



Valley Hi Operating Board

Valley Hi Nursing Home
2406 Hartland Rd
Woodstock, IL 60098

MINUTES OF WEDNESDAY, April 27, 2011

Chairman Michling called the meeting to order at 4:12 pm. The following Operating Board Members were present: Joanne Hanrahan, Victor Narusis, Kathleen Bergan-Schmidt, Jim Heisler, and Lynn Ryan. Also present was Thomas Annarella, Valley Hi Administrator and Peter Austin, County Administrator. Absent was Dallas Larson.

MINUTES

Board members reviewed the minutes of the 3-23-2011 meeting. A motion to approve the minutes was made by Kathy Bergan-Schmidt, seconded by Lynn Ryan. The minutes were approved unanimously.

PUBLIC COMMENT

- None

DEVELOPMENT OF THE STRATEGIC PLAN

Tom Annarella recapped the activity of the last meeting. Tom highlighted that the Board worked on the Mission Statement for the Operating Board, discussed the definition of indigent, and the development of a SWOT analysis. The Operating Board reviewed the SWOT analysis and offered a few minor adjustments to the text of the SWOT. Chairman Michling noted that he would like to see a more concise mission statement. The Operating Board agreed to refine the mission statement to say, "Care for those least able to care for themselves". The Board commenced with a discussion on goals and objectives.

PRESENTATION

- None

NEW BUSINESS

Operating Board Member Changes. It was announced by Chairman Michling that Mr. Narusis had met with him and provided him with a written letter of resignation from the Operating Board. Chairman Michling asked Mr. Narusis to reconsider his resignation; however Mr. Narusis indicated that he could not. Mr. Narusis stated that he was regretful and felt privileged to have the opportunity to serve on the Board. Mr. Narusis explained the reason for his resignation, citing changes in the County Board required disclosure forms. Mr. Narusis encouraged the Operating Board to not sit back and wait for the County Board to define the Operating Board's role, but rather the Operating Board should define themselves. The Operating Board members thanked Mr. Narusis for his input and participation in the discussions. A discussion among the Board members took place regarding the Board's by-laws and the process that will be followed to fill the vacancy. Tom Annarella was asked by the Board to speak with Mr. Austin and determine the process for the next meeting's discussion. Chairman Michling accepted the resignation of Mr. Narusis effective upon the conclusion of the meeting.

Approved: 5-25-11





State Funding and Potential Medicaid Cuts. Tom Annarella explained the current State funding situation and the efforts underway by the Illinois Health Care Association and other providers. Mr. Annarella explained the stop sign signature campaign process and explained Valley Hi's role in collecting between 100 and 200 cards which would be presented to the Illinois Legislature along with approximately 40,000 cards collected throughout the State. Mr. Annarella also provided literature regarding the impact of the proposed 6% Medicaid cut. Mr. Annarella will be monitoring the progress with the State budget closely and continue to report back to the Operating Board.

State Survey Process and 2011 IDPH Nursing and Life Safety Code Survey Results. Tom Annarella explained the changes in the Illinois Department of Public Health's survey process within the State and detailed the differences in the citation types and frequencies among other states within the same CMS region 5. Ms. Ryan explained to the Operating Board that she has seen many good homes get penalized recently due to the increased survey citation levels which in turn are hurting the industry due to the loss of good people willing to do the jobs. Ms. Ryan explained that the public does not see the process or the issues with IDPH. Tom Annarella explained what transpired during the Valley Hi 2011 survey and provided the Board with the survey results. Mr. Annarella explained the process that Valley Hi will be following to address the survey concerns. Mr. Narusis stated that he felt it was extremely important to keep the County Board informed of the changes in the State funding and State survey processes and how they will impact Valley Hi. Mr. Narusis recommended that the Operating Board and Mr. Annarella be as forthright and proactive as possible.

Security Camera Expansion. Tom Annarella explained to the Board that he would like to add 3 additional cameras to the facility security system which would provide coverage of the interior basement hallways and the reception area. Mr. Annarella explained the reason for the additional cameras and the improvements to facility safety and security. Mr. Annarella explained that the cost was anticipated to be under \$7,000 and that a Resolution would not be required for that amount. Mr. Annarella explained that the facility had the money established in the budget, but wanted the Operating Board to weigh in on the expenditure. Mr. Narusis made a motion to approve the expense from the contingency fund up to \$7,000. The motion was seconded by Ms. Bergen-Schmidt and unanimously approved.

National Nursing Home Week Proclamation. Tom Annarella provided the Operating Board with a draft Proclamation to be presented to the County Board for reading on the Board floor at their May morning meeting. The Proclamation was to recognize Valley Hi staff. A motion was made by Mr. Narusis to bring forward the Proclamation without changes, seconded by Mr. Heisler who added how important he felt something like this was. The motion was unanimously approved.

OLD BUSINESS

Web Portal Revenue Stream. Mr. Heisler brought forwarded and reviewed the web portal revenue stream idea, explaining that there would be no cost to Valley Hi and no set-up required. Chairman Michling inquired about what the next steps would be in the process. Mr. Narusis inquired about any potential concerns at the County level for sponsoring a web portal, or the potential for the perception of a possible endorsement. Mr. Heisler stated that he would inquire with the State's Attorney and report back to the Board. Ms. Bergen-Schmidt stated that she was not warm to the idea because it does not necessarily support local businesses. Mr. Heisler explained how it is a volume based discount program and that people are already shopping online, so why not take advantage of the process. Ms. Bergen-Schmidt stated that her understanding was that the discounts are



usually related to taxes. Chairman Michling asked Mr. Heisler to speak with the County Finance Committee and the State's Attorney and also indicated that he wanted Mr. Austin to weigh in on the idea.

Brandt Letter to Operating Board dated 4-26-2011. A discussion among the Board members took place in regards to the letter sent to the Operating Board dated 4-26-2011. Mr. Heisler asked the Board if they felt that the Brandt family should be invited to speak with the Board and get everyone on the same page. Tom Annarella reviewed the areas identified in the letter. Ms. Ryan explained to the Board the two sides of the concerns and inquired how misperceptions could negatively affect Valley Hi. Mr. Michling indicated that he felt this was a precedent setting situation and indicated that he felt Mr. Annarella properly explained things to the Brandt family when they attended a previous Operating Board meeting and provided the Brandt family with the requested information. Ms. Ryan asked the Board what they wanted to do as a group to try and resolve the concerns of the Brandt family. Mr. Narusis stated that the letter is inquiring about an explanation regarding the 37 residents admitted ahead of Ms. Brandt, which is different from the questions in the past. Ms. Bergen-Schmidt indicated that she noticed that some of the admissions ahead of Ms. Brandt occurred prior to Mr. Annarella's hire and the formation of the current Operating Board. Mr. Annarella stated that the facility is following the standard nursing home admitting process. Discussion among the Board members ensued regarding the merits of drafting a letter or convening a face-to-face meeting. Mr. Michling stated that he felt we should run the letter and the Operating Board's questions past the State's Attorney's office. Ms. Bergen-Schmidt explained to the Operating Board Mr. Brandt's great standing within the County and his favorable perception among County Board members and that she sees a different side of him through his efforts with the Conservation District than what is being presented in his letter. Mr. Narusis stated that he felt that since Ms. Brandt was not being denied care elsewhere, the facility should follow its process. Chairman Michling ended the conversation with a request of Mr. Annarella to contact the State's Attorney for further direction on how to proceed.

REPORTS TO COMMITTEE

Administrator's Report.

- The Easter Egg hunt and visit with the Easter Bunny on 4-23-2011, which was a multi-generational event, was a huge success
- The Medical Director may be retiring, if / when it is formally announced, the facility will begin interviewing physicians for replacement rather than just making an appointment as in the past
- The old building will be used by McHenry County SWAT at the end of May for a few days and then the process of preparing the building for demolition will begin
- The Facility has held numerous events in the month of April, such as a cake decorating contest for staff
- Employment statistics presented:
 - 9 employees left / were terminated in March
 - 9 employees hired in March
- For the first quarter of 2011, the average occupancy of Valley Hi was 99.2%, the State average was 84.1%

Financial Report. Tom explained that the reports are now caught up and the data is for the prior month's financials. For February 2011, the operating income before depreciation was -\$294. This was mainly due to census days being down due to February being a shorter month and high OT and food costs due to the blizzard. March operating income before depreciation was \$47,287. This was due to the census days being up for the



month, especially for Medicare A. Private pay days remain consistent and operational costs continue to drop. Tom advised the Operating Board that the year to date operating income before depreciation was at \$53,196.

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 working on addressing IDPH concerns.

Resident Council Meeting Minutes. The meeting minutes were provided to the Board. Tom noted that the focus of the Resident Council continues to be on dining.

FUTURE TOPICS

None

The next meeting is scheduled 5-25-2011 at 4 pm.

ADJOURNMENT

The Board adjourned following a motion and a unanimous vote at 9:00 pm.

Approved: 5-25-11

