

AGENDA
Valley Hi Operating Board
Wednesday 1-25-2012 – 7:00 p.m.
Valley Hi Nursing Home
2406 Hartland Rd
Woodstock, IL 60098

- 1.0 Call to Order
- 2.0 Minutes Approval
- 3.0 Public Comment
- 4.0 Presentation (as necessary)
- 5.0 New Business
 - 5.05 FY2011 Budget Review and FY2012 Financial Goals
 - 5.10 Valley Hi Debt Payment
 - 5.15 12-2011 FOIA Request and Union Activity
 - 5.25 Medicaid Payment Update
- 6.0 Old Business
 - 6.05 Medical Director Search
 - 6.10 Customer Service Program
 - 6.15 Involuntary Discharge Proceedings
- 7.0 Reports to Committee, as applicable
 - 7.05 Administrator's Report
 - 7.10 Census Report
 - 7.15 Staffing Report
 - 7.20 Financial Report
 - 7.25 Quality Indicator Report
 - 7.30 Quality Assurance Meeting Minutes
 - 7.35 Resident Senate Meeting Minutes
- 8.0 Future Topics
- 9.0 Executive Session (as necessary)
- 10.0 Adjournment





Valley Hi Operating Board

Valley Hi Nursing Home
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MINUTES OF WEDNESDAY, NOVEMBER 30, 2011

Chairman Michling called the meeting to order at 7:05 pm. The following Operating Board Members were present: Lynn Ryan, Jim Heisler, Kathleen Bergan-Schmidt, Jim Kennedy, and Jodi Borck. Also present was Thomas Annarella, Valley Hi Administrator and Peter Austin, County Administrator. Absent was Joanne Hanrahan.

MINUTES

Board members reviewed the minutes of the 10-26-2011 meeting. A motion to approve the minutes was made by Jim Heisler, seconded by Jim Kennedy. The minutes were approved unanimously with no changes.

PUBLIC COMMENT

- None

PRESENTATION

- None

NEW BUSINESS

Resolution for Valley Hi Contract Therapy Services

- Mr. Annarella provided a draft resolution for contract therapy services to the Board and provided his recommendation regarding the proposals. Mr. Annarella explained that the company he is recommending is RehabCare, which is the company that presented the best opportunity to expand Medicare A short-term rehab services. Mr. Annarella explained that the current therapy provider staff was stretched on their ability to expand programming and be flexible with service delivery times, etc. Ms. Ryan echoed Mr. Annarella's endorsement of RehabCare indicating that she is very familiar with RehabCare and their services. Mr. Annarella indicated that the contract is a three year agreement with 1-year renewals. A motion to move the resolution forward was made by Ms. Bergan-Schmidt, seconded by Mr. Heisler, and approved unanimously.

Resolution for Valley Hi Contract Pharmacy Services

- Mr. Annarella provided a draft resolution for contract pharmacy services and provided his recommendation regarding the proposals. Mr. Annarella noted that Valley Hi has been under contract with the current pharmacy for several years and went out for proposals due to the contract expiring. A recommendation was made to change providers to a smaller, more responsive pharmacy where Valley Hi staff can speak with the pharmacy owners when there are issues. Mr. Annarella also noted that the recommended pharmacy has relationships with local chain pharmacies should a medication not be available at Uvanta's pharmacy to ensure delivery. Mr. Annarella also noted that the change was budget neutral since Valley Hi only pays for Medicare A resident medications and house stock orders when





applicable. A motion to move the resolution forward was made by Mr. Kennedy, seconded by Ms. Borck, and approved unanimously.

Drug Testing

- Mr. Annarella brought up the drug testing discussion as a follow-up to last month's meeting when the Board was provided a copy of the State's Attorney's opinion on drug testing at Valley Hi for both pre-employment and post-accident drug testing. Mr. Annarella indicated that County Risk Management was beginning to consider drug testing at Valley Hi. Mr. Annarella indicated that he has spoken with other nursing homes with no universal approach to drug testing. Ms. Ryan commented that many / most nursing homes have some form of drug testing. Ms. Borck agreed with Ms. Ryan and indicated that her experience has shown that drug testing could have a positive impact on nuisance type workman's comp claims. The Operating Board recommended that a serious review of a drug testing policy at Valley Hi be considered that also included the County Risk Management staff and the State's Attorney's office. The Board asked that Mr. Annarella draft a policy for Operating Board consideration at a future date.

Administrator Annual Review

- Mr. Austin presented a summary of Mr. Annarella's goals for FY2011 as completed and provided a preview of the FY2012 goals. The new County 360 degree evaluation results were provided to the Board and Mr. Austin explained the new process of getting feedback on the County Department Head performance from others. The Board discussed the FY2012 goal of preparing a report for expansion opportunities in FY2013 or FY2014. The Board was very enthusiastic about studying this area.

County Employee Merit Increases

- Mr. Annarella discussed the Valley Hi employee evaluation process that was followed. Mr. Annarella provided the Board with options for how to apply the merit based increase including doing an across the board increase, strictly merit based increase, or a blend of the two. Mr. Austin explained how the County conducts increases for staff and indicated that this increase does not include a cost of living adjustment, but that did not limit how the raise could be provided to staff. The Valley Hi Operating Board, after much discussion and careful consideration, recommended that the increase be based solely on merit and would not be given to any employee that has been suspended during the review period.

IDPH Survey 11-15-2011

- Mr. Annarella advised that Board that after an allegation of abuse by anyone, Valley Hi was required to report the allegation and the findings to the Illinois Department of Public Health. Mr. Annarella explained that IDPH has the option to come out and investigate the allegation on their own depending on circumstances. Valley Hi concluded that the allegation was unfounded and sent the results of the internal review to IDPH. IDPH came out to conduct their own review of the incident and upheld the determination that the allegation was unfounded; however IDPH did cite the facility for an improper resident transfer. IDPH cited the facility at a low scope and severity rating which made Valley Hi eligible for a desk review instead of an onsite revisit. Mr. Annarella indicated that he felt the Facility's plan of correction would be accepted and that the citation would be resolved without much trouble.

OLD BUSINESS

Medical Director Recruitment Status





- Mr. Annarella provided the Board with an update to the Medical Director opening. Mr. Annarella advised the Board of the status of the response from Centegra in regards to Dr. Nzeribe. Mr. Annarella indicated that Dr. Nzeribe was still Acting Medical Director and that Valley Hi and Dr. Nzeribe were working to overcome some obstacles with Centegra for Dr. Nzeribe to be the full-time Medical Director for Valley Hi.

Customer Service Program Development

- Mr. Annarella advised the Board that a date needed to be set in 2012 to spend a good amount of time discussing the development of a formal customer service program for Valley Hi. The Board set the month of February to conduct a thorough discussion.

Involuntary Discharge Proceedings

- Mr. Annarella provided the Board with an update to the involuntary discharge proceedings that were taking place with two families. Mr. Annarella explained that a continuance with both families has been granted since it appears there is some forward movement on the two accounts. Mr. Annarella explained to the Board that one of the families has sold the resident's house in the community which would allow them to pay Valley Hi and then qualify for Medicaid at a future date when their funds ran out. Mr. Annarella advised the Board that the second family was not being as forthright with resolving the outstanding balance and that the State's Attorney's Office was involved. Mr. Annarella indicated that the ALJ could authorize discharge soon if the family did not get the paperwork in to the Medicaid office as requested.

REPORTS TO COMMITTEE

Administrator's Report.

- IGT and Medicaid Payment Status
 - Tom advised the group that County nursing homes were in the normal queue for Medicaid payment and not receiving expedited payments
 - Tom advised the group that the State was still awaiting final Federal approval to the IGT program and once approved a check for the amounts owed to Valley Hi will be mailed to the County, not the nursing home
 - Tom advised the Board that no payments have been received since July and the next payment would be expected after the first of the year
 - Tom provided the Board with an explanation on how the two-part bed tax would be collected with the original \$1.50 bed tax being due without extensions but the \$6.07 additional bed tax not being due until the service month has been paid by Medicaid
- Oxygen concentrators
 - Tom advised the group that Valley Hi has purchased 26 oxygen concentrators to avoid the rental fees
 - Tom advised the group that the cost of purchase would be captured in approximately 3 months versus rental fees
- Holiday meals
 - Tom detailed the resident meal menus for Christmas and New Years, explaining that the residents will be served Beef Tenderloin and Prime Rib from carving stations respectively

Census Report





- Tom provided the Board with the census report noting that the current census is 124 with 17 Medicare A short-term rehab residents. Tom noted that there has been a strong Medicare A trend and 2 additional potential Medicare A admissions.

Staffing Report

- Tom explained to the Board that Valley Hi has not had a lot of change in the month of November as it relates to staffing and that December and January are typically slow months for changes in staff.

Financial Report

- Tom provided the Board with the financial report noting that Medicare A revenues were strong. Tom noted that there were \$50,000 in Medicaid retroactive adjustments and \$2,620 in bad debt write-offs. The total income for the month of October was \$781,939 which is the best month in FY2011 and over the budgeted amount by \$46,000. Tom also noted that expenses were \$735,497 and were under budget by \$59,000 bringing the operating income before depreciation to \$46,442 for the month and \$150,541 year to date.

Quality Indicator Report

- No report at this time due to the changes associated with the switch from MDS 2.0 to 3.0, which is a national change.

Quality Assurance Meeting Minutes.

- The meeting minutes were provided to the Board. Tom explained the facility has been focusing on fall prevention and infection control

Resident Council Meeting Minutes.

- The meeting minutes were provided to the Board. Tom noted that the focus of the Resident Council at the last meeting was on small items and more individual resident concerns

FUTURE TOPICS

- Customer Service Program
- Medical Director presentation once selected
- Drug testing policy
- FY2011 review

The next meeting is scheduled 1-25-2012 at 7 pm.

ADJOURNMENT

The Board adjourned by consensus at 9:05 pm.



Valley Hi Nursing Home
Historical Statement of Operations

Description	Mo. Budget	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Total YTD
Operating Revenue:								Actual						
Hospice	16,849	36,979	34,006	28,515	50,774	41,800	43,338	54,662	51,866	53,701	54,941	53,807	51,724	556,113
Private Pay	162,000	180,304	195,444	139,933	99,874	115,066	181,021	161,141	161,925	63,611	96,723	97,875	6,855	1,499,772
Insurance HMO	0	-	-	9,421	16,360	11,525	-	30,110	-	4,742	13,011	3,947	80	89,196
Medicare Part A	224,384	136,291	111,706	100,797	142,791	172,421	161,806	175,141	204,372	177,834	159,498	236,355	212,139	1,991,151
Medicare Part B	18,493	20,451	27,311	22,047	21,543	23,015	18,932	15,242	8,054	17,017	14,938	4,981	9,532	203,063
Medicaid	306,658	370,302	352,160	348,399	409,073	370,065	361,016	308,465	335,895	414,111	359,205	387,594	430,568	4,446,853
Other Revenue	(16,221)	702	476	870	(2,802)	(17,314)	747	18,211	917	(442)	(22,921)	(2,620)	(4,272)	(28,448)
Total Income	712,163	745,029	721,103	649,982	737,613	716,578	766,860	762,972	763,029	730,574	675,395	781,939	706,626	8,757,700
Operating Expense														
Administration	76,160	63,158	64,952	52,773	55,288	71,974	64,797	61,383	63,603	72,200	65,322	65,335	65,517	766,302
Laundry	22,070	24,801	20,757	19,886	24,358	23,871	21,513	19,706	18,276	21,234	19,042	20,229	20,652	254,325
Housekeeping	34,340	33,989	32,939	29,153	31,392	33,301	33,751	31,825	33,458	35,259	33,481	34,554	34,974	398,076
Dietary	94,210	90,171	90,742	88,407	91,581	92,656	89,812	89,393	93,935	92,644	97,078	95,320	98,737	1,110,476
Nursing	400,330	399,918	378,321	343,512	360,406	375,553	371,722	372,947	385,297	398,117	389,183	383,467	415,814	4,574,257
Therapies	65,430	47,511	45,458	41,443	42,439	47,097	44,205	44,003	38,758	45,060	45,884	49,068	47,229	538,155
Activities	17,940	17,497	17,991	16,093	17,842	18,075	17,798	18,179	18,247	20,991	21,862	19,924	20,042	224,541
Maintenance	5,350	4,062	5,149	2,690	3,939	3,679	3,569	8,380	4,825	4,858	4,705	4,243	4,217	54,316
Indirect (excludes depreciation)	62,650	48,416	45,638	44,390	49,908	45,310	48,391	48,032	54,778	47,462	44,489	46,566	49,565	572,945
Facility Management	15,730	15,889	12,570	11,929	13,173	13,504	12,697	13,990	24,769	15,138	13,437	16,791	14,295	178,182
Total Expense	794,210	745,412	714,517	650,276	690,326	725,020	708,255	707,838	735,946	752,963	734,483	735,497	771,042	8,671,575
Operating Income	(82,047)	(383)	6,586	(294)	47,287	(8,442)	58,605	55,134	27,083	(22,389)	(59,088)	46,442	(64,416)	86,125
Depreciation		47,363	47,476	47,643	47,643	47,643	47,712	47,750	47,737	47,980	47,876	48,058	44,288	569,169
Net Operating Income	(82,047)	(47,746)	(40,890)	(47,937)	(356)	(56,085)	10,893	7,384	(20,654)	(70,369)	(106,964)	(1,616)	(108,704)	(483,044)
Interest Income		2,661	1,949	44,079	1,860	25,584	1,236	1,387	1,578	1,550	1,612	7,566	2,267	93,329
Non Operating Expense														
New Bldg		31,495	31,495	31,495	31,495	31,670	31,495	31,495	31,495	31,495	31,495	31,495	36,040	382,660
Net Income(Loss)		(76,580)	(70,436)	(35,353)	(29,991)	(62,171)	(19,366)	(22,724)	(50,571)	(100,314)	(136,847)	(25,545)	(142,477)	(772,375)
Tax Revenue		-	-	-	-	-	-	2,904,110	72,316	278,537	2,413,899	114,658	128,577	5,912,097
Income after Tax revenue(Loss)		(76,580)	(70,436)	(35,353)	(29,991)	(62,171)	(19,366)	2,881,386	21,745	178,223	2,277,052	89,113	(13,900)	5,139,722
Resident Days:														
Hospice	120	261	241	203	294	300	310	330	371	384	392	373	367	3,826
Private Pay	900	1,124	1,124	958	1,025	889	936	858	840	824	746	716	617	10,657
Insurance HMO	0	-	-	18	31	22	-	-	-	-	24	7	-	102
Medicare Part A	510	256	221	214	310	363	299	405	435	353	323	457	480	4,116
Medicaid	2,190	2,233	2,202	2,091	2,205	2,115	2,198	2,037	2,161	2,243	2,121	2,213	2,196	26,015
Total	3,720	3,874	3,788	3,484	3,865	3,689	3,743	3,630	3,807	3,804	3,606	3,766	3,660	44,716
Average Census		125	122	124	125	123	121	121	123	123	120	121	122	123
Agency Nursing included above		-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Included above		15,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	216,000
OPEB included in Administration		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3500	3500	3500	3500	3500	42,000