



Valley Hi Operating Board

Valley Hi Nursing Home
2406 Hartland Rd
Woodstock, IL 60098

MINUTES OF WEDNESDAY, February 23, 2011

Chairman Michling called the meeting to order at 7:00 pm. The following Operating Board Members were present: Lynn Ryan, Victor Narusis, Kathleen Bergan-Schmidt, and Jim Heisler. Also present was Thomas Annarella, Valley Hi Administrator. Absent were Joanne Hanrahan, Dallas Larson, and Peter Austin, County Administrator.

MINUTES

Board members reviewed the minutes of the 1-26-2011 meeting. A motion to approve the minutes was made by Ms. Bergan-Schmidt and seconded by Mr. Heisler. The motion was approved unanimously.

PUBLIC COMMENT

- Sheri Webster, Valley Hi staff member, introduced herself to the Operating Board
- Dave Brandt and Donna Brandt expressed concerns related to the FOIA request responses, the time it took to receive the response, and re-reviewed their concerns regarding the handling of the waiting list at Valley Hi. Mr. Brandt also expressed concern regarding the noting of his concerns from the January meeting were noted in the minutes. Tom Annarella explained the facility response and noted that the Assistant State's Attorney was involved in the FOIA response. Mr. Brandt asked about the admission process and criteria for admission and was informed by the Administrator that Valley Hi practice was that admission was given based upon bed availability, resident, need, and whether the resident and/or their Power of Attorney were McHenry residents. Mr. Brandt asked the Operating Board to review the admission policy based on residency requirements.

PRESENTATION

Jim Heisler and Tom Smith web portal presentation. Mr. Heisler and Mr. Smith presented the web portal concept and how Valley Hi might take advantage of a web portal. Mr. Smith explained that the web portal was based on the shift to online shopping and was similar to people using Amazon. Mr. Smith explained that Market America was the parent company, which has been around for over 20 years and has over 50 million products, some of which were proprietary. Mr. Smith explained the process for ordering through the portal, how points accumulate and reimbursement back to Valley Hi could be made, and stressed that there would be no cost to Valley Hi to participate in this program. Ms. Bergan-Schmidt inquired about sales tax and how McHenry County would get sales tax for purchases on the portal explaining how sales tax in the County was down. Ms. Bergan-Schmidt explained how sales tax was relied upon by the County and how this may prompt people to purchase something online rather than spending the money within McHenry County. Mr. Heisler and Mr. Smith explained that people are already shopping online and asked why Valley Hi should not try and take advantage of the trend. The Operating Board agreed to further discuss the concept at future meetings.





NEW BUSINESS

State Budget Proposed Cuts and the Potential Impact on Valley Hi. Tom Annarella explained that the State of Illinois is looking to cut an additional 6% from the Medicaid budget. Mr. Annarella explained that the Governor signed the bed tax proposal, raising the bed tax \$6.07 per occupied bed which would result in Valley Hi receiving an additional \$74,000 approximate higher Medicaid reimbursement, which may be negated by the 6% cut. Mr. Annarella explained that the actual amount of the cut or whether the cut would actually occur was not yet known as the proposal had to go through the legislative process. Mr. Annarella explained that the cut could cost Valley Hi approximately \$200,000 in Medicaid reimbursement due to the high Medicaid resident census. Mr. Annarella will be working with the Illinois Health Care Association to try and defeat the proposed cuts and may need staff and families to write their legislators. Mr. Annarella will keep the Operating Board updated as more information becomes known.

Resolution Changing Position #61008 into Assistant Director of Nursing and Part-Time Unit Secretary (amended). Tom Annarella explained the reason for the amendment to the resolution that was voted on and unanimously approved at the January meeting, noting the amendment would no longer increase in cost to Valley Hi in the amount of \$6,106.56, but rather save \$2,087.8132 annually. A motion to approve the resolution was made by Mr. Narusis, seconded by Ms. Bergan-Schmidt. The motion passed unanimously.

Resolution Reclassifying Position #61016 into Coordinator of Dietary Clinical Services and Position #61166 into Coordinator of Dietary Meal Production. Tom Annarella explained the shift from the current dietary department management structure and explained how the change would have two department supervisors with different focuses, but will allow for coverage 7 days a week and a much better focus on clinical outcomes and meal quality. Ms. Hanrahan explained that this change was a growing trend in long term care and from her experience, could really help in improving outcomes related to dietary. Mr. Annarella advised the Board the change would save \$5,837.5350 per year. A motion to approve the resolution was made by Mr. Narusis, seconded by Ms. Bergan-Schmidt. The motion was unanimously approved.

McHenry County Health Care Forum 2-18-2011. Tom Annarella explained that he attended the Health Care Forum and reviewed the potential impact of the Affordable Care Act which is slated to go into effect in 2014. Mr. Annarella explained that under the Affordable Care Act, the Federal Government was looking to shift Medicaid resident into lower cost settings such as home based group settings. Mr. Annarella will keep the Operating Board updated as more information becomes available.

OLD BUSINESS

FOIA Request Dated 1-26-2011. No further discussion was held due to the topic being discussed during the public comment period.

Community Liaison Recruitment. Tom Annarella explained the status of the recruitment process and that the facility hopes to fill the position within the next month.

REPORTS TO COMMITTEE

Administrator's Report.

- Bed tax update





- Medicaid program paying in advance which is causing them to overpay, it is expected that they will be notifying the facility in the future as to the amounts owed back to the State
- Valley Hi snow storm 2-3-2011 response
- Foot doctor concerns and potential changes
- Addition of Dr. O'Connel to the team
- Review of County Board Member Peschke's concern regarding placement of a potential resident during a past holiday
- IDPH annual survey preparations underway
- Staff turnover in December and January (4 out of 167 staff in December and 3 out of 165 staff in January)

Financial Report. Tom explained that there was approximately \$10,000 more revenue than budgeted due to the high census, although Medicare A census numbers are below the target. Tom explained that approximately \$50,000 less expenses than budgeted in large part due to a decrease in salaries. This meant that before depreciation and building interest, operating income for the month of December was -\$383. Tom explained that food costs were at \$5.87 PPD for the month, even with the holidays which was the lowest monthly amount in a year. Tom presented the aging accounts review and explained that most of the private pay outstanding balances is due to awaiting retroactive Medicaid approval. Of the approximate \$1.1 million outstanding, \$895,000 is only 60 days out, which is a marked improvement from the past.

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 that two areas of focus were IDPH annual survey preparations and infection control. Tom explained some of the new policies that were being put into place referenced in the meeting minutes.

Resident Senate Meeting Minutes. The meeting minutes were provided to the Board. Tom noted that he attended the 2-8-2011 meeting and provided the residents with an update to some of the major projects that are occurring such as the dining changes and the procurement of additional television programming. Tom explained that he also provided an opportunity for residents to express any concerns they may have and allowed time to answer questions.

Further discussion and clarification of admissions policies and procedures took place. Tom Annarella reviewed the policies and procedures along with noting that there are no residents who reside in the facility that do not meet the criteria set forth for admission.

FUTURE TOPICS

The next meeting is scheduled for 3-23-2011.

ADJOURNMENT

The Board adjourned following a motion made by Mr. Narusis, seconded by Mr. Heisler. The motion was carried by a unanimous vote.

