

PRESS RELEASE

January 16th, 2025

For Immediate Release.

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HOSPITAL •

Key West

OHkw.org
info@OHkw.org

January 7th, 2025 Lower Florida Keys Hospital District Board Meeting

Agenda: 2025 Special Meeting to discuss hospital lease operator and lease

OUR HOSPITAL Key West (OHkw) is a grassroots advocacy group of Key West Residents advocating on behalf of the Public to achieve objective comparisons from as many leading Hospital Operators for the imminent expiration of our current Hospital Operator on April 1st, 2029, of our Public Hospital, governed by The Lower Florida Keys Hospital District Board.

OHkw provides more information at OHkw.org. Please reach out to info@OHkw.org for any questions or comments.

OHkw Note: In the State of Florida the Public can record Public meetings as there is no expectation of privacy. These notes are taken from a 1:22:08 long Video from a member of the Public who attended the meeting. These notes, and the video used for these notes are not the entirety of the meeting or video.

This is not a transcript.

Many of these notes are verbatim quotes, others are subject summary observations. These observations may be shared with the Public.

Lower Florida Keys Hospital District Board of Commissioners:
<http://www.lfkhdb.com>

Kathryn Ovide – Chairman (newly Chairman, long-term Commissioner)

James Muir

Mary Spottswood – (Secretary, new Commissioner - 2024)

Mary Chambers – (Treasurer)

Stephen Hammond – (Board appointee to CHS Governing Board)

Erica Sterling – (New Commissioner – 2024)

Lesley Thompson – Long-term commissioner, former Chairman

Richard Toppino – (New Commissioner – 2024)

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Board Appointed Community Fact Finding Committee (CFFC's or Committee Member)
(One appointed by each District Commissioner) – Not part of the sunshine rules, as they don't make recommendations, they seek information for the purpose to advise the District Commissioners on matters regarding the pending lease termination and other matters with current Hospital Operator, Community Health Systems (CHS). They are appointed to seek information and provide it to the Commissioners.

Peter Batty Jr – Appointed by Richard Toppino
Pbatty@gulfatlanticbank.com
305-433-0386

Jimmy Weekly – Appointed by Kathy Ovide
Faustojimmy@aol.com
305-797-1440

Peter Batty Sr– Appointed by Erica Sterling
Pbattyfarm@gmail.com
305-797-0656

Jamal Witherspoon– Appointed by James Muir
J_Witherspoon@hotmail.com
786-512-4511

John Padget– Appointed by Mary Chambers
JohnPpadget@aol.com
305-509-1628

Mark Rossi – Appointed by Stephen Hammond
Mrossikeywest@aol.com
305-797-0544

VIA TELEPHONE DURING MEETING

Mercy Hiller – Appointed by Michael Halpern (deceased Commissioner)
Hillermg@bellsouth.net
305-433-0386

Todd German – Appointed by Lesley Thompson
Tdgerman@aol.com
305-942-1611

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Notable observations. Time at Video noted:

CHS representative, Drew

0:00 – 4:00 - Kathy Ovide speaking to CHS representative on specific levels of care.

VIDEO 4:00 – 5:26 - CHS - discussions about where to send critical patients.

VIDEO 5:28 – 6:08 - Erica Sterling speaking about risk adjusted mortality rates with CHS.

VIDEO 6:09 – 6:08 - Erica Sterling asking about his previous comment he has 102 Hospitals, and, asks if CHS profit margins are same for those hospitals compared to LKMC Profit Margins

CHS Answers – LKMC is a performing facility, there's no doubt about it, but they have variation in their portfolio. CHS say's their goal is 15%. (OHkw note: CHS representative doesn't correct Commissioner on 102 hospitals, they have 68. <https://www.chs.net/investor-relations/> CHS is a public hospital, all Public Record are part oaf their website including SEC filings. They have sold 65% of their hospitals in great part to pay down an unsustainable debt on their purchase of HMA. All Public Record.)

Kathy Ovide Chair asks Community Members to ask CHS Questions

VIDEO 6:53 - 7:17 CFFC - Mark Rossi – Notes David Clay is a very good friend of his, didn't make any point. Say's he'll defer to John Padget (CFFC).

VIDEO 7:17 - CFFC - John Padget – Questions about CHS investments into LKMC, and what they're holding back on. Asks for year by year investments CHS made into LKMC, CHS says he doesn't have the info. John makes a point the roof is leaking. John Padget - when I hear from employees complain about a leaking roof, John emphasizes about asking for new lease before taking care of properties under its current care.

John Padget seems displeased with CHS representative's lack of preparedness.

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VIDEO 12:38 - CFFC - Peter Batty Sr – What was the Net Income out of this Hospital in 2024 –

CHS - I don't have the financial numbers here with me.

Peter- How about 2023.

CHS – I don't have that here with me.

VIDEO 13:10 - CFFC - Jimmy Weekly - Speaks of “doing things” once you get lease, asks why haven't these things been done, versus waiting for a new lease. Appears to me Mr Weekly says, you would show these improvements ongoing, not waiting until end of lease. **“Why hasn't this been ongoing”, so now you want to be a “good neighbor” that your lease is up?**

CHS – Weak responses. We'll provide more details of our investments in February or March meetings.

VIDEO 16:18 - CFFC - Peter Batty Jr - Speaks to in event they don't get lease, what will fail.

CHS – say's they won't deny their obligations to the lease and maintenance. But does imply, getting to a lease renewal quickly will give them more options.

VIDEO 17:30 - CFFC - Mercy Hiller via phone- 30 Year Cancer Care specialist, asks what is CHS going to do about Cancer Care.

CHS – They have been standing up for Oncology, trying to organize in 2025. Talks about Baptist securing Genesis, and represents they were interested in that asset. Further represents it's hard to deliver Radiology Oncology, but willing to work with Baptist.

VIDEO 19:30 - CFFC - John Padget – Did you make an offer on that facility (Genesis)?

CHS – No. Say's Genesis was quickly unavailable, they would have loved to have it. **Say's if there was an opportunity to “take a swing at it”, they would have.**

VIDEO 20:28 - CFFC - Mercy Hiller via phone – Interrupts, **They did have an opportunity.** Say's David Clay was told it was available, and Clay said CHS wasn't interested. Also says it's been 20 months, and there's still no Cancer Care in Key West.

Mercy also says, it's not all about income and finances, we're in dire need, people are going without Cancer Care and dying. You can't do medical oncology without radiology oncology. That's not the standard of care.

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VIDEO 22:17 - CFFC - Todd German via phone - Follow up on Batty Sr says, when you come back with numbers, come back with numbers on similar size hospitals you have, so we can have an apples to apples comparison.

CHS – We'll prepare information for you.

VIDEO 24:20 - CFFC - Erica Sterling - Out of your 102 Hospitals are any of those hospitals Sole Providers?

CHS – UM, we're down to 71 (OHkw note: It's 69 actually.). Mumbles. Unknown if he answered the Sole Provider question.

VIDEO 34:00 – CHS Drew – Talks about needing backup physicians, reducing transfers 20-30% but doesn't provide a concrete plan to do it.

VIDEO 35:00 - - Kathy Ovide - Addresses CHS – Drew, you said you closed 32 Hospitals.

CHS – Sold, Divested, we have had some Florida hospitals we divested. Florida is an attractive market, there are aggressive buyers and is why we made that change. (OHkw note: CHS had 206 hospitals in 2014, they now have 69.)

Acknowledges acquisition of HMA was heavily leveraged, and is implying that's a reason they are in need of divesting. (OHkw note: Last Quarter (Q3), CHS lost \$391 Million, in one Quarter. That averages \$5.6M per Hospital of their remaining 69. Their Q4 2040 will be available on the 17th of January.) Visit CHS's website, investor relations.

VIDEO 35:00 - - Kathy Ovide - Asks CHS representative Drew, if the presentation they have currently in draft-form, can be finalized so they can publish it on their (LFKHDB) website. Commissioner Ovide states "I think it has some really meaningful information".

VIDEO 38:26 - - CHS exits the podium.

VIDEO 39:40 - - Kathy Ovide - Lease discussion location should stay at Harvey Building. Asks if Committee can use LKMC Board Meeting.

VIDEO 39:53 - - John Padget - Madame Chair, Are you going to tell us what you expect from those of us on the board? Ovide, From the community committee? Yes..

Ovide - We would not be looking for recommendations. Bring your knowledge of what's going on in the community, hope to see, present some facts. You're just a fact finding committee.

Ovide - Meetings would be open to your committee. It is NOT under the Sunshine rule.

Someone suggests Robert's Rules.

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VIDEO 42:39 - - Kathy Ovide - Expresses that the CFFC's are in the community all the time, you hear from everybody, and start talking about it.

VIDEO 42:54 - - Erica Sterling - Recommends in addition to the CFFC's fact finding with the community, that they look into financial information from other hospitals that are in rural areas, and a sole provider.

Erica Sterling – “So their sole role is going to be discussions with community members”?

Kathy Ovide – “Their sole role is going to be discussions within themselves, what they understand is going on”.....

VIDEO 44:15 - - Peter Batty Sr – Makes reference to so much anecdotal information in the community, which he implies isn't fact, and suggests they seek community input with data. Then asks if Lew Fishman - District Counsel should attend their meetings.

VIDEO 46:47 - - John Padget – Asks what is the Board's intention with regards to other candidates.

Kathy Ovide – **Other Candidates for What?**

John Padget – Pause, **“For Operating The Hospital!**

Kathy Ovide – **For operating the Hospitals?**

John Padget – **Are you only talking to HMA, or what?**

Kathy Ovide – **We're not taking to anyone right now.** (OHkw note: The District is clearly currently reviewing proposals solely with CHS, current operator).

John Padget - **But as a Board, what have you decided to do?**

Kathy Ovide – Continues with, we have not decided. We're starting the process early. Ovide continues with **“we don't want to close the hospital for two months”**. (OHkw note: Commissioner Ovide should know Hospitals Sell / Lease all the time. They don't close the hospital to do this).

VIDEO 47:53 - - John Padget – **“I'm just a little surprised that you don't have a procedure to invite, I call it a request for a business plan, you can call it whatever you want..... but, I'd like to hear from this podium, a proposal of likely candidates”!**

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VIDEO 48:12 - - Lew Fishman – Interrupts, discusses options....

VIDEO 49:11 - - John Padget – I tried to make the point on this before, **I THINK WE SHOULD ASK FOR BUSINESS PLANS FROM WHOEVER IS INTERESTED. NOT an RFP, a request for Business Plan, what services, what will you invest, take out in profit.**

I'd rather have 3 business plans on the table, let them do the research, they're in the business, and we can judge, you as a board can judge from the quality of the response, do they understand challenges, cancer, what would each do, I'd like to hear them talk.

I'm suggesting, if you let it be free and open, you'll find out what THEY think is important.

AFTER you have the 3 proposals, you might decide to get consultant.

VIDEO 48:12 - Erica Sterling – **I've been thinking about this a lot. And I totally agree about getting certain proposals from the (3) Hospital Operators I think we all expect to get proposals from....**

But, I think all this discussion is premature..... because we need to figure out, I need to understand where Kennedy Investors fits into this.

Public members echo "Bingo"

Erica Sterling - **And do we have the right to listen to 3 proposals, and make that decision?**

VIDEO 52:40 - - Lew Fishman – **The answer is you have the right. Continues..... As I've said before, if you decide on operator (A), and Kennedy Drive unfortunately decides on operator (B), and we can't reach accord with Kennedy Drive, what's going to happen is Health System (an entity on paper), is going to come back into existence, unless "somehow" this board can negotiate buying out Kennedy Drives interest, so you're free and clear to do what you want.**

(OHkw note: Lew Fishman's statement implies that the Board is not free and clear to do what they want. Which seems to conclude the Board is not in sole control of our Public Hospital, inclusive of the Publicly-owned Stock Island Facility, which they came into this relationship with. This is a shocking revelation for the Public. This dynamic revelation has been known by District Counsel, Lew Fishman for years).

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VIDEO 53:12 - - Peter Batty Sr – **I think the question I was going to ask, and this is the 800 lb Gorilla in the room, is does the Hospital Board have the absolute right to select someone, and if the answer is no, “What the hell are we doing here”?**

John Padget – **That’s Right.**

VIDEO 53:33 - - Lew Fishman – **The answer is no. (OHkw note; No, the District does not have absolute authority or control.** Difficult to comprehend his technical explanation, and not be disturbed by the end result).

VIDEO 56:18 - - John Padget – **So it’s your (legal) opinion, that we’re burdened with a problem that was not solved 30 years ago?**

VIDEO 53:33 - - Lew Fishman – **Basically the Board 30 years ago, the only thing they came up with, was at the end of the 30 year lease, was that if the two entities (State Board and Kennedy Drive) could not agree on a successor operator, then Health Systems would have to go back into existence. They would have to employ employees, hire staff, etc.**

Lew Fishman - **So to answer your question, we are not free and clear on our own accord, unless Kennedy Drive agrees (and vice versa).**

VIDEO 56:18 - - John Padget – Before you ask us to do work, why don’t you settle with.....

Lew Fishman – Kennedy Drive?

Lew Fishman - My initial discussions with Kennedy Drive is they are interested in retaining CHS.

(OHkw would like to know when this “initial discussion” occurred. How long has Lew Fishman understood this “dynamic”? With little time to prepare for this “dynamic”, surely it would have been preferable for the Public and District Board to contemplate a resolution in the Public’s interest).

John Padget - **And they can reject any other ones?**

Lew Fishman – **They can, if we found someone that gave Kennedy Drive what CHS might give Kennedy Drive, I don’t know what they’re deal is. I think Kennedy Drive is interested in Money. Not in who the operator is.**

VIDEO 58:18 - - (unknown Board Member, blocked from view)– Lew Fishman - if we want to cut ties with Kennedy Drive once and for all, we would have to buy them out? Land / Building.....

Discussions between Board and CFFC’s...

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VIDEO 58:22- - Mark Rossi – Discussions need to be resolved with Roberto Sanchez before they go further, they need to know if they have an agreement, split ways, entire community wants to know this. Straight forward. Want's to see agreement. Between Kennedy Drive and District.

Lew Fishman - , At the time “we” negotiated, Kennedy Drive refused to disclose the documents, Kennedy Drive gave him (Lew) redacted what they were receiving in compensation, so there is no knowledge what they're receiving in compensation.

VIDEO 1:00 - - John Padget – **The community wants clarity, and the public has the right to know who owns what. It's up to the District Board to provide the clarity.**

VIDEO 1:01 - - Mark Rossi – **The 64 Million Dollar question is does the Board want to break that lease, Can that lease be broke?**

VIDEO 1:01 - - Jimmy Weekly – **You also need to have a conversation with Kennedy Drive, are they willing to consider proposals from other operators? Someone needs to sit down with them and find out what their position is. Because if they have a Veto Power over who the Board would choose, Why are we doing this?**

John Padget – **Agrees, why are we doing this?**

Peter Batty Sr – **I think it would be totally disingenuous to solicit bids from Baptist or Mount Sinai, if someone else has a Veto power, because they're going to spend time and money, and I believe it would be unconscionable for this Board, this Group, to solicit something without them having the possibility of succeeding....**

VIDEO 1:02 - - Erica Sterling - (to Peter Batty Sr), **“Well that was kind of my point”... so why are we doing all this if we're not getting anywhere.**

VIDEO 1:03 - Kathy Ovide - **Lew, if Roberto or Kennedy Drive says we want to do business with CHS, I think it's our responsibility to start saying, what do we want in that contract..... we can focus our attention on making a quality contract if they're gonna say it's CHS or we're not playing this game.....**

Jimmy Weekly - **Well that's a good point..... can we just buy them (Kennedy Drive) out?**

Lew Fishman- **Well, that can be raised, that's never been addressed.....**

Mark Rossi– **Erica is 100% correct, we have to know where we're going... Our hospital is 75 years old, out of date. It's nothing to be proud of, it's held together with tape. We need to look to the future. WE NEED A NEW HOSPITAL!**

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More discussions..... About bonds, new building, but Kennedy Drive and Board need to be resolved.

John Padget – **This thing should have been resolved 25 years ago.**

Discussions from CFFC’s..... **should we continue our work?**

Board.... **Yes.**

VIDEO 1:09 - - Kathy Ovide - If Kennedy Drive says no, then the Community Committee will be critical in expressing what the Community wants (OHkw note: We believe Ovide is referring to what “if we’re stuck with CHS”). Kathy states “I believe, this is just personal” , “but I believe, there should be a provision in there that there are health-care provisions.

(OHkw note to Kathy Ovide’s position. Kathy Ovide should know that what the Community want’s is (3) or more options, also the goal of the majority of the appointed Community Committee, the more the better, not a defeatist mentality giving into a private entity having control over our Public Hospital from a the very District which seems to have lost its authority, versus any push to proceed with crafting an agreement solely with just the existing Hospital Operator simply because some may feel ”we’re stuck with them”).

VIDEO 1:11 - - Mark Rossi - **Your contract needs to be examined. Maybe you don’t have to honor it. Let’s face it, that contract isn’t advantageous to the Public. It isn’t.**

VIDEO 1:20 - - Kathy Ovide - Continues with CHS and how they offer housing, relocation, insurance. (OHkw notes: Kathy Ovide seems to be struggling with the concept that any Hospital we choose from can, and should have these such provisions to maintain quality personnel resulting in better patient outcomes).

OHkw conclusions and observations of the January 7th Meeting. Next Page.

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OUR HOSPITAL Key West conclusions and observations of the January 7th meeting.

Observation #1 - It would seem that The Lower Florida Keys Hospital District has lost their sole authority as fiduciaries of our Public Hospital, which is:

“For the preservation of the public health, for the public good, and for the use of the public of the District, and maintenance of such hospital or hospitals, medical facilities, or other health care related facilities or services within the District is found and declared to be a public purpose and necessary for the preservation of the public health and welfare of the District and inhabitants thereof.”

Observation #2 - The District needs to regain **sole control over our Public Hospital, immediately.**

Observation #3 - The District should immediately, as OHkw requested prior to the meeting on January 7th, retain OUTSIDE COUNSEL to advise them on this matter. The Public sentiment which reaches OHkw does not have faith in Lew Fishman to resolve this issue, given he may have participated in these agreements, and given the lost authority over our Public Hospital’s sole control should have been front and center for the Public’s “layman” understanding of this years ago.

Observation #4 - OBJECTIVE COMPARISON OF OTHER OPERATORS. The District should heed the voices of its own appointed, newly-formed Community Committee, and the Public’s desire, and INVITE to the table other Hospital Operators, without undue delay or formality in the short-term, as the current operator enjoys, to make public their interest, in any fashion they wish as one Committee Member suggested, to disclose any such interest. Any such formalities necessary for future contemplation by The District **can always be added to this open and transparent process in the future.** Stop over-complicating it. There is no harm in knowing of this interest. There ARE other interested parties who can (and already do) understand and contemplate these challenges the District is facing with its entanglement with Kennedy Drive. They’ll understand. They can handle it. Please move on.

Observation #4 - As stated by Mark Rossi, Community Member. Our Stock Island Hospital is 65 Years old or older, is in disrepair, and our advocate’s say the same is true of Kennedy Drive. Furthering Mark Rossi’s comments, **this isn’t just about us, today, this is about our community’s future. We need a new Hospital, Mr Rossi states. And OHkw agrees.**

It is our conclusion that purchasing or leasing Kennedy Drive to get out of the entanglement the District is in, is short-sighted, and frankly, a reckless use of our Public Funds. Maintaining these facilities is an extraordinary expense for the existing, and future Hospital Operator, **which would have a profound effect on availability of capital these Hospital Operators have to invest in Personnel, Specialists, Equipment and others which have a direct impact on our Community’s well-being.**

It is our belief that the Public has a strong appetite for a NEW HOSPITAL, which would benefit future generations. Getting to this understanding now, helps The District navigate it’s most urgent issue, unwinding our entanglement with Kennedy Drive, and regaining control of our Public Hospital without further entangling us into a dated building on Kennedy Drive.

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OUR HOSPITAL Key West has been raising these issues for nearly a year. When we started, it was literally just a few of us at the District Hospital meetings when they were still held at the Lower Keys Medical Center which has a severely limited capacity.

We're profoundly grateful.

We're grateful for those Commissioners who agreed to change the frequency of these meetings from Quarterly to Monthly.

We're grateful for the responsiveness of The District Commissioners who do respond to us and our advocates now that we're hundreds strong. We do wish others would do the same. We're not just anecdotes, we're not angry, we're just driven for everyone in Key West to enjoy the best Health Care possible from our Public Hospital, whoever that may be in an honest, transparent, and competitive environment where reasonable and objective determinations can be made.

We're also grateful for the newly-formed Community Committee Members, Peter Batty Sr and Jr, Jimmy Weekly, Jamal Witherspoon, John Padget (we feel you're especially, special), Mark Rossi, Todd German, and of course, Mercy Hiller.

In just a few hours, your participation in this process has revealed all the key factors facing our Community, not just in the present, but for the next generation. We're frankly, overjoyed with your presence and participation. As District appointees, your ability to have open dialogue with the District which is not limited to 5 Minute limitations, every 3 months, has opened the Public's eyes to what we need to achieve.

To all our supporters, it's been a difficult year to get to this point. But we're glad we're here now.

To CHS, Baptist, Sinai, UHealth, HMA, and any other Hospital which feels they can best serve our Community, we welcome your consideration in caring for our Community.

We're ONE HUMAN FAMILY, let's take care of each other, and the next generation of those who will call Key West home.

(Apologies in advance to timely responses to advocacy, questions and information. We're in a bit of a growth stage). We'll do our best to respond to you quickly.

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