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June 3, 2011

Keith A. Smith, Esq.
General Counsel
The Charlotte-Mecklenburg Hospital Authority
Post Office Box 32861
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Dear Keith:

I have been requested by my client to respond to certain of the issues that you raised in your letter dated June 1, 2011. Harry Jones will probably respond directly to Mike Tarwater with respect to others.

With respect to the information required under "III.C. Sharing of Data" in the Joint Undertaking Agreement, the Agreement is clear as to what is required of CHS. Consumer Data Warehouse (CDW) information and Pioneer information (billing information) is required to be "electronically submitted" to AMH (now part of the County) by a prescribed day of the month or as required by the State. County staff believes that CHS is not presently in compliance with these provisions, and has in the past failed to comply.

The County employee assigned to retrieve data was sent by the LME Director in 2009 to CMC-Randolph because of CHS's failure to comply with this portion of the Agreement. It was never the County's responsibility to retrieve this data or enter it into a computer system; that was the responsibility of CHS. The employee was indeed later removed from this task and assigned to other duties, but it was never the responsibility of Mecklenburg County to enter the CHS data into a computer system so that CHS could comply with the requirement of "electronically" transmitting the data to the County. The County chose to do this temporarily in an attempt to obtain the data since CHS was not providing the information as required by the Agreement.

Mecklenburg County would consider less than full compliance of this section to be a breach of the Agreement.

Keith A. Smith, Esq.

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With respect to the outstanding request for information as summarized by Mr. Hernandez in his April 27, 2011 email to Laura Thomas, as I have previously stated, this request does fall under Section III. D. of the Joint Undertaking Agreement. To be clear, Mecklenburg County has not requested the names of patients or restricted patient information. The County has requested age of patients; county of residence; diagnosis; level of acuity/clinical status; referred by; date entered ED/OBS/Holding/Inpatient; discharge plan and date discharge planning began for inpatient cases; and name of attending physician. The County does not desire nor expect to review individual patient records.

Further, and to place this request in proper context, you should understand that this recent information request came about because of (i) CHS and Ms. Thomas' persistent assertions that additional psychiatric beds are needed and (ii) to evaluate the request, as required by the State, that the LME execute a Memorandum of Agreement in support of the bed transfer from Broughton Hospital to Mercy Hospital for use in a to be constructed 44 bed facility in Huntersville. In order to evaluate these assertions that the emergency department is full and no beds are available, and in order to properly monitor services provided under the Agreement, the County would like to be able to assess the situation for itself. Without this information the County cannot determine whether and to what extent there are problems with utilization or even management of the facility. Your own consultant, New Heights, raised issues with respect to occupation at CMC-R by out-of-county residents (23% in 2009). I am told that Ms. Thomas has been incomplete and inconsistent with her responses and that the County has been frustrated by receiving information in bits and pieces.

Additionally, this information is important to the County so that it can gain a complete picture of how CMC-R is being used and what the County is paying for. Therefore, pursuant to this section of the Joint Undertaking Agreement, the County expects to receive the requested information with full and ongoing compliance, and without delay.

With respect to Sandra Bisanar's attendance at a recent meeting in the Government Center that was requested by your clients, Joe Piemont from CHS also was in attendance. Since it my understanding that he is currently licensed by the State of North Carolina to practice law, I am unclear as to your point in raising this issue.

With respect to your final paragraphs regarding discretionary funding of indigent care, the County understands its obligations under the Joint Undertaking Agreement. You should understand that the County has no obligation under North Carolina law to appropriate funds to hospitals or others to cover any deficits for treating indigent residents of the County. Thus, a reference to discretionary funding of indigent care, in some contexts, is neither incorrect nor inappropriate.

Keith A. Smith, Esq.
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Very truly yours,

RUFF, BOND, COBB, WADE & BETHUNE, LLP



Marvin A. Bethune
Mecklenburg County Attorney

cc: Harry Jones, Mecklenburg County Manager
Michelle Lancaster, General Manager