



Valley Hi

Nursing & Rehabilitation

AGENDA

Valley Hi Operating Board

Wednesday 10-26-2011 – 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 Meeting Dates for 11-2011 and 12-2011 Meetings
 - 5.10 Meeting Dates for 2012
 - 5.15 Public Health and Human Services Admittance Policy Presentation 10-21-2011
 - 5.20 Pre-Employment and Post-Accident Drug Testing
 - 5.25 Life Services Network Membership
- 6.0 Old Business
 - 6.05 Medical Director Search
 - 6.10 Customer Service Program
 - 6.15 Pharmacy RFP Status
 - 6.20 Therapy RFP Status
 - 6.25 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
2406 Hartland Rd
Woodstock, IL 60098

MINUTES OF WEDNESDAY, SEPTEMBER 28, 2011

Chairman Michling called the meeting to order at 7:10 pm. The following Operating Board Members were present: Lynn Ryan, Joanne Hanrahan, Jim Heisler, Kathleen Bergan-Schmidt. Also present was Thomas Annarella, Valley Hi Administrator. Jodi Borck and Jim Kennedy were absent.

MINUTES

Board members reviewed the minutes of the 8-24-2011 meeting. A motion to approve the minutes was made by Jim Heisler, seconded by Lynn Ryan. The minutes were approved unanimously with no changes.

PUBLIC COMMENT

- None

PRESENTATION

- None

NEW BUSINESS

TV Purchase and Installation

- Mr. Annarella advised the Board that Valley Hi, with the help of the County Purchasing Department, has purchased three 52 inch TV's, three 37 inch TV's, the mounts, and five blu ray players from the Class account, which is comprised of donation money. Mr. Annarella reviewed the process for which proposals were sought and the project, which included installation was awarded to Grand Appliance in the amount of \$5,782.

Brandt Family Public Health and Human Service Committee Public Comment Concerns Expressed

- Ms. Bergan-Schmidt provided a detailed recounting of the concerns expressed by the Brandt family at the last PHHS Committee Meeting during the public comment section of the meeting. Ms. Bergan-Schmidt explained to the Board that the concerns brought forward were similar to those already expressed to the Operating Board in the past. A discussion was held regarding the current status of the Brandt Family on the prospective resident waiting list and that Mr. Brandt's mother moved up to 33 on the list. Mr. Annarella reminded the Board of the County Board establishment of the case mix of residents at 80 Medicaid residents and due to current residents who have converted to Medicaid, the current Medicaid census is over 90 with the potential for 10 more possible conversions, which would mean that the Brandt family would be sitting at 33 for quite some time. It was discussed regarding an admission under another pay source being a way to expedite the process depending on bed availability and the resident's clinical needs. The Board discussed the relationship of residents with County Board members, County staff, and Valley Hi physicians with Mr. Annarella providing the Board with statistics showing the numbers. It was also discussed regarding the residents and/or their responsible parties being from McHenry County and Mr. Annarella reminded the Board that due to the facility taking State and Federal dollars, admissions cannot be restricted. Ms. Ryan provided the Board with her experience





that most nursing home residents are from close proximity to the facility or their families were. Mr. Annarella advised the Board that he will be speaking to the PHHS Committee on behalf of this subject in October. The Board advised Mr. Annarella to continue to follow the current practices regarding admissions.

Involuntary Discharge Proceedings

- Mr. Annarella explained to the Board that Valley Hi has recently two hearings in regard to the two resident's who were given Involuntary Discharge Notices. The hearings took place at Valley Hi and with the involvement of the Administrative Law Judge from the Illinois Department of Public Health, have agreed to a continuance into October to give the families more time to speak with the Medicaid office and follow thru with their applications.

FOIA Request

- Mr. Annarella advised the Board that an FOIA request was submitted recently regarding the Facility's 2010 Medicaid cost report. Mr. Annarella explained that the Facility is required to complete and submit Medicare and Medicaid cost reports and that parts of the reports are posted online for public viewing. The FOIA request was related to a detail page of the Supplemental Income page. Mr. Annarella advised the Board that the State's Attorney's office was involved in the request and that the request has been satisfied.

Nelson Trust Donations

- Mr. Annarella advised the Board that Valley Hi received a notification from Home State Bank that a Mr. Kith Nelson of McHenry recently passed away and had left the Valley Hi Foundation \$300. Mr. Annarella asked the Board how they would like him to respond to the request for information since the Valley Hi Foundation no longer existed. After discussion among the Board members, Chairman Michling asked Mr. Annarella if he would reach out to Ralph Sarbaugh in County Administration regarding if Mr. Sarbaugh had any suggestions on how to claim the money. Mr. Annarella reviewed the Facility process related to the Class account, which he explained is a separate account in which donation money is placed. Mr. Annarella explained that some donation money is earmarked for a specific purpose based on the donors wishes, other money in the account is for general usage.

OLD BUSINESS

Medical Director Recruitment Status

- Mr. Annarella provided the Board with an update to the Medical Director search. Mr. Annarella advised the Board of the status and that no decision has been made yet since Valley Hi was still working on meeting with one last physician. Mr. Annarella advised the Board that a decision would need to be made soon, and once made, Mr. Annarella will advise the Board.

Customer Service Program Development

- Mr. Annarella provided the Board with a draft Customer Service Program. A discussion was held regarding what would be needed to continue to move the process forward in the development of a formal customer service program. Ms. Ryan provided her thoughts on changes to some of the headings which the Board would need to determine what they should be titled as. The Board will be reviewing the draft program and will provide feedback, suggestions, and additions at the next meeting.





Pharmacy RFP Status

- Mr. Annarella advised the Board that the pharmacy RFP's have come in and will be reviewed over the next few weeks. Mr. Annarella remarked that the RFP was sent to many pharmacies including local pharmacies and large national companies. Four proposals were received (Omnicare, Forum, Pharmerica, and Uvanta). Mr. Annarella advised the Board that he would provide additional information at the next meeting.

Therapy RFP Status

- Mr. Annarella advised the Board that the proposals for the therapy RFP's were due the week of 10-3-2011. Mr. Annarella advised the Board that the RFP was sent to many pharmacies including local pharmacies and large national companies. Mr. Annarella advised the Board that he would provide additional information at the next meeting.

Provider Tax Increase Status

- Mr. Annarella provided the Board with an update to the \$6.07 provider tax increase. Mr. Annarella advised the Board that the State and Federal governments have not come to a full agreement on the methodology to collect the tax resulting in the State possibly losing Federal matching dollars. Mr. Annarella indicated that the tax was expected to get final approval in November with a 30 day retroactive taxing.

Operating Board Strategic Plan Review

- Chairman Michling led the Board in a discussion and status update regarding the Board's Strategic Plan. Ms. Ryan inquired as to if a special meeting should be convened to review the status of individual action items and update the plan if warranted. Chairman Michling discussed a review of the goals and objectives and establishing accountability checks. Upon discussion, the Board decided to keep the Strategic Plan review on the agenda for the upcoming meeting for further discussion and then a special meeting date would be determined if necessary. The Board noted that many of the action items in the Strategic Plan were already being discussed at Operating Board meetings and progress was being noted.

REPORTS TO COMMITTEE

Administrator's Report.

- Tom told the Board that on 9-12-2011 thru 9-15-2011 he and 5 staff members attended the Illinois Health Care Association Convention. Mr. Annarella noted for the Board that he was nominated to serve on the IHCA Board of Director's and that the election would be held in October.
- Tom advised the Board, and provided them with a flyer, that Dr. Nzeribe will be holding a presentation at Valley Hi regarding Living Your Best Life with Chronic Conditions
- Tom provided the Board with an update into the status of the resident family member that was coming into the facility inebriated and required facility staff to have to contact the Sherriff's department the month prior. Tm advised the Board that following his certified letter, the gentleman discharged his mother to another nursing home.
- Tom advised the Board that the old building was scheduled for demolition the first part of October.
- Tom provided the Board with a copy of the logo which Valley Hi staff were considering. Tom explained to the Board that ideas for a new logo were solicited from staff and professionals and that the design





presented was one that had large appeal. Tom explained that the new logo was an evolution from the one created by Revere when they were managing the facility and was done to show that Valley Hi has evolved and has grown since Revere was no longer managing the Facility. The Board unanimously liked the suggested logo.

Census Report

- Tom provided the Board with the census report noting that the current census is 120 residents in-house with 12 Medicare A residents and 4 residents in the hospital. Tom noted that the census was down slightly due to inactivity at the hospitals. A discussion was held regarding census cycles and slower periods of the year, which usually occurred in the spring and fall. Ms. Hanrahan noted that the hospital has been slow over the past few weeks.

Staffing Report

- Tom explained to the Board that 11 new staff started in August with 6 staff leaving employment at Valley Hi in August. Tom detailed the reasons for the staff leaving including relocation within the Country and retirements.

Financial Report

- Tom provided the Board with the financial report noting that Revenues were down, however in large part due to \$101,000 in retroactive Medicaid approvals. With the retroactive approvals, the total operating income before depreciation was -\$22,389, bringing the year-to-date to \$163,187 before depreciation. A discussion was also held regarding the increase in Hospice days and how Hospice company's can sign residents up for services when the resident goes to the hospital and often times the facility is not an active participant in the process.

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 very successful in its pressure ulcer prevention program. The Board noted that Valley Hi has been holding many clinical programs for CNA's with MCC and the Woodstock High School which increases the caregiver to resident ratio. Tom also noted for the Board that the QA Committee was beginning the process for flu prevention and the ordering and administering flu vaccines. Tom explained to the Board that Valley Hi will not be charging staff for the flu vaccine this year, the cost had been built into the FY2011 budget.

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 activity programs.

FUTURE TOPICS

- Customer Service Program
- Medical Director presentation once selected





- Strategic Plan review

The next meeting is scheduled 10-26-2011 at 7 pm.

ADJOURNMENT

The Board adjourned by consensus at 9:10 pm.



Valley Hi Admittance Policy
Presentation to Public Health
and Human Services Committee
10-21-2011

County Board Case Mix

- The McHenry County Board has established a case mix of 80-20-20
 - 80 beds to be utilized for Medicaid residents
 - 20 beds to be utilized for Medicare A, short-term rehab
 - 20 beds to be utilized for Private Pay residents
 - The remaining balance of 8 can be made up of any of the pay sources

Current Case Mix

- Valley Hi, as of 10-19-2011, has the following case mix (15 males and 110 females)
 - 1 resident in hospital
 - 124 residents in-house
 - 17 residents Medicare A (short-term rehab)
 - Of the 17, if they stay, 7 are Medicaid and 10 would be private pay)
 - 68 residents Medicaid + 12 residents Medicaid / Hospice
 - 21 residents Private + 6 residents Private / Hospice
 - 8 pending Medicaid approval retroactively
 - 0 Residents HMO / Insurance
 - Potential pay source numbers after conversions
 - Private = 29
 - Medicaid = 95

Admission Policy

- See attached policy
 - Valley Hi applies specific uniform guidelines for staff to follow in admitting residents to the facility
 - Admission eligibility
 - Be competent to reside at Valley Hi, therefore not a danger to themselves or others
 - Provides Valley Hi with adequate medical and social information
 - Enters into a contract with Valley Hi as required by the Illinois Department of Public Health (IDPH)
 - Be eligible for admission into a nursing home and not be an Identified Offender as determined by the State of Illinois

Admission Policy

- Priority Admission

- An individual may be given priority admission for the following reasons, pursuant to current law which provides that *“any residence requirements which excludes any individual who resides in the State, regardless of whether or not the residence is maintained permanently or at a fixed address”* pursuant to participation requirements in the Illinois Medicaid Program:

Admission Policy

- Priority Admissions (cont.)
 - A resident of McHenry County on the date of admission to the facility
 - Family members or responsible party of a prospective resident who resident in McHenry County
 - Readmission of residents transferred from Valley Hi to other health care facilities pursuant to the Nursing Home Care Act and Illinois Medicaid rules

Admission Policy

- Priority Admissions (cont.)
 - Priority admissions will be given special consideration provided that:
 - A bed is available in the section of the building that provides the appropriate level of care
 - The prospective resident meets admission requirements
 - Immediate admission is necessary to provide for the safety and wellbeing of the prospective resident
 - An individual who was once a resident

Admission Process

- Valley Hi has many different types of admissions:
 - Direct from home
 - Direct from hospital
 - Direct from a lower acuity health care setting such as an Assisted Living Facility
 - Direct from another Skilled Nursing Facility

Admission Process

- No admission is a “typical” admission, however that being said, normally:
 - A person submits an application to the prospective resident list for admission (typically if coming direct from home or another health care facility)
 - Once a bed becomes available that meets the following criteria, the admission process begins:
 - Sex of resident
 - Acuity needs match bed availability
 - CURRENT pay source fits in with County established case mix

Admission Process

- If a resident is coming from the hospital, the admission is normally a Medicare A short-term stay
- Upon conclusion of Medicare A, the resident may either go home, go back to a lower acuity health care setting, or they may choose to stay on
- If a resident chooses to stay at Valley Hi, they will change their pay source (it may also require a room change)

Admission Process

- Things NOT taken into consideration at the time of admission determination
 - Who the prospective resident or their representative knows within the County
 - The length of time a prospective resident is going to be able to pay privately
 - The length of time the prospective resident is expected to stay at Valley Hi

Admission Process

- ADMISSIONS ARE BASED SOLELY UPON BED AVAILABILITY BASED ON THE BEFORE MENTIONED CRITERIA AND THE NEEDS AND ACUITY OF THE PROSPECTIVE RESIDENT UTILIZING THE COUNTY BOARD'S CASE MIX DETERMINATION

Prospective Resident List

- Valley Hi maintains a prospective resident list based upon the applications for admission submitted
- The list is used for admission purposes when a bed becomes available, however the list does not necessarily go in sequence of applications received due to the matching of before mentioned criteria
- The list is reviewed at times and people removed due to no longer wanting to be on the list or having passed away in another setting
- The list is reviewed at times to update current pay source of a resident and change in their needs

Residents Currently At Valley Hi (as of 10-19-2011)

- Residents related to a County employee or elected official
 - Total residents in-house = 124
 - Total residents with a connection = 17
 - 7 residents related to a Valley Hi employee
 - Some residents admitted prior to employee hire
 - 1 resident related to a Valley Hi physician
 - 4 residents related to County employees in other departments
 - 2 residents related to County Board members
 - 3 residents related to retired County employees
 - Of the 124 residents, all but 1 have either lived in McHenry County or their responsible party has lived in McHenry County (the one moved here because she had no family and her friend was a McHenry County resident, she was admitted approximately 5 years ago)

Residents Currently At Valley Hi (as of 10-19-2011)

- Further review of the 17 with a connection
 - 5 are Medicare short-term rehab
 - 2 related to County Board members
 - 10 are Medicaid
 - 1 is private
 - 1 is Hospice

Residents Currently At Valley Hi (as of 10-19-2011)

- Further review of the 17 with a connection
 - Only 14 are related to CURRENT County staff or an elected official = 11.2%
 - 1 resident was admitted prior to the hiring of a current County staff member or elected official making the percentage 10.5%
 - Of the residents admitted of the 17 as straight Medicaid, all were admitted prior to 2010

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			450,582
Private Pay	162,000	180,304	195,444	139,933	99,874	115,066	181,021	161,141	161,925	63,611	96,723			1,395,042
Insurance HMO	0	-	-	9,421	16,360	11,525	-	30,110	-	4,742	13,011			85,169
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			1,542,657
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			188,550
Medicaid	306,658	370,302	352,160	348,399	409,073	370,065	361,016	308,465	335,895	414,111	359,205			3,628,691
Other Revenue	(16,221)	702	476	870	(2,802)	(17,314)	747	18,211	917	(442)	(22,921)			(21,556)
Total Income	712,163	745,029	721,103	649,982	737,613	716,578	766,860	762,972	763,029	730,574	675,395	-	-	7,269,135
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			635,450
Laundry	22,070	24,801	20,757	19,886	24,358	23,871	21,513	19,706	18,276	21,234	19,042			213,444
Housekeeping	34,340	33,989	32,939	29,153	31,392	33,301	33,751	31,825	33,458	35,259	33,481			328,548
Dietary	94,210	90,171	90,742	88,407	91,581	92,656	89,812	89,393	93,935	92,644	97,078			916,419
Nursing	400,330	399,918	378,321	343,512	360,406	375,553	371,722	372,947	385,297	398,117	389,183			3,774,976
Therapies	65,430	47,511	45,458	41,443	42,439	47,097	44,205	44,003	38,758	45,060	45,884			441,858
Activities	17,940	17,497	17,991	16,093	17,842	18,075	17,798	18,247	18,247	20,991	21,862			184,575
Maintenance	5,350	4,062	5,149	2,690	3,939	3,679	3,569	8,380	4,825	4,858	4,705			45,856
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			476,814
Facility Management	15,730	15,889	12,570	11,929	13,173	13,504	12,697	13,990	24,769	15,138	13,437			147,096
Total Expense	794,210	745,412	714,517	650,276	690,326	725,020	708,255	707,838	735,946	752,963	734,483	-	-	7,165,036
Operating Income	(82,047)	(383)	6,586	(294)	47,287	(8,442)	58,605	55,134	27,083	(22,389)	(59,088)	-	-	104,099
Depreciation		47,363	47,476	47,643	47,643	47,643	47,712	47,750	47,737	47,980	47,876			476,823
Net Operating Income	(82,047)	(47,746)	(40,890)	(47,937)	(356)	(56,085)	10,893	7,384	(20,654)	(70,369)	(106,964)	-	-	(372,724)
Interest Income		2,661	1,949	44,079	1,860	25,584	1,236	1,387	1,578	1,550	1,612			83,496
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			315,125
Net Income(Loss)		(76,580)	(70,436)	(35,353)	(29,991)	(62,171)	(19,366)	(22,724)	(50,571)	(100,314)	(136,847)	-	-	(604,353)
Tax Revenue		-	-	-	-	-	-	2,904,110	72,316	278,537	2,413,899			5,668,862
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	-	-	5,064,509
Resident Days:														
Hospice	120	261	241	203	294	300	310	330	371	384	392			3,086
Private Pay	900	1,124	1,124	958	1,025	889	936	858	840	824	746			9,324
Insurance HMO	0	-	-	18	31	22	-	-	-	-	24			95
Medicare Part A	510	256	221	214	310	363	299	405	435	353	323			3,179
Medicaid	2,190	2,233	2,202	2,091	2,205	2,115	2,198	2,037	2,161	2,243	2,121			21,606
Total	3,720	3,874	3,788	3,484	3,865	3,689	3,743	3,630	3,807	3,804	3,606			37,290
Average Census		125	122	124	125	123	121	121	123	123	120	-	-	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			179,500
OPEB included in Administration		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500			35,000