

**LAKE SHORE HOSPITAL AUTHORITY  
BOARD OF TRUSTEES  
Minutes - Special Meeting  
March 24, 2021 5:15 p.m.**

**This meeting was conducted as a public meeting and a CMT meeting.**

**Present:** Brandon Beil, Chair  
Dr. Mark Thompson, Vice-Chair

Stephen M. Douglas, Trustee  
Lory Chancy – Secretary/Treasurer

**Absent:**

**Also**

**Present:** Dale Williams, Executive Director  
Fred Koberlein, Attorney  
Richard Powell, Accountant  
Dendy Herndon, LSHA Staff  
Tony Britt, LCR  
Wesley Hunter  
Dylan Hunter  
Sandra Buck Camp  
Lisa Hunter  
Madhukar Sharma

Sonja Markham, LSHA Staff  
Cynthia Watson, LSHA Staff  
Angie Altman, LSHA Staff  
Brian Stalvey, LSHA Staff  
Barbara Lemley  
Josh Heekin  
Glenel Bowden  
Sylvester Warren  
Joseph Ellyson

8 participants participated in the LSHA Virtual CMT Special Board Meeting.

**CALL TO ORDER**

Chairman Beil called the in person/CMT Special Meeting to order at 5:15 pm.

**AGENDA**

Chairman Beil called for additions/deletions to the Agenda. There were none. Chairman Beil called for a Motion to approve the Agenda. **Motion** by Dr. Mark Thompson. **Second** by Mr. Stephen Douglas to approve adoption of the Agenda. All in favor. **Motion carried.**

**NEW BUSINESS**

Discussion, and possible action, on a proposal from ACE Medical to operate all or part of Lake Shore Hospital

Madhukar Sharma, CEO, Joseph Ellyson and Joshua Heekin with ACE Medical presented a power point presentation. (attached)

**BOARD MEMBER COMMENTS**

There were questions and discussion.

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**INDIVIDUAL APPEARANCES**

Public Comments by Mrs. Barbara Lemley, (In Person), Mr. Sylvester Warren, (In Person).

Chairman Beil called for a Motion to adjourn meeting.

Meeting adjourned.

Respectfully submitted,

  
\_\_\_\_\_  
Lory Chancy, Secretary/Treasurer

4-12-2021  
\_\_\_\_\_  
Date of Approval

LAKE SHORE HOSPITAL AUTHORITY

REQUEST FOR PROPOSALS REGARDING  
STATEMENTS OF INTEREST RESPONSE FORM

TO: Lake Shore Hospital Authority  
259 N.E. Franklin Street, Suite 102  
Lake City, FL 32055

RE: Statement of Interest Regarding the Lake Shore Hospital Authority and Lake  
Shore Hospital

FR: Company Name: ACE MEDICAL LLC  
Company Address: 3720 Beach Blvd  
Jacksonville FL 32207

Contact Person: Madhukar Sharma  
Contact Information: Phone: 904-316-1653  
E-Mail: m74sharma@yahoo.com  
sharma@ace-medical.org

Our entity would like to express an interest in working with Lake Shore Hospital  
Authority in the following capacity(ies): (Check all that apply)

- Affiliation
- Lease
- Merger
- Partnership
- Joint Venture

**In order that you may learn a few things about our entity a narrative or statement is attached related to the following:**

- 1.) What our plans would be to increase the availability and accessibility of healthcare to the citizens of Columbia County.**
- 2.) A demonstration to show that we have the financial resources to compete in the Columbia County, Florida healthcare market.**
- 3.) A list showing our healthcare experience.**

**(Please feel free to attach any other information you would like to share)**

**When complete, please place in an envelope clearly marked "Statement of Interest Response" and return the form to the address below on or before 10:00 A.M., August 3, 2020 to:**

**Lake Shore Hospital Authority  
259 N.E. Franklin Street, Suite 102  
Lake City, FL 32055**

## **Statement of Interest for Lake Shore Hospital**

**Madhukar Sharma, CEO of Ace Medical LLC**

### **1. What our plans would be to increase the availability and accessibility of healthcare to the citizens of Columbia County.**

To increase the availability and accessibility of healthcare to Columbia County citizens, there are three main improvements that I would make to the current model which Lake Shore hospital has. These being the creation of satellite clinics and draw stations in a 30-mile radius around the hospital, adding services such as psych, pain management, and counseling, and additionally including home monitoring services and a home health aspect to provide better overall health care to the elderly population.

Establishing satellite clinics and draw stations will allow the reach of Lake Shore hospital to spread to the edges of Columbia County. According to preliminary research, Columbia County is almost 1000 mi<sup>2</sup> and this new expanded radius will allow us to cover almost 3000 mi<sup>2</sup>, thus making it more than accessible to current residents but also those who live outside the county. Not only would it increase the reach, but it would also allow patients to get small and quick services without making the long drive to the main hospital building; allowing us to better patient care and make Lake Shore hospital's services more accessible to the community.

Another way to significantly better patient care would be to offer and advertise additional health services including but not limited to psychiatry, counseling, addiction treatment, pain management, podiatry, and cardiac catheterization labs. This would allow patients to truly have a one-stop shop experience and decrease the total number of healthcare centers that a patient would have to go to just to meet all their needs. Lake Shore hospital will be able to help every patient that walks into the door through offering such a large multitude of services. I believe that mental healthcare is a form of healthcare that is often ignored, and thus offering these services will make it so that all aspects of a patient's health are cared for.

Last but not least, the implementation of home monitoring services to primary care and internal medicine care will vastly improve the patient care. These services include basic home health care, but also using an ALF and home visits to monitor and serve the elderly population. Based on some research on datausa.io, more than 30% of the Columbia County population is over the age of 55, and of these more than 10% are over the age of 65. To make care more accessible to these populations, the use of home visits will make it so each patient does not have to drive to the hospital or a satellite location, and instead the hospital can send a healthcare provider to the patient's house. Ultimately decreased the overall burden of care on the patient.

Lake Shore hospital is already a prominent hospital in Columbia County, FL; however, the enactment of the aforementioned programs and services will help take Lake Shore to a new level of care. Programs such as satellite clinics and home visits greatly improve the availability of healthcare, and the addition of services including mental health make it so that each patient feels that they belong and ultimately makes Lake Shore accessible and available to all patients.

## **2. A demonstration to show that we have the financial resources to compete in the Columbia County, Florida healthcare market**

After taking a glance at Exhibit 3, the problem seems less financial and more management based. Often the hardest part of a business is based on attracting revenue and patients to come through the door; but that has already been achieved. Where my expertise is, and my staff and colleagues can attest, lies in decreasing costs and being ultra-efficient at managing resources to minimize the "cost" of each patient. To speak to my managerial capability, I received the bronze medal from the Stevie Awards which put me in the same category as Daniel Lubetzky, the CEO of Kind Bars. The hospital is bringing in close to \$32M dollars and losing about \$5.6M, and I believe that this loss can be dissolved and bring the hospital back to profit creating numbers through the use of strong management and a good administrative team in place.

Without digging too deep into details, my initial considerations are the following. The hospital needs to cut down on the major overheads and fixed costs of resources which are not being adequately used. Additionally, the hospital needs to minimize the use of non-utilized services that are money-sucking and instead focus on low cost, mass use services. **I firmly believe that in 90-150 days, I will be able to turn this hospital into a cash-flow positive one.**

## **3. A list showing our healthcare experience**

I was born into a business family in India where we focused on creating surgical supplies, and I was in charge of marketing and sales. During my time, I expanded sales from just India to the entirety of South Asia and found a major distributor in various states who created a sales funnel to help get our products out to the masses.

When I first moved to the states, I worked in DME marketing and sales, in the sub-field of home health. I worked on this from the ground up and worked up to doing a few million in revenue starting without a license and working my way up the ladder.

Soon after, I started Ace Medical in 2013 with a loan of \$7000 as a house call and home visits company. I bought my partner out for a 6x return and started opening primary care clinics in and around Jacksonville. Currently we have 5 locations with more on the way and 13 healthcare providers in various practices including primary care, internal medicine, podiatry, psychiatry, counseling, addiction treatment, and home visits.

Ace Medical was named the 3<sup>rd</sup> fastest growing company in Jacksonville in 2018, and #1037 in the United States according to INC 5000. As mentioned above, I received the bronze medal from the Stevie Awards which put me in the same category as Daniel Lubetzky, the CEO of Kind Bars. Now, I sit on the judging panel of the Stevie Awards committee.

Along with Ace Medical, I run and operate a moderate-complex lab where we provide a full range of blood work, toxicology, and molecular testing. Currently, we are strongly focused on COVID testing and getting Jacksonville and the country back to work. We are doing this by affordable and rapid testing and are helping get business get back on their feet by closely monitoring their employees.

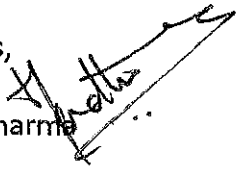
Both Ace Medical and Ace Bio Labs have absolutely no debt, and I believe that I can also make the hospital profitable and successful due to my extensive experience and knowledge of the healthcare marketplace.

#### 4. Conclusion

I possess the experience and skills necessary to add services and create partnerships with independent healthcare providers to come under the hospitals wing of management. This not only increases care for citizens of Columbia Country, it adds additional revenue at very little cost. I have already entered preliminary discussions with intervention cardiologists, psychiatrists, podiatry and pain management specialists who are interested in working for and with Lake Shore hospital under my guidance and management.

Please contact me to verify my experience or to discuss any of my previously mentioned ideas for Lake Shore hospital. I am excited and look forward to this new and coming era of Lake Shore as it reaches new heights while increasing availability to patients and becoming a cash-flow positive medical center.

Best Regards,

  
Madhukar Sharma  
CEO

Ace Medical LLC

M74sharma@yahoo.com / sharma@ace-medical.org  
904-316-1653



January 25, 2021

Dear Mr. Williams,

First and foremost, I would like to share my excitement for the possibility of working with Lake Shore Hospital. Thank you for the opportunity to submit a final proposal, and I hope that this letter provides you everything you need to move forward with this proposal. Together, Ace Medical and Lake Shore Hospital, share a common goal of not only servicing the community, but also being economically self-sufficient and bringing returns for all involved parties.

After spending some time analyzing the current state of the hospital, there are a few steps that are imperative to getting the hospital back up and running. Most important on this list is applying for the license of the hospital; however, because this can take up to a year, my team plans on setting up a clinic so that revenue can start to come in. Initial clinics will include the following services: primary care, psychiatry, addiction management, and cardiology. Based on the patient volume that comes in for cardiology, a cardiac catheterization lab can simultaneously be opened. Along with initial clinic services, a supplemental diagnostic laboratory and pharmacy will be opened on site. As the hospital continues to grow, we can continue to add services including pain, nephrology, maternity, mental health counseling, maternity, and pediatrics.

Based on my experience with the industry, the above steps will make it so that Lake Shore Hospital is ready to thrive. I have a team of providers that are willing to work with my team and management, once we have a plan in place.

Along with my plan, there are a few steps that the trustees can take which would help catalyze

9471 Baymeadows Rd  
Jacksonville, FL 32256  
(904) 475-2039  
(904) 330-0668  
[www.ace-medical.org](http://www.ace-medical.org)





the success of the hospital. These include keeping the building and hospital equipment in good working condition, helping the hospital management in receiving local and state grants, and utilize their network to seek out county or state support and find any other resources that can be brought to the table.

I firmly believe that Lake Shore Hospital did not fail due to a lack of revenue, but instead from a lack of a strong team and management structure coupled with extremely high overhead expenses. My track record speaks for itself and shows that my expertise is centered around being lean with expenses and having extremely effective management.

I thank you again for your time, and I look forward to what the future holds for us. Please give me a call if you have any questions or clarifications about any of the things that I have aforementioned.

Best,

Madhukar Sharma

CEO, Ace Medical

904-316-1653

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**ACE MEDICAL**

# **Lake Shore Hospital**

**Ace Medical**

Madhukar Sharma, CEO



## **EXECUTIVE SUMMARY**

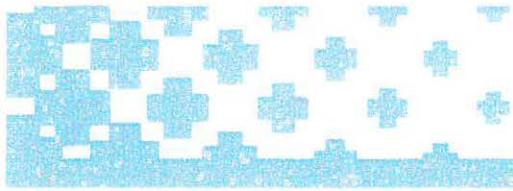
Ace Medical is a multi-specialty healthcare group which was founded in 2013 by Madhukar Sharma. He prides himself on running a lean team where each dollar is spent wisely in order to create the most value for his patients. Mr. Sharma truly cares about each patient's experience at his facilities and views them as his family. He has been featured as one of the country's top executives and is widely respected by healthcare leaders across the state and nation. After familiarizing himself with the Lake Shore Hospital and its Authorities, Mr. Sharma feels confident that he and his team will be able to bring Lake Shore Hospital back to its former glory. He is determined to make the hospital more community-driven instead of prioritizing high-income patients or those who are covered by premium insurance. He hopes to bring his mission of treating all patients as family to Columbia County and can't wait to get started on this project!

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  - **Market Analysis and Competition**
  - **Operating Costs and Funding**
  - **Marketing and Sales Plan**
- 





## Ace Medical Overview

Ace Medical is a multi-specialty healthcare group which services the greater Jacksonville area through its four locations and house call unit. We pride ourselves on our ability to quickly adapt to changes happening in the health care system as reimbursement structures and larger healthcare strategies change.

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- **Company Summary: What do we do?**

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- Ace Medical was founded in 2013 with a vision to provide care based on disease prevention and health promotion. With four locations spread across the greater Jacksonville area, along with a flourishing house call department, Ace Medical provides care for tens of thousands of patients. The board-certified medical providers at Ace Medical truly care for the physical, mental, and emotional well-being of their patients to offer care that exceed traditional patient-doctor interactions.

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- **Mission Statement: What do we care about?**

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- To combat our competitors who selectively choose patients based on the financial value they bring in, at Ace, we focus on the needs of the community by providing care for everyone who needs it - not just for those who can afford it. We are aware that going to a doctor can be a scary experience for some patients, and thus we pride ourselves on treating our patients like family. When patients come in, they are never just a number or name on a chart; instead, they are always warmly welcomed and cared for.

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- **Services: What services do we provide our patients**

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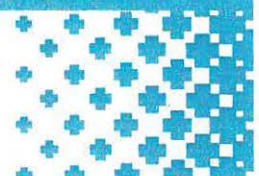
- Primary Care, Podiatry, Internal Medicine, Geriatrics, Rehab Therapy, Physical Rehab, Psychiatry, and Home Visits.

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- **Key People: Our esteemed management team**

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- **Madhukar Sharma**
  - Madhukar Sharma is a nationally recognized CEO who received a Stevie award in a category populated by high-level executives, including billionaire Daniel Lubetzky, the founder of Kind Bars. Additionally, he led Ace-Medical to be the 3<sup>rd</sup> fastest growing company in the greater Jacksonville area as well as #1037<sup>th</sup> fastest growing company according to INC magazine's top 5000 fastest growing companies in the USA. He was also listed as a "person on the move" and business leader by Jacksonville.com. His leadership is also featured in *The Florida Star* and *The Georgia Star* because of his work addressing the stigma surrounding mental health.



○ **Joseph Ellyson**

- Joseph runs the day-to-day operations of Ace Medical along with the rest of the team. He comes from a business family who owns one of the largest home health companies in Florida: Welcome Home. Joseph is extremely organized, ambitious, energetic, and has a proven track record of managing a large corporation.

○ **Joshua Heekin**

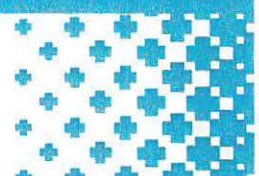
- Josh serves as an advisor and general counselor to Ace Medical. He is in charge of compliance, credentialing, and insurance networking, three critical aspects of a successful healthcare business. Josh has experience starting a variety of different healthcare practices including primary care, cardiology, nephrology, psychiatry, and surgery centers. He has gained valuable knowledge regarding the legalities of a healthcare business from his father who is a health care attorney.

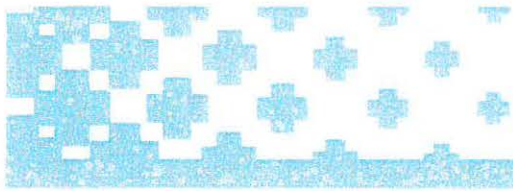
○ **Beverly Pateman**

- Beverly is the head of human resources and in charge of accounting at Ace Medical. She has been a part of Medicare's audit team in the past and is a certified notary. With her extensive experience leading internal audits of medical charts and keeping the work force happy, she is a great bridge between management and the employees.

○ **Dr. George Camacho**

- Dr. Camacho is an internal medicine specialist who has been with Ace Medical for the past eight years. He is an excellent addition to our team and has extensive experience working as Ace Medical's medical director. He previously worked at St. Vincent's Riverside Hospital and Memorial Hospital, and is extremely excited about working with Lake Shore Hospital in the near future.





## Development Plan

Lake Share Hospital is ready for a new, energetic, and lean management team who will be able to provide for the Lake Shore and larger Columbia County community.

We would like to start within 30 days of approval by opening a primary care clinic from 9 AM to 5 PM daily. Once we prove to the community that Lake Shore Hospital is able to provide for the community, we can begin to expand our suite of services by adding departments and satellite locations.

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- **Opportunity: How can Ace Medical help Lake Share Hospital recover from its previous failures?**

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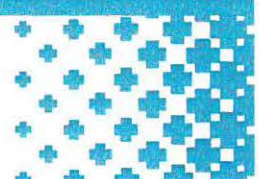
- Poor administration of strategy and a mismanagement of resources led to the Lake Shore Hospital failing in the past. The hospital shut down by being top heavy, and investing in areas which were unnecessary, such as a bariatric wing. Additionally, after talking to other healthcare leaders it seems that Lake Share hospital was focused on cherry picking high margin patients and trying to create profitable ventures, as opposed to sticking to the basics and caring for the community. While there was a plethora of money coming in, an inefficient team was having a hard time balancing revenues and costs. Unless there is a big change in the baseline strategy of Lake Shore hospital, it is doubtful if it will be able to return to its former glory.

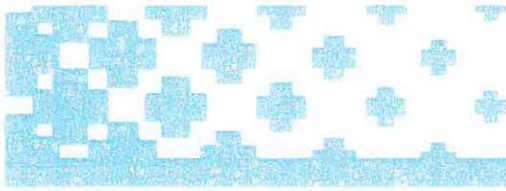
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- **Product Overview: What services do we plan on starting with?**

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- Primary Care
  - This is the backbone of the healthcare system and where healthcare begins for all patients. It encompasses services such as: health maintenance, disease prevention, patient education, diagnosis and treatment of acute chronic illnesses, and a proper utilization of consultation services as needed.
- Psychiatry
  - Mental health is an increasingly important category for patients, and this has been heightened by the coronavirus pandemic. We plan on offering assessment, diagnosis, treatment, and counseling of psychiatry and mental health services which will directly help the patient population of Lake Shore, and the larger Columbia County.
- Addiction
  - The opioid epidemic has had a large devastating effect on US communities over the past 10-15 years. To support our mission and do our part in curbing the spread, we plan on offering patient addiction treatment and keeping patients within extremely strict compliance guidelines.





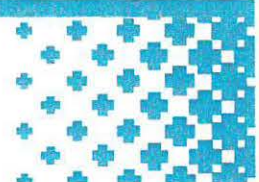
- As we grow:
  - Once we prove to the Lake Shore community that a new management team which cares about their well-being is there, we can begin to add high-margin services such as cardiology, neurology, and surgery. This bottom-up approach will allow us to increase the customer lifetime value of our patients.

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- **Key Participants and Management Team: Key Executives.**

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- Madhukar Sharma, **CEO**
- Joseph Ellyson, **COO**
- Joshua Heekin, **Compliance Officer**
- Beverly Pateman, **HR and Internal Audits**
- Dr. George Camacho, **Medical Director**



## MARKET ANALYSIS AND COMPETITION

Lake Shore and the larger Columbia County has a population which is ready and eagerly waiting for Lake Share Hospital to return to its former glory. The competition, namely Lake City Hospital and other small healthcare clinic groups are focused on high income or patients with premium insurance which leaves a gap for the general population. Ace Medical hopes to come in and capture this market by focusing on primary care services, before we start to add higher margin services.

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### • Market Analysis: What is the population composition of our customer base?

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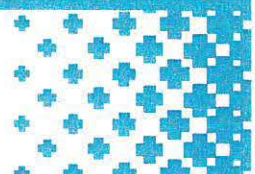
- Columbia County spreads across almost 100 square miles and has a population of over 70,000, with a population growth rate of approximately 1.4%. The median household income in the community is \$46,494 which is 20% less than the median household income of Florida. We can conclude that there is not a lot of expendable money in Columbia County, and a lot of the patient population is going under treated. Additionally, the median age of Columbia County is 40.4 years old, and an aging population means that people will continue to require healthcare services.

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### • Competition: Who are our primary competitors and how do we differentiate?

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- Although we want to believe that that health care is simply about taking care of patients and the well-being of people, it is simply not true. The providers must be well compensated, the staff needs to be timely and courteous, and the quality of care has to be high. These moving parts have to come together to provide the best patient experience possible.
- The largest competitor of Lake Share Hospital is Lake City Medical Center located on 340 NW Commerce Dr, Lake City, FL, 32055. They have an impeccable record, and their ER wait time is 2 min, as of 3:14 PM on March 23, 2021. They offer cardiology, oncology, imaging, and surgery; in whole, they are a full-fledged hospital which provides a wide variety of services and are a giant to compete with. If we start off trying to match the number of services that Lake City hospital offers, we will be swamped with high costs and it will be impossible to remain afloat. There are also other premium healthcare clinic groups which take choose to only take care of patients with premium insurances and high incomes.





## OPERATING COSTS AND FUNDING

Here we have highlighted how we plan on running the hospital and our estimated monthly costs. We believe that we will have an excess of money to give back to the Authorities within 6 months, however we will require their support in getting started.

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- **Key Plan: Partnership with the Lake Shore Authorities.**

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- As previously discussed, we are aware that Lake Shore Hospital did not close due to a lack of money but instead due to a lack of strong management. We propose a strong partnership with the Lake Shore authorities to utilize our executive team's effective strategies in minimizing costs. We will slowly add services one by one as there is visible demand to keep the entity as lean as possible, as opposed to starting with a lot of high-end services and *hoping* that it works.
- 

- **Associated Costs: These are the costs associated with the proposed plan.**

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- We anticipate the total fixed costs of running the clinic to be \$67,650 per month. This includes the following services:
    - 1 Medical Director for Primary Care
    - 1 Medical Director for Psychiatry and Addiction services
    - 2 full-time mid-level providers (nurses, physician- assistants)
    - 4 Medical Assistants
    - 2 personnel for patient relations
    - Billing and Credentialing
    - Accounting
    - Compliance
    - Hiring and Payroll
- 

- **Open Door Policy: Full transparency between the management team and Lake Shore Authorities.**

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- We will have an open book policy with the Lake Shore Authorities where they will be able to see how much money is coming in and also where each dollar is being spent. The difference between what we collect, and the total expense will be the burden of the Authorities. Additionally, if there is anything left over after covering expenses, it will be given back to the Authorities.
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