

Jury awards ex-Barton CFO nearly \$800,000

By Susan Wood

After hearing a high-level power struggle among Barton Health executives, an El Dorado County Superior Court jury on Wednesday awarded former Chief Financial Officer Steve Neff with almost \$800,000.



Steve Neff

Neff's lawsuit involved a violation of labor law, fraud and breach of contract.

The Nov. 8 judgment in favor of Neff includes \$715,782.50 for "breach of the covenant of good faith, fair dealing and defamation" as well as \$71,578.25 in punitive damages for defamation, Neff's attorney Patricia Kramer said. Nothing further was provided from Kramer on the trial presided over by Judge Daniel Proud.

The civil case stemmed from disputes that occurred in contract negotiations and the seven months leading up to Neff's termination in March 2015. The negotiations were between former Chief Executive Officer John Williams, then-Chief Medical Officer Clint Purvance – the current CEO. Neff was replacing the retiring Dick Derby, who returned to the job when Neff left.

The complaint filed a year ago this month laid out 11 counts ranging from negligent misrepresentation and breach of contract to unlawful harassment and defamation of character.

For the jury, there were 19 items they had to rule on. Of those, they determined three in Neff's favor and 16 in Barton's.

It's unclear whether the South Lake Tahoe-based medical group will appeal as Barton attorney Tom Perry declined to speak to *Lake Tahoe News*.

"We are pleased the jury found in Barton's favor on most disputed issues," Barton spokeswoman Mindi Befu said in a statement. Barton added the penalty reflects the remainder of Neff's three-year contract, and punitive damages amounting to 10 percent of the contract sum were inflicted "because some statements that were attributed to Barton were considered defamatory" to the jury.

"Although we are not in agreement with all of the jury's findings, we respect their diligence and conscientious effort in dealing with the many complex issues in this difficult case," the statement reads. "We are glad to move forward and continue focusing our attention on the health of our community."

Neff claimed that he came on board with the notion and alleged promises that his CFO job would eventually lead to him taking over for Williams, with Purvance agreeing to mentor him.

The complaint adds that Neff took the job with the understanding that Purvance as the CMO "had no desire to fill that position and that the CFO position Neff was being recruited for would be the perfect segue for Neff to become CEO of Barton." It reads the CEO position paid about \$600,000 a year base salary with potential bonuses that could result in another \$300,000.

But that didn't happen. Instead, it appeared Neff and Purvance – who allegedly was supposed to be grooming the plaintiff – were each vying for the top job.

The jury, though, did not find those claims in Neff's favor.

Further, Neff listed a barrage of incidents in the complaint in which he was poorly treated and subjected to "frequent religious proselytizing in the workplace" with the "express purpose of receiving Christian indoctrination that conflicted with Neff's own religious belief system." He's Jewish.

This too was not found to be true, according to the jury.

Neff took issue with Barton's discrepancies posed during the recruitment process and of questionable working conditions and operations at the hospital while he was there. At one point, Neff alleged Williams told him he was "the king" of Barton and that "he was unaccountable to Barton's board of directors."

The discrepancies in the recruitment process were not ruled in Neff's favor.

The contract between the hospital and Neff was a point of contention on several occasions. His tenure appeared rocky throughout the seven-month stint right up to his termination, including a claim he was "humiliated in front of his colleagues" despite the hospital allegedly insisting they were firing him for "no cause."

The medical executive primarily laments about uprooting his family and enduring financial losses when he in good faith left a 17-month partnership at Renaissance Healthcare Partners in Massachusetts to go to work at Barton on a base salary of \$285,000.

In the last few years, Neff has been unable to secure any position as a CFO or CEO and believes he's "lost approximately \$548,420 in income."

Neff has worked in health care for 32 years. He now operates a BrightStar Care home care franchise in Carson City.

Lake Tahoe News Publisher Kathryn Reed was a reluctant rebuttal witness for the prosecution. She was brought in to testify about the story she had **written in 2015** after Neff was fired and the story **last June** about the lawsuit. Much of the testimony centered on the use of the word "fired."