive paper work for the hospital and the need for additional staff. Dr. Currie advised that the patients will be kept two days in the hospital which will provide \$500.00 to \$600.00 toward meeting extra expenses. Commissioner Fleet stated that he has no question as to the need of the center.

Dr. Bill Lagergrin, Health Programmer for District 1 HRS, appeared before the Board to advise that he has found approximately 50 foundations which offer grants to help meet expenses of pre-natal care, labor, and delivery. This will "add more money to the pot." Dr. Lagergrin also advised that the birthing center will be a good tax investment.

Dr. David Carter, representative of the Northwest Florida and Big Bend Health Council, appeared before the Board to voice his support of the creation of a birthing center in this area.

Chairman Griffin stated that he and the others on the Board understood the need for and the desire for a birthing center in this area, but he also feels that certain questions need to be addressed in order to serve the best interests of all the citizens.

Mr. Miller asked how many birthing centers are currently operating in the state. Dr. Grimm advised that what is proposed is not a "free-standing" birthing center but rather a hospital-based labor and delivery center. Mr. Miller asked if there is a center of that nature in the area. Dr. Grimm advised that there is one in each of the following communities: Marianna, Milton, Panama City, and Ft. Walton.

Mrs. Hudson stated that because the center will be hospital-based, no woman can be refused help whether she is enrolled in the program through the Health Department or not. Mrs. Hudson asked if the obstetrician and the midwives will serve those women not already enrolled through the Health Department. Dr. Currie advised that if a woman is in the last stage of labor and delivery is imminent, then she must be taken care of. However, emergency room deliveries should be reduced by the availability of the labor and delivery center. Dr.

Currie further advised that a woman may be determined to be eligible for Medicaid while she is in the waiting room.

Miss Pam Mee, reporter for the Northwest Florida Daily News, asked if the labor and delivery center will be reducing the load on emergency room doctors. Dr. Currie answered that it will be reducing the load.

Mr. Bill Mixon, Walton County resident, asked what options the County will have if the deal "turns sour." Chairman Griffin advised that if the center does not support itself, it will be terminated immediately. Mrs. Hudson advised that the labor and delivery center will be monitored on an almost daily basis and the Board will be informed immediately if it is losing money.

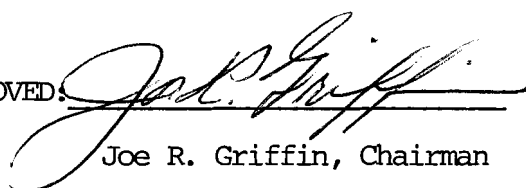
Chairman Griffin asked if the hospital will be incurring any expenses because of the birthing center. Mrs. Hudson advised that there will be expenses incurred because of the necessity to move certain offices, feed the maternity patients, and provide "round-the-clock" lab services. Mrs. Hudson advised that these expenses are typical of hospitals creating a labor and delivery center. Dr. Currie reminded the Board that the birthing center will require a two-day stay for the patients in order to generate an income for the hospital.

There were additional comments from members of the audience regarding their support of a birthing center here in Walton County.

Chairman Griffin advised that he has no further questions and asked if the hospital representatives were satisfied. Mrs. Hudson answered that she is satisfied up to this point. Commissioner Fleet advised that his questions were answered. He further advised that from a social and economic standpoint the birthing center is very needful. Vice-Chairman Pridgen agreed.

Motion by Commissioner Pridgen. second by Commissioner Fleet, to adjourn. Ayes 3, Nays 0. Fleet Aye, Pridgen Aye, Griffin Aye.

APPROVED:



Joe R. Griffin, Chairman

ATTEST: Catherine King  
Catherine King, Clerk