

January 13, 1998

**THE BOARD OF COUNTY COMMISSIONERS
DURHAM, NORTH CAROLINA**

Tuesday, January 13, 1998

9:00 A.M. Worksession

(Discussion Meetings With Proposing Organizations on the Sale, Lease, or Conveyance
of the Durham County Hospital Corporation)

MINUTES

Place: Commissioners' Room, second floor, Durham County Government
Administrative Complex, 200 E. Main Street, Durham, NC

Present: Chairman MaryAnn E. Black and Commissioners William V. Bell, Joe W.
Bowser, Becky M. Heron, and Ellen W. Reckhow

Absent: None

Presider: Chairman Black

Chairman Black called the Worksession to order.

The following meeting schedule was briefly discussed by Chairman Black:

9:00 A.M. - 9:30 A.M.	Commissioners' Preparation
9:30 A.M. - 11:00 A.M.	Tenet Healthcare
11:00 A.M. - 11:05 A.M.	Break
11:05 A.M. - 12:35 P.M.	UNC—Hospitals
12:35 P.M. - 1:20 P.M.	Lunch
1:20 P.M. - 2:50 P.M.	Quorum Health Group
2:50 P.M. - 2:55 P.M.	Break
2:55 P.M. - 4:25 P.M.	Duke University Medical Center
4:25 P.M. - 4:30 P.M.	Break
4:30 P.M. - 6:00 P.M.	Health Management Associates Inc.
6:00 P.M. - 6:30 P.M.	Commissioners' Time

Chairman Black asked the Commissioners to allow the proposers to complete their presentations before asking questions or making comments.

Brief comments were made by Chairman Black about the guiding principles.

Before the presentations began, Chairman Black called on each Commissioner to make opening remarks and ask questions.

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Tenet Healthcare representatives made the first presentation beginning at 9:30 a.m.

Each Commissioner was given ten minutes to ask questions and make comments.

County Manager David F. Thompson said the Commissioners should review all materials given to them. Additional questions should be forwarded to the County Manager's office as quickly as possible. Durham County's consultants should revise the financial numbers presented today. The next step is to decide how to select the preferred partner or narrow the field of proposers. Three main issues the Board has discussed are governance, operations, and finance. Operations and finance significantly impact each other. The Commissioners must arrive at a philosophical conclusion on the governance issue which is basically the same except with UNC—Hospitals. The Commissioners will have no ultimate control of the hospital board unless the management contract is approved. This is a major issue.

Vice-Chairman Reckhow said the County Manager failed to point out a key issue--choice/competition.

Commissioner Heron said Durham County must decide whether it will continue to operate its hospital or contract it out.

Vice-Chairman Reckhow said the consultants must explore the merits of a lease versus out-right purchase.

County Manager Thompson said the consultants will refine the financial numbers and consider operational differences. The consultants will list the pros and cons for Board consideration.

The Commissioners concurred to hold the next meeting concerning the hospital matter on Tuesday, January 27, 1998, beginning at 9:00 a.m.

No official action was taken at this meeting on the sale, lease, or conveyance of the Durham County Hospital Corporation.

Adjournment

Chairman Black adjourned the meeting at approximately 6:50 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board

GEU:VCS