

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: HEALTH SERVICES

DATE: AUGUST 25, 2014

COMMITTEE MEMBERS PRESENT:

SUPERVISORS SOKOL
CONOVER
FRASIER
TAYLOR
MCDEVITT

OTHERS PRESENT:

REPRESENTING THE DEPARTMENT OF PUBLIC HEALTH:
PAT AUER, DIRECTOR OF PUBLIC HEALTH/PATIENT SERVICES
SHARON SCHALDONE, ASSISTANT DIRECTOR OF HOME CARE DIVISION
GINELLE JONES, ASSISTANT DIRECTOR OF PUBLIC HEALTH DIVISION
TAMMIE DELORENZO, CLINICAL & FISCAL INFORMATICS COORDINATOR
TAWN DRISCOLL, FISCAL MANAGER
REPRESENTING WESTMOUNT HEALTH FACILITY:
LLOYD COTÉ, ADMINISTRATOR
BETSY HENKEL, COMPTROLLER
MICHAEL MCCARTHY, MCCARTHY & CONLON, LLP
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ADMINISTRATOR
AMANDA ALLEN, DEPUTY CLERK OF THE BOARD
FRANK E. THOMAS, BUDGET OFFICER
SUPERVISORS BROCK
GIRARD
SEEBER
WESTCOTT
WOOD
TRAVIS WHITEHEAD, TOWN OF QUEENSBURY RESIDENT
DON LEHMAN, *THE POST STAR*
CHARLENE DiRESTA, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Sokol called the meeting of the Health Services Committee to order at 9:47 a.m.

Motion was made by Mrs. Frasier, seconded by Mr. Conover and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Pat Auer, Director of Public Health/Patient Services, who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Commencing the agenda review, Ms. Auer requested Committee approval to fill the vacant position of WIC (Women, Infants and Children) Infant Feeding Advocate, Grade 3, base salary rate of \$11.87 per hour, to resignation. She noted this was a non-union position which was a requirement of and 100% reimbursable by the WIC Program Grant. She added the position was less than part time (less than 20 hours per week) and was contingent upon the continued receipt of grant funding.

Motion was made by Mr. Taylor, seconded by Mr. McDevitt and carried unanimously to approve the request to fill the vacant position of WIC Infant Feeding Advocate as outlined above and to report same to the Personnel Committee. *A copy of the Notice of Intent to Fill Vacant Position form is on file with the minutes.*

Ms. Auer requested authorization to hire a temporary employee to assist in fulfilling the scope of work involved with a special project for the WIC Program due to the release of unallocated funds in the WIC Program contract for 2015. She noted the verbiage in the resolution which authorized

the contract allowed the Chairman of the Board of Supervisors to execute any document necessary to accept additional funds during the contract year. She commented it would not be necessary to hire a permanent employee or to amend the Department's Table of Organization. She explained the per diem Health Educator currently worked about 15 hours a week and this individual would assume the tasks necessary for the special project; however, she pointed out, the employee's weekly hours would increase to 24 hours per week for the duration of the project. Mr. Sokol asked if the expense of the temporary employee would be 100% reimbursable by the WIC Program Grant and Ms. Auer replied affirmatively.

Motion was made by Mr. Conover, seconded by Mr. Taylor and carried unanimously to approve the request for a temporary employee to assist with a special project for the WIC Grant Program as outlined above and to forward same to the Personnel Committee. *A copy of the resolution request form is on file with the minutes.*

Ms. Auer requested to amend the 2014 County Budget to increase estimated revenues and appropriations in the amount of \$45,630 to reflect the receipt of unallocated funds from the WIC Grant Program.

Motion was made by Mr. Conover, seconded by Mrs. Frasier and carried unanimously to amend the 2014 County Budget as outlined above and to forward same to the Finance Committee. *A copy of the resolution request form is on file with the minutes.*

Ms. Auer requested a transfer of funds in the amount of \$10,000 from Budget Code A.4010 110 (Health Services - Full Time Salaries) to Budget Code A.4010 130 (Health Services - Part Time Salaries) to cover the expense incurred by per diem and part time nursing salaries necessitated by full time vacancies in the CHHA (Certified Home Health Agency). She explained the funds were available in the budget and she noted per diem nurses were utilized whenever it was possible in order to reduce overtime usage.

Motion was made by Mr. Taylor, seconded by Mr. Conover and carried unanimously to approve the request for a transfer of funds as outlined above and to forward same to the Finance Committee. *A copy of the Request for Transfer of Funds form is on file with the minutes.*

Ms. Auer advised there were no pending items this month. She reported the Health Services Fleet Vehicle Decals project was complete and she said she hoped the Committee members had seen the vehicles traveling around the County while making home care visits. She circulated a photograph of two of the Fleet vehicles with the new Home Care decals to the Committee members; *a copy of the photographs is on file with the minutes.* Ms. Auer pointed out a report on Emergency Response and Preparedness Activities was included in the agenda packet.

Ms. Auer commented that a comparison of CHHA referrals for 2013 versus 2014 was included in the agenda packet. Sharon Schaldone, Assistant Director of Home Care Division, stated that the comparison showed an overall decrease in referrals of about 10% compared to last year. She commented the referrals came from several sources and she noted that referrals from hospitals had decreased slightly and referrals from physician's offices were about the same as last year. She apprised that referrals from other certified agencies were zero, as those agencies were now able to provide the services. She mentioned that a decrease in referral numbers had been expected but it was difficult to determine the impact until there was a full year of comparison information. Ms. Schaldone stated the hospitals did not admit these patients and were penalized for 30 day re-admissions on certain diagnosis. She explained the hospitals would place these patients in an

observation bed for up to 72 hours. She noted when these patients were referred back to the CHHA, they were treated as resumption of care patients as opposed to referrals and were therefore not reflected in the referral totals on the comparison chart. Ms. Auer stated the CHHA was utilizing their liaisons at the hospital as an additional referral source.

Tawn Driscoll, Fiscal Manager, pointed out that attachment #2 in the agenda packet was a Report on Revenues and Expenditures for 2014 as of August 19, 2014. She commented that year-to-date salaries reflected a decrease of \$18,710.70 compared to the same time period in 2013. She added that 59.91% of the amount budgeted for salaries in 2014 had been expended thus far and for the same time period in 2013 they had expended 61.27%. She noted that July revenues had been accrued for this report for the CHHA, Long Term Care and Maternal Child Health Programs in the amount of \$374,835.08. Ms. Driscoll mentioned attachment #3 in the agenda packet was a Revenue and Expense Year-to-Date Comparison of 2014 versus 2013. She stated 2014 year-to-date revenues showed a slight increase compared to 2013 and 2014 year-to-date expenses reflected a slight decrease. She noted they were still awaiting some expenses for the Preschool Program and the 2013 year-to-date figures did not include the July billings. Mr. McDevitt asked what the line item for Sick Leave Incentive pertained to and Ms. Driscoll explained this had been an incentive program which offered employees a \$400 payout if no sick time was utilized during the year; however, she added, the sick leave incentive was no longer offered and she would delete the line item from the report.

This concluded the Health Services portion of the Committee Meeting and the Westmount Health Facility portion of the meeting commenced at 9:55 am.

Privilege of the floor was extended to Lloyd Coté, Administrator of Westmount Health Facility, who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Commencing the agenda review, Mr. Coté said the first item would be a review of the 2013 Financial Statements and Independent Auditor's Report from Michael McCarthy, of McCarthy & Conlon, LLP. Mr. McCarthy distributed copies of the Westmount Health Facility 2013 Financial Statements and Independent Auditor's Report, as well as a Management Letter, to the Committee members and reviewed both in detail; *copies of the Report and Letter are on file with the minutes.* Mr. McCarthy said that during his review he would point out the highlights, discuss any comments or recommendations from McCarthy & Conlon, LLP and then open the floor to any questions.

Pertaining to page 3 of the Report, Mr. McCarthy stated this reflected the balance sheet comparison of 2013 versus 2012. Under Current Assets, he explained Patient Accounts Receivable had increased from \$662,555 in 2013 to \$990,593 in 2014, an increase of \$328,038. He noted this increase had resulted in an increase to the Bad Debts Reserve for accounts determined to be potential bad debts. He pointed out Due from Third Party Payers had increased from \$1,661,974 in 2013 to \$2,342,453 in 2014. He noted this line item referred to the IGT (Intergovernmental Transfers) payments and he added the amount for 2013 reflected the receipt of two IGT payments.

Mr. McCarthy informed that IGT payments would be phased out beginning October 1, 2014. He explained the Medicaid methodology in New York State was shifting towards mandatory managed long term care effective October 1st. He further explained IGT payments had been considered as additional Medicaid payments under the old methodology and this form of payment would no longer exist. He stated there was a strong sentiment on behalf of the Federal and New York State governments to continue some kind of subsidy program for County owned facilities. He noted the IGT payments received during 2014 would be the last the County would receive. Mr. Sokol asked if the new subsidy program would include a required local match and Mr. McCarthy replied the

details were unknown at this time. Mr. McCarthy explained the IGT payments had come from a pool of money which was created after the Federal government determined what the upper payment limit would be. He commented the upper payment limit was the maximum amount of money the Federal government would pay New York State for Medicaid. He noted the money was calculated and after the upper payment limit was paid to New York State, the remaining funds were considered IGT funds for payments to County owned facilities.

Under Current Liabilities, Mr. McCarthy said, the amount for Due to County, Current had increased from \$786,975 in 2012 to \$2,037,887 in 2013. He explained these amounts referred to transfers from the County's General Fund in anticipation of receipt of IGT payments, at which time the amounts were repaid to the General Fund. Under Long Term Liabilities, he continued, the largest item was Post Employment Health Benefits which had increased from \$4,547,033 in 2012 to \$5,169,129 in 2014. He explained this was the GASB 45 calculation which was the County's unfunded obligation for future health benefits for retirees. He noted this line item would continue to increase at about the same rate for the next thirteen years. He stated that because Westmount Health Facility was an Enterprise Fund, they were required to report their liability while the liability for the remainder of Warren County sat in the long term debit account and was not considered a fund liability. He commented the Post Employment Health Benefits caused a large deficit in the Unrestricted Fund Equity, which had increased from (\$3,055,610) in 2012 to (\$4,267,191) in 2013. He said if the County wanted a sense of what the Unrestricted Fund Equity would be without the GASB 45 requirement, they could take the total of (\$4,267,191) and add the Post Retirement Health Benefits or \$5,169,129 back in, for a total of \$901,938. He stated although that was a good way to look at it from a budgeting standpoint, the Post Employment Health Benefits were a true liability which was an obligation that would be paid in the future when retirees commenced collecting their health insurance benefits.

Pertaining to page 4 of the Report, Mr. McCarthy stated this reflected the statement of revenues and expenses and fund equity. He noted the Loss from Operations had increased from \$2,687,122 in 2012 to \$2,818,951 in 2013. He pointed out Total Operating Revenues had also increased from \$6,224,594 in 2012 to \$6,415,380 in 2013. He stated Total Operating Expenses had increased from \$8,911,716 in 2012 to \$9,234,331 in 2013. Concerning the Non-Operating Revenue, Mr. McCarthy pointed out \$1,400,000 was budgeted for IGT but approximately \$2 million had been received. He commented if they had budgeted for the actual amount of IGT payments received, the amount of loss would have been approximately \$600,000 less than indicated on the Report. He mentioned the 2013 Employee Benefits amount of \$2,697,118 included the \$622,096 which was added to the Post Employment Health Benefits long term liability for 2013.

Concerning the Management Letter addressed to the Board of Supervisors, Mr. McCarthy apprised that McCarthy & Conlon, LLP had no findings or recommendations to report for 2013 which he stated was a testament to the quality of work performed by the staff of Westmount Health Facility. He said the letter contained the previously mentioned significant audit adjustments including the \$622,096 budgeted for Post Employment Health Benefits and the increase to the Bad Debt Reserves. He pointed out another adjustment was to report a Case Mix adjustment to the Medicaid rate which was effective from July 1, 2013 through December 31, 2013 but was not known until February of 2014. Mr. McCarthy said Ms. Henkel had a list of residents who were potential bad debt risks and he suggested this list be reviewed with the County Attorney.

Mr. McDevitt asked what the largest positive and negative attributes of Westmount Health Facility were for a potential purchaser. Mr. McCarthy responded the largest negative attribute was the size of the 80-bed Facility which was considered small. He added New York State's analysis generally recognized 120 beds as being the minimum size to achieve economies of scale. He said the largest

positive attributes were the location and the additional land which could be used to expand the Facility and offer additional services. Mr. McCarthy mentioned a major issue for County owned facilities was the fringe benefit rate which was approximately 50% compared to private facilities which had a fringe benefit rate of approximately 27%. He noted this was why most County owned facilities operated at a loss. He said the fringe benefit rates affected the Medicaid rates and one of the reasons the State was in favor of counties selling their nursing home facilities was because they were artificially driving up the Medicaid rates for the rest of the industry.

Mr. Conover asked what portion of the Patient Accounts Receivable reported on page 3 as \$990,593 were in excess of 90 days past due and Mr. McCarthy replied that as of December 31, 2013, 57% were in excess of 90 days past due. Mr. Conover asked if the Patient Accounts Receivables were carried from one year to the next and Mr. McCarthy replied affirmatively. Mr. McCarthy clarified that as of December 31, 2013, there was about \$565,000 of receivables from 2012 or earlier. Mr. Conover suggested the need for a policy on how the Facility handled and accounted for these receivables. He added the County did not want to carry receivables that it were unlikely to be collected. Mr. McCarthy pointed out these receivables were part of the calculation used to determine the Bad Debt Reserve each year. Mr. Conover asked the amount of the Bad Debt Reserve and Mr. McCarthy responded it was approximately \$644,000 at the end of 2013. Mr. Conover commented the amount listed on page 4 for Employee Benefits had increased by \$240,774 between 2012 and 2013 and he added this expense was attributed to the bulk of the increase in Total Operating Expenses. Mr. McCarthy agreed but pointed out that figure included the \$622,096 budgeted for Post Employment Health Benefits in 2013. He noted salaries and benefits were approximately 70% of the expenses for the Facility. He explained when current health insurance costs increased, the amount budgeted for Post Employment Health Benefits was increased accordingly.

Mr. Westcott asked if the 4% utilized for the Post Employment Health Benefits was a standard rate and Mr. McCarthy replied it was in the middle to low range and could be a bit conservative. Mr. Westcott asked if the Post Employment Health Benefits would continue to be a liability following the sale of the Facility and Mr. McCarthy replied affirmatively. Mr. McCarthy stated that with the sale of the Facility, the number of people and some of the future growth of the liability would be frozen. He commented there were two pools of people included in the Post Employment Health Benefits: those already retired and collecting benefits; and those who were currently working but would collect benefits in the future.

Pertaining to page 8 of the Report, Travis Whitehead, Town of Queensbury Resident, asked if the figures listed for land, building, improvements and equipment were the value of the property and Mr. McCarthy replied in the negative and explained the figures listed were the costs or what the County paid to build or acquire those assets and the depreciation was the writing off of those costs over the estimated useful life. Mr. McCarthy pointed out these numbers did not necessary equate to market value. He said the County normally used historical costs unless there was a reason to believe the value had been impaired and required a write down to market value. Mr. Whitehead asked if the amount listed for land included all of the available land and Mr. McCarthy replied it was the land value assigned to Westmount Health Facility when it was first built. Mr. McCarthy said he believed it was the land that the building was on and a reasonable amount of land around the building but not the entire campus. Mr. Whitehead stated if he were buying Westmount Health Facility, he would look at the value of the land, building, improvements and equipment but he would also look at the amount of the losses he would assume. He noted the Facility lost money on the Cogeneration plant at a rate of approximately \$500,000 per year. He added once the Post Employment Health Benefits were subtracted, the Facility's annual losses did not appear to be more than \$600,000 per year. He opined the value of the Facility was considerably more than the proposed sale price to the Centers for Specialty Care.

Mr. Conover commented some of the receivables would not be collectable and he asked the ramifications of this. Mr. McCarthy responded the allowance for bad debts had been increased to approximately \$650,000 and as long as the accumulative total of debts that were written off did not exceed the total, then they had already been accounted for in the financials. He added if more than the \$650,000 was written off, the Facility would have an additional bad debt expense. Mr. Conover stated the Bad Debt Reserve had already been encumbered and Mr. McCarthy agreed. Mr. McCarthy explained the \$990,593 listed for Patient Accounts Receivable did not include the approximate \$650,000 for the Bad Debt Reserve and the gross accounts receivable were approximately \$1.5 million. Mr. Conover asked if the Bad Debt Reserve was budgeted annually and Mr. McCarthy replied this was not a cash outlay, it was a paper entry to recognize accounts where there was some question of the ability to collect. He pointed out the amount of \$149,929 listed as Provision for Bad Debts on page 4 included the \$83,000 adjustment to increase the Reserve plus some accounts which had been written off during the year.

Mr. Whitehead inquired as to how the receivables would be handled in the event the Facility was sold and who would collect those funds. Paul Dusek, County Administrator, replied that under the terms of the proposed contract, the County would be entitled to all previous receivables and funds prior to the closing date. Mr. Whitehead asked if the County would have an auditor to look at the amount of receivables owed and what was collected. Mr. Dusek replied that Ms. Henkel and Mr. McCarthy would review this as the transaction proceeded. Mr. Whitehead asked if the County would continue to have personnel reviewing this in future years and Mr. Dusek replied affirmatively. Mr. McCarthy noted there was one other receivable not accounted for because it was an action which would be undertaken by the New York State Department of Health (NYS DOH). He added this had to do with the reimbursements for the depreciation and the interest for the Cogeneration Plant. He noted the County had undergone a Medicaid Audit where these amounts had been challenged and placed on hold. He explained Saratoga County had the same experience and had initiated legal proceedings and won resulting in the State caving on Warren County's issue, as well. He added Warren County received reimbursement for the depreciation and interest through the rate year of 2008 and the State still owed the County for the rate years of 2009 to present. He pointed out appeals had been filed with the NYS DOH; however, he added, when it came to paying reimbursements, the State moved slowly. Mr. Conover asked the amount anticipated and Ms. Henkel replied \$700,000 to \$800,000. Mr. Westcott asked if that amount was for 2014 and Ms. Henkel replied it was for 2009 through 2013. Mr. McCarthy stated Westmount Health Facility would not budget that amount as revenue until the NYS DOH processed the appeals and issued a rate. He noted the State might process the appeals in part, for example for years 2009 through 2011, at which point the funds would be budgeted as revenue.

Motion was made by Mr. McDevitt, seconded by Mr. Conover and carried unanimously to accept the 2013 Financial Statements and Independent Auditor's Report as submitted by McCarthy & Conlon, LLP. *The necessary resolution was authorized for the September 19, 2014 Board Meeting.*

Continuing, Mr. Coté requested to amend the current agreement with Edmund McCann, MSW, for social worker consultant services in order to increase the amount not to exceed by \$420 for a total of \$2,100; and to renew the current agreement for an additional one year term in the amount of \$2,100 for a term commencing December 1, 2014 and terminating November 30, 2015. He explained Mr. McCann visited the Facility five times per year for seven hours at a time and the current contract only authorized the amount necessary to cover four visits.

Motion was made by Mr. Taylor, seconded by Mrs. Frasier and carried unanimously to amend the current contract with Edmund McCann, MSW and renew the contract for an additional one year term,

as outlined above. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the September 19, 2014 Board Meeting.*

Betsy Henkel, Comptroller for Westmount Health Facility, requested to amend the 2014 County Budget to increase estimated revenues and appropriations in the amount of \$929 to reflect the receipt of insurance recovery funds for the replacement of a resident's dentures which were lost at the Facility. She noted the insurance had issued a reimbursement for the full cost of the dentures minus the \$100 deductible.

Motion was made by Mr. Conover, seconded by Mrs. Frasier and carried unanimously to amend the 2014 County Budget as outlined above and to forward same to the Finance Committee. *A copy of the resolution request form is on file with the minutes.*

Ms. Henkel requested to amend the 2014 County Budget to increase estimated revenues and appropriations in the amount of \$400,000 to reflect the receipt of additional Public Nursing Home revenue through additional IGT payments. She explained the IGT payments for 2014 had been received on August 15, 2014 and an additional \$613,000 had been received in addition to the amount budgeted. She explained the five expenditures listed on the resolution request form included contracted services for nursing agency fees, contracted services for occupational therapy, plant operations and maintenance for repair of a water main pipe, the replacement of the computer ISO for the Cogeneration plant and legal fees for Bartlett, Pontiff, Stewart & Rhodes, P.C. for the contracts for the sale of the Facility and review of the Siemens Industry contract. The last item to be covered by the budget amendment, she continued, was to reimburse the code which had been utilized to cover the cost of salaries for eight newly created LPN (Licensed Practical Nurse) positions. Mr. McDevitt questioned the \$61,000 for legal services, noting there had been a limit placed on the legal services for the potential sale of the Facility. Ms. Henkel responded the limit had been for 11 months, not to exceed \$44,000 with a maximum of 15 months, not to exceed \$50,000. Mr. McDevitt asked what the remainder of the legal fees were for and Ms. Henkel replied potential civil claims pertaining to the contract with Siemens Industry.

Following a brief discussion, motion was made by Mr. Conover, seconded by Mr. Taylor and carried unanimously to amend the 2014 County Budget as outlined above and to forward same to the Finance Committee. *A copy of the resolution request form is on file with the minutes.*

Mr. Coté requested authorization to reimburse a resident's family member in the amount of \$1,200 due to the loss of upper dentures reported on April 17, 2014. He explained these were the dentures previously mentioned for which insurance recovery funds had been received.

Motion was made by Mrs. Frasier, seconded by Mr. Conover and carried unanimously to authorize reimbursement in the amount of \$1,200 as outlined above. *A copy of the resolution request form is on file with the minutes and the necessary resolution was authorized for the September 19, 2014 Board Meeting.*

Ms. Henkel requested to fill the vacant position of Senior Account Clerk, Grade 7, annual base salary of \$29,612, due to resignation. She noted this was a Union position which was not mandated or reimbursable. She commented the employee who was vacating this position had assumed a position with the Town of Queensbury. Mr. Sokol asked if there would be any savings derived from the filling of the vacant position and Ms. Henkel replied affirmatively and noted the employee vacating the position had been with the County for 18 years and had been earning approximately \$9,000 more than the base salary. Mr. Dusek said it was important to be cautious when reporting the amount of savings as the true figure would depend on the person selected to fill the vacancy. He explained if

a County employee who already had longevity was selected there could be little to no savings. He added if the County employee who assumed the position had more longevity than the employee vacating the position, there could be a cost. He noted the County Human Resources Director would report monthly to the Personnel Committee on the actual savings derived from the filling of vacant positions. Mr. Conover asked if the position was part of the Department's Table of Organization and Mr. Dusek replied affirmatively. Mr. Conover asked the importance of the Senior Account Clerk position and Mr. Coté replied the position was responsible for all of the Facility's payables and receivables. Ms. Henkel added the position was also responsible for entering all of the cash receipts. Mr. Sokol requested a motion to refer this item to the Personnel Committee and Mr. Dusek clarified under the Rules of the Board of Supervisors, this request would be authorized by the Health Services Committee and merely reported to the Personnel Committee for information purposes.

Motion was made by Mrs. Frasier, seconded by Mr. McDevitt and carried unanimously to approve the request to fill the vacant position as outlined above and to report same to the Personnel Committee. *A copy of the Notice of Intent to Fill Vacant Position form is on file with the minutes.*

Ms. Henkel requested authorization to create and fill the new position of Senior Account Clerk Per Diem, Grade 7, annual base salary of \$29,612, in order to allow the employee who was vacating the Senior Account Clerk position to train her replacement. She commented the Senior Account Clerk Per Diem would only be utilized for a few hours per day for two to three days, as the vacating employee would be employed full time in her new position.

Motion was made by Mr. Conover and seconded by Mrs. Frasier to approve the request to create and fill the new position of Senior Account Clerk Per Diem as outlined above and to forward same to the Personnel Committee.

Mr. Dusek commented that a request to create a new position would need to be referred to the Personnel and Finance Committees before receiving the final approval at the September 19, 2014 Board Meeting. He asked Mr. Coté if the filling of this position would be necessary prior to the Board Meeting and Mr. Coté replied it would be preferable to receive authorization as soon as possible. Mr. Conover asked why this position would not be handled as a consultant instead of a per diem employee. Mr. Dusek responded there were tax and legal reasons which determined whether or not a position should be that of an employee or an independent consultant. Under this circumstance, he continued, it was better to consider this position as a per diem employee. He pointed out the position would not receive benefits and the net cost to the County would be the same. Mr. Conover asked why it would be easier to amend the Department's Table of Organization and Mr. Dusek responded this was for a per diem position which could be eliminated as easily as it was created. Mr. Dusek said for auditing purposes it would be preferable to treat this position as a per diem employee and not a consultant. Mr. Taylor suggested this per diem position should include an amount not to exceed. Mr. Sokol asked if this position would only be for a few days and Ms. Henkel replied affirmatively. Mr. Henkel stated she anticipated the expense to be approximately \$500. Mr. Conover suggested a not to exceed amount of \$1,000 be placed on this position. Mr. Dusek apprised that it sounded as if it would be necessary to fill the position as soon as possible and he suggested the Committee approve the request and ratify the actions of the Administrator of Westmount Health Facility in filling the position prior to receiving Board approval.

Mr. Sokol called the question and the motion was carried unanimously to approve the request to create and fill the new position of Senior Account Clerk Per Diem as outlined above to be used on a temporary basis for an amount not to exceed \$1,000; to ratify the actions of the Administrator of Westmount Health Facility in filling the vacant position prior to receiving the necessary approvals;

and to forward same to the Personnel Committee. *A copy of the resolution request form is on file with the minutes.*

Ms. Henkel requested a transfer of funds totaling \$100,800 between various salary codes to cover the costs associated with part time and per diem positions and overtime usage. She noted it was difficult to predict whether the coverage would be part time, per diem or a full time employee working overtime so it was necessary to transfer the funds as needed.

Motion was made by Mr. Taylor, seconded by Mr. McDevitt and carried unanimously to approve the request for a transfer of funds as outlined above and forward same to the Finance Committee. *A copy of the Request for Transfer of Funds form is on file with the minutes.*

Pertaining to the Overtime Report, Ms. Henkel said the total year-to-date salaries budget was at the level anticipated for this period of the year. She noted the year-to-date Salaries-Regular Budget Code looked unusual when compared to 2013 because it showed a decrease of \$97,884.01. She explained this was because some full time positions had been eliminated in order to create more part time positions. She noted by the end of the year the salaries budget would balance out.

Concerning the Staffing Report, Mr. Coté detailed the following vacant positions: 3 part time LPN positions; 2 full time LPN positions; 6 part time Aide positions; one Senior Account Clerk position; and one Nurse Manager position. He commented they continued to attempt to recruit for a lot of the part time LPN positions. He mentioned it was necessary to hire whoever was available and fit that person into the position. He noted the Facility had lost one LPN who had worked there for some time because the employee had assumed a position with Hospice Care. He pointed out the Senior Account Clerk had resigned to assume a position with the Town of Queensbury. He added the employee did not want to leave her position but wanted to ensure her continued participation in the State Retirement System. He anticipated an ongoing turnover with employees as they continued to search for positions in other facilities. He apprised they were looking for one Nursing Manager candidate for the Northeast Unit of the Facility.

Mr. Coté reported that a 4" water main which supplied water to the entire building and ran the length of the service wing hallway was in need of repair. He explained the pipe was thinning in major sections and would require 15 hours worth of work to repair at a cost of approximately \$15,000. He mentioned the water to the Facility would be shut off during the repair; however, he added, water would be made available for various services and potable drinking water would be available for the staff and residents. Another major item, Mr. Coté continued, was the repair of the computer ISO for the Cogeneration plant. He noted the faulty computer ISO had caused the Facility to switch to emergency power several times. He stated they currently had no control over the electricity which he said kicked on and off randomly. He added there was also no control over the amount of energy generated. He commented the repair of the computer ISO would place the computer system back in line and was anticipated to cost approximately \$33,000.

Mr. Coté informed Ms. Henkel would attend the LeadingAge NY Financial Managers Conference in Saratoga Springs, New York on September 16-18, 2014. Pertaining to nursing agency costs, he said, one of the first things he did after assuming the position of Administrator of Westmount Health Facility was to analyze the nursing agency costs of the Facility. He stated they had decreased the use of agency nurses for awhile but the Facility was still agency dependent. He said when they were unable to retain full time, part time or per diem staff it was necessary to utilize agency nurses in order to meet the minimum staffing requirements. He noted he tracked the costs weekly along with the payroll. He apprised the Facility had been hiring LPN's who had just received their licenses. He

commented they had used 8 hours of agency nursing services the previous week but there were weeks where 80 hours of agency nursing services were required. He commented they tried to keep the usage of agency nurses as low as possible. Mr. Coté reported the current census of the Facility was 76 out of 80 available beds. He mentioned they had actively been working with the Admissions Screener and the Department of Social Services staff in order to increase the number of residents. Ideally, he said he would prefer the census to be around 78 residents. He apprised he had spoken with someone from an area nursing home with 88 beds who had reported they had 15 empty beds. He noted a lot of the area nursing homes had several open beds.

Mr. Coté informed the Medicaid Managed Care contracts which the Facility would be required to secure had been extended until April of 2015. He said he had discussed the matter with the County Attorney to determine the best way to proceed. He pointed out there were only two Medicaid Managed Care companies writing policies for Warren County and he would attempt to contract with both of them. He explained when people went onto Medicaid, they would be able to select which insurance company administered their plan. He further explained the fee-for-service Medicaid would no longer be available and the Medicaid Managed Care would include negotiated rates. He noted the current Medicaid rate for Westmount Health Facility was lower than other area homes. He asked the Facility's current rate and Ms. Henkel replied \$159 per day. He pointed out the Medicaid Managed Care rate would allow a little room to negotiate the best possible rate. He mentioned the Facility was guaranteed to continue the fee-for-service for the first three years following the initiation of the plan which would be phased in.

Mr. Conover asked if the water main pipe mentioned by Mr. Coté had been included in the previously approved budget amendment and Ms. Henkel replied affirmatively. Mr. Conover asked if the water main pipe was included in the \$60,000 allocated to Plant Operations & Maintenance, Repair & Maintenance of Building/Property. Ms. Henkel responded that it was and noted she had estimated a cost for repair of the water main pipe at \$23,000 and the remaining \$37,000 was earmarked for the repair of the computer ISO. Mr. Conover asked if the intent was to perform the repairs as soon as possible and Ms. Henkel responded they were attempting to gather another price quote for the repair of the water main pipe and the computer ISO was in the process of being built. A brief discussion ensued.

Mr. McDevitt opined \$37,000 sounded quite costly for the repair of the Cogeneration computer ISO and Mr. Coté explained this was a large cabinet full of electronic and computer equipment. Mr. Coté pointed out this was a specialized piece of equipment which could only be purchased from and repaired by one company. Mr. Whitehead pointed out the County had a maintenance contract in place for the Cogeneration for up to \$70,000 per year. He mentioned he had spoken with the administrator of the nursing home in Genesee County which also had a Cogeneration contract with Siemens Industry. He said Genesee County reported they had discovered that they were being billed for services which should have been covered under the terms of the contract. Mr. Whitehead agreed that \$37,000 was costly and it should be determined if this item was covered under the contract. Mr. Sokol pointed out Mr. Coté had looked into the matter and had determined the computer ISO was not covered under the contract.

As there was no further business to come before the Health Services Committee, on motion made by Mr. Conover and seconded by Mrs. Frasier, Mr. Sokol adjourned the meeting at 10:55 a.m.

Respectfully submitted,
Charlene DiResta, Sr. Legislative Office Specialist