

VALLEY HI COMMITTEE
McHenry County - Valley Hi Nursing Home
2406 Hartland Road
Woodstock IL 60098

MINUTES OF THURSDAY, JUNE 11, 2009

Chairman Dvorak called the Valley Hi Committee meeting to order at 8:30 a.m. The following Committee Members were present: Ed Dvorak, Chairman; John Hammerand; James Heisler; James Kennedy; Mary McCann; Marc Munaretto; and Kathleen Bergan Schmidt. Also in attendance: Peter Austin, County Administrator; Representatives from Revere Healthcare; John Hadley, Facilities Management; Bob Yearian, Valley Hi Administrator; Randy Donley and Ersel Schuster, County Board Members; Mary Lou Zierer former Board Member and Valley Hi Committee Chair; interested public and the press.

Ed Dvorak, Chairman	
John Hammerand	James Heisler
James Kennedy	Mary McCann
Marc Munaretto	Kathleen Bergan Schmidt

MINUTES

Committee members reviewed the committee minutes for May 14, 2009. Mr. Munaretto made a motion, seconded by Mr. Heisler, to recommend approval of the minutes as submitted. The minutes were approved with all members present voting aye.

PRESENTATIONS: None

PUBLIC COMMENT: None.

NEW BUSINESS

Discussion of draft Valley Hi Operating Board Bylaws and future management of Valley Hi Nursing Home: Mr. Austin asked that the Committee review the Operating Board Bylaws which are presented as a very rough draft. He noted that in writing this document he used the Operating Board Bylaws of DeKalb County as an example. He stated that he met with the State's Attorney to review the document and with some language changes and modifications, the document was found to have no legal problems. He stated during today's meeting the Committee should also address the Revere Healthcare contract, which will expire on October 31, 2009, and provide staff direction as to whether it should be extended another year. He added that Committee direction is also needed regarding the bylaws and if the facility should be managed by an Operating Board. Should the Committee not wish to extend the Revere Contract, staff needs time to recruit, interview and have an administrator in place on November 1, 2009.

Chairman Dvorak asked that the Committee discuss these items as outlined by Mr. Austin and give direction to staff. Mr. Munaretto noted that Revere Healthcare has indicated they would agree to the contract extension with a right to terminate with sixty (60) days notice and could function with an operating board. A decision needs to be made as to if the management of the facility should be done internally or externally. Should the decision be to have an Operating Board, that board will need time to "get up to speed" and measure performance. Ms. Schmidt stated that the Committee has yet to have a full discussion on the four options. She also stated that the Committee should meet and discuss in a frank manner the current management without representatives from Revere Healthcare attending. Ms. McCann stated that the Committee has two separate issues to decide and the first should be if we want to extend the current contract. Ms. Schmidt added that the draft bylaws as presented reference Revere Healthcare. Mr. Austin agreed noting that revisions need to be made to the document. Mr. Munaretto stated that the document should be completely neutral and reference third party management. Mr. Austin stated the document needs work but before staff moves forward on this document the Committee needs to give direction. Mr. Munaretto stated that Committee needs to conclude the most efficient method to manage the facility to meet both the County's and residents' needs. Ms. McCann stated an operating board would provide focus and good oversight. Mr. Munaretto noted that a task gets done when you give the authority and responsibility to the person or firm you hire. Mr. Hammerand agreed, adding that the facility is important to the County and as a County Board we should be in control. Mr. Munaretto stated any management of the facility would ultimately be accountable to the County Board. Ms. McCann stated that the operating board should report directly to the County Board and not be filtered through another committee adding that membership should also include some healthcare professionals. Mr. Hammerand stated that the operating board needs the authority to run the facility and members should include two county board members along with citizens. Ms. Schmidt stated that the operating board needs a good mix of members including people with business background. She noted that appointments should be at least two years. Mr. Munaretto stated that the operating board should function much like the Mental Health Board and not be influenced by politics. Chairman Dvorak suggested that Mr. Austin prepare a chart of authority. Mr. Austin stated that the power is ultimately the County Board's and he could provide a threshold matrix for discussion points and a focus. It was noted that the Operating Board should be appointed and not elected, terms should be staggered with two and three year terms. Mr. Austin reminded the Committee that if the contract with Revere is not extended a decision on the operation of the facility needs to be made quickly as a new administrator will need to be in place on November 1st. Ms. McCann stated that the Committee should not make a rushed decision on implementing an operating board as this can be addressed once the management of the facility is decided. Ms. Schuster stated that the final decision is made by the full County Board, the Committee makes the recommendation to the County Board and without that decision the Committee is only wasting their time. She stated the Committee should give the County Board options and make a case for their best option. After discussion, Mr. Heisler made a motion, seconded by Ms. McCann, to extend the contract with Revere HealthCare for one year with the option to terminate with sixty (60) days notice. Members discussed the motion after which a roll call vote was taken. The motion carried with four (4) ayes (Kennedy, Heisler, Munaretto and Dvorak) and three (3) nays (McCann, Hammerand and Schmidt). Mr. Austin stated he would bring a Resolution and the contract to the next

Committee meeting for consideration along with an enhanced draft of the Operating Board Bylaws and a threshold matrix for discussion. He asked that members contact him if they have additional suggestions for the bylaws. Mr. Kennedy made a motion, seconded by Mr. Munaretto, to approve the formation of a separate Operating Board for the Valley Hi Nursing Home. The motion carried with six (6) ayes (McCann, Kennedy, Schmidt, Heisler, Munaretto and Dvorak) and one (1) nay (Hammerand).

REPORTS

Mr. Yearian reviewed the financial report which indicated the census for Medicaid had shown an increase over past months. Food costs have gone from \$8.00 per day per patient to \$6.80 per day per patient. He stated there are still some inconsistencies in food preparation but the situation is improving. He stated that a food sampling was conducted this past spring and indicated that there had been much improvement over an August food sampling event. He noted that he continues to meet with residents each Monday morning to address concerns. He reported that Facilities Management has indicated that there is a possibility that a storage room can be re-configured to be used to store oxygen. They are also planning to build a structure for the storage of liquid oxygen. The up-front costs would be approximately \$2,000. It is anticipated that the on-site storage of oxygen will reduce oxygen supply costs. Mr. Hammerand questioned if the Fire Department had been contacted to inspect the oxygen storage area. Mr. Yearian responded that they have not, but he would do this. He stated that there are specific guidelines for oxygen storage which are being followed.

Mr. Yearin reported that residents are pleased with the newly installed automatic door openers. He thanked the Valley Hi Foundation for providing funds for these openers. He also stated that Family Night at Valley Hi is scheduled for July 20th and invited all to attend. Mr. Yearian noted that Satisfaction Surveys have been distributed to employees, physicians, families and resident, completed surveys are due back by June 15th.

Mr. Smith reviewed a Comparison of County Facilities report in which Valley Hi's costs were compared to DeKalb County based on November 30, 2008 Medicaid Cost Reports. DeKalb is a 190 bed facility compared to Valley Hi which is a 128 bed facility. The report indicated significant differences in average costs per bed (DeKalb = \$62,166; Valley Hi - \$119,145) and in the % of unworked hours for employees (DeKalb = 10.89%; Valley Hi = 15.96%). The differences in unworked hours could be due to holiday hours. McHenry County's holiday schedule is set by the courts for all employees while DeKalb determines nursing staff hours on a different basis.

FUTURE TOPICS

Ms. McCann suggested that the Committee receive an 18 month improvement update or progress report from Revere Healthcare. Mr. Austin stated this can be included as a cover memorandum with the Resolution to extend the contract with Revere Healthcare.

EXECUTIVE SESSION: None

ADJOURNMENT

Mr. Kennedy made a motion, seconded by Ms. Schmidt to adjourn the meeting at 10:28 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD/COMMITTEE ACTION:

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