

## Sullivan County NH

**Type of meeting:** Board of Commissioners and Genesis Eldercare  
**Special Meeting - Administrator Contract Negotiations**

**Date/ Time:** Wednesday August 3, 2005, 10 am

**Place:** Newport - 14 Main Street 3<sup>rd</sup> Floor Probate Court Room

**ATTENDEES:** Commissioners Donald S. Clarke - *Chair*, Ben Nelson - *Vice Chair* (arrived later) and Ethel Jarvis - *Clerk*, Ed Gil de Rubio - *County Manager*, Ray Thivierge - *Sr. VP of Operations & network Services Genesis ElderCare*; Executive Finance Committee members: Representatives Brenda Ferland - *EFC Chair*, Tom Donovan - *EFC Vice Chair*, Larry Converse, Charlotte Houde-Quimby (arrived later) and Stephen Prichard (arrived later); Sharon Johnson-Callum (minute taker).

**OTHER PUBLIC ATTENDEES:** State County Delegates John Cloutier - *Delegation Chair*, Arthur Jillette Jr. - *Clerk* and Peter Franklin; Rebecca Miller - *Eagle Times staff reporters*; James Lowe - *Argus Champion staff reporter*.

10:07 The Commissioner Chair, Donald Clarke, brought the meeting to order. Representative Converse led all in the Pledge of Allegiance.

### OPENING REMARKS FROM BOARD OF COMMISSIONER CHAIR

The Chair, Donald Clarke, indicated it was a new experience for everyone to negotiate this type of contract, with such magnitude, in a public forum; but, he hoped all would be respectful of everyone's views, with the goal to bring together all interested parties and to search for a positive outcome. Commissioner Clarke mentioned the New Hampshire Governor Lynch and Vermont Governor Douglas were visiting the county, in particular St. Gaudens / Cornish area. The Commissioners attended a gathering this morning for the governors, along with a few other Delegates, so a few would be late arriving to this meeting.

### COUNTY MANAGER INTRODUCTIONS

The County Manager, Commissioners, Executive Finance Committee members and the Genesis representative each introduced themselves. He pointed out where refreshments and public facilities were located. He noted he had never negotiated a contract in public, as negotiations were normally an executive session issue, but Mr. Thivierge, of Genesis ElderCare, graciously agreed to the format due to the concerns previously voiced. He noted they will unofficially observe Roberts Rules, they have an agenda and will take public comment later.

10:11 *Rep. Prichard arrived.*

The County Manager continued, noting the Genesis administration contract expires December 31, 2005 and that he anticipates negotiating a contract to have in place by that time.

Ray Thivierge and the County Manager briefed the group on the past six months. They

discussed how it took five months to find an Administrator, Courtney Marshall, and the difficulty in finding one suitable to Sullivan County needs as well as willing to relocate to the area. It was noted John Allard and Mary Johnson were interim administrators prior to Mr. Marshall and publicly thanked both, citing they went beyond the call of duty and did more than a normal interim administrator would have to do. He discussed how Genesis pursued the skilled care market, the hiring of Patti Koscielniak as External Care Coordinator, and the resignation of Bonnie Rivard, former Director of Nursing, due to personal issues and the hiring of a new Director Of Nursing, Heidi Smith, who starts Aug 8th.

*10:15 Charlotte Houde-Quimby arrived.*

He continued noting they have an aggressive budget and eliminated agency nursing June 25th, just a few weeks after Mr. Marshall was hired. Since the elimination the agency nursing was only used for a three-hour shift. The County Manager noted the '04 budget was overspent by \$700,000 and the '05 budget was overspent by \$200 – 300 thousand dollars. He noted this as a positive check mark for Mr. Marshall. It was noted the nurse managers were looking at Genesis for guidance and becoming more confident and aggressive with management decisions, the latter and issue the County Manager likes to see. Census over the last five years has dropped, but they are making great strides with going after skilled care and admitted five (5) skilled care this past week. Unfortunately, they lost five residents recently who passed away. He noted they should not expect statistics to increase due to medicaid. As County Manager, he foresees the State trying to crimp Medicaid benefits, which will decrease Medicaid census.

**AGENDA ITEM 1            DISCUSSION REGARDING STRATEGY AND DIRECTION**

Mr. Thivierge indicated the agreement with County is for management support and that management authority remains with the County. In that role they have learned there are different ways of accomplishing things and have responded well. A comprehensive plan was created; it was discussed and thought out thoroughly and presented to many before they made any changes.

With this plan resulted it, was to allow Genesis to spell out priorities and to identify key areas to focus on to make Sullivan County all it can be for the elders of the county.

CENSUS / REVENUE - Is one of the areas. Nursing Home occupancy has decreased. As owners / operators of a Nursing Home one needs to change to keep viable and needed in the area. Level of care required by nursing home residents today has changed from five years ago. This has resulting in nationwide changes and an impact on census. There are 128 residents, with 14 private pay, 12 Medicare and 102 Medicaid. In most facilities Medicaid barely covers cost of care for a resident. Accordingly, they need to look at alternative funding sources. He indicated folks who go to a hospital with an acute spell of illness are entitled to a recuperative period under Medicare. Medicare is basically a hospital benefit carried to the nursing home for purposes of recuperation. The federal government understands the importance of rehabilitation after a spell of illness and gets the person back home, or, at least back to highest level of functioning quickly. Because of that, Medicare is paying significantly more than what Medicaid pays, and is one of the avenues they are focusing on.

*10:25 Commissioner Nelson arrived.*

Mr. Thivierge continued, "when talking about census your talking about a shift from Medicaid to Medicare and private" and they need to look at post-acute care, which is what Genesis has done.

Medicare population, which was three to four when they arrived, has increased to around twelve; but he feels the census should be in the 20's. Their strategy is not to deny access of Medicaid population, but to support that service through other revenues that will also attract other pay types to the facility. Doing this allows you to manage your revenues. They need to manage patient flow, maintain the bed level, and have staff to care for the patients they are trying to attract. Though they've been able to expand on services to attract clients, there is still a different perception in the minds of the referral sources concerning the county home. There is a need for further public education on what the nursing home can do. They need to bring the referral sources on the journey with them, so that they see a development with the County's abilities. With that, the perception changes. They've begun to receive referrals from sources which have historically avoided referring clients to Sullivan County, for example, Dartmouth. They are now getting out in to those areas to educate the referral sources.

#### PROGRAM DEVELOPMENT

The package of care, in a nursing home, involves three levels of programming:

- 1) DEMENTIA CARE – The MacConnell Unit was established for this reason. The unit is pretty but needs work to cater to people with dementia. Genesis's goal is to show case Sullivan as the premier place for dementia patients. There is a formula for: training staff, for involving the community, for insuring there are proper mechanisms and therapeutic recreational activities in place to keep behaviors in check and for supporting the families and making sure they are getting all they need to deal with the problem.
- 2) LONG-TERM CARE – Clients who are cognitively lucid. These clients have the ability to think on their own but are handicapped to a certain extent. This population is sicker than it used to be - but still need the same social care as other residents, such as knitting, etc. The program for long-term care has significantly changed over the last three years, and is more resident centered care; looked as a group with individual needs. Can do a lot more with understanding the individual – where they came from and what they like to do, to work it in to their environment at the level they are at today.
- 3) SHORT STAY PROGRAMS – This is a good economic avenue plus is an opportunity to increase positive perception of the County Home. The nursing home would get the client from a hospital through a recuperation time period then send them home. In order to get the right patient back to the facility, we need to have a strong relationship and understanding of what we do in our nursing home and what that patient needs at the hospital. They have very specialty needs: cardiac / orthopedic / neurological / and wound care, post stroke recovery, and numerous others. We can build programs to not only treat the symptom of the disease and get the patient back home and become known as a center for excellence.

To get these programs in place and rise to this level you need to have momentum, you need culture of learning, need expectation, vision and road map to say these are the patients we want to see and this is how we are going to bring our staff up to speed to take care of them. Accordingly, program development is related to revenue, which is directly related to census and all is related to quality of care. Founded on solid clinical competencies, which is currently needed. The County needs good nursing home doctors who will come with the County in their

forward movement. Nursing care is good, but assessment skills need improvement. The Commissioners, Delegation and management must all take the same road map, plan and invest in the staff. As a nursing home owner, it requires good methods of monitoring quality of care. Therapeutic activities need work. Food service has the opportunity to be delicious and nutritious and provide individualism. As it pertains to the business end, they have the opportunity to make sure the County is purchasing properly. They have the opportunity to look at communities and volunteerism. The nursing home needs good staff, good recruitment of talent, and good retention. They need to hold and recruit competent nurses making good sound decisions; doing that will make the County a premier employer. He noted, due to the nature of their agreement, he realizes they need to do this in a political world and must have faith in each other. They need good day-to-day planning, management, and the understanding they need to place resources where they are needed.

The County Manager indicated he was grateful for what Genesis has done for Sullivan County and that he is firm believer in participatory management. He discussed how Genesis, with the agreement, pulls from their own facilities to help out as a team for the administrator at the nursing home.

Commissioner Clarke assured everyone the County is not trying to reduce or eliminate the Medicaid census. One of the basic foundations is that the Nursing Home is a safety net for those patients. However, there is a movement and discussion on where the best place is for people to be cared. At some level of care, the best place is the Nursing Home. We know every Medicaid patient is a losing proposition to our bottom line, but what is more losing is an empty bed. We have a lot of empty beds and until we get to the point we turn away Medicare people, he is very comfortable. One of the issues is high fixed cost, and not a whole lot difference with a census of 130 vs. 150. Those empty beds are a big concern.

Mr. Thivierge noted as the census grows, that gives them the opportunity to recruit more skilled staff. He noted that getting to the skilled nursing they should provide requires changing the mindset. He noted he was proud of their accomplishments.

The County Manager noted, back three (3) years ago, in October, he instructed the Nursing Home Administrator to eliminate agency nursing. The scheduling was then taken away from the Administrator and given to the Human Resources Director. When Mr. Marshall came on board, he took it back with the Nursing Department doing it mainly with his help and using Human Resources for recruitment, this being a Genesis way. He noted that the employees were complaining less as they became part of the process. Ray added, if the census were 156 they would need four (4) Unit Managers, 12 LNA's and 6 - 8 more licensed staff. Still need to get out there and say Sullivan is a great place to be. Good nurses want to practice good care, have good career opportunities and involved in decision making. We can do that, through a culture that needs to be built. The County Manager noted, since January they had not had any staff grievances; but over the past three year the County Manager and Commissioners had gone through approximately 24 - 25 grievances, ½ dozen arbitrations - and won, and 6 - 10 terminations / suspensions.

At this point Mr. Thivierge asked if his vision was the same as Sullivan County's?

Rep. Donovan noted he had no disagreement with the vision. He requested goals and a timeline, and spoke about a great experience he went through with a five-week nursing home patient, who is now at home. He asked why Genesis could do better than the county?

Rep. Converse expressed his surprise the County had not had this vision previously.

Commission Clarke noted it was too much to ask for one person to handle, to change everything that Genesis has done with the Nursing Home culture through training and proper billing. He added it would have been difficult, or impossible, to find one administrator to accomplish. The County Manager concurred, with the changes of the industries, he does not feel any one person, or the County, could do what Genesis has done and is doing. Commissioner Nelson reminded all about the Genesis survey done two years ago, yet after that report, the County was still unable to make the changes needed.

Mr. Thivierge noted Genesis ElderCare has aspects available for all parts of the nursing home business. He noted it's an incredibly complex business. He agreed the County could do it on it's own, but asked if they could do it with their expertise.

The County Manager spoke about severe problems with the current physicians. He discussed having to wait for approval from a physician for an item, which he feels is in blatant breach of contract. He pointed out Genesis has a physician on board who will be sitting down to talk with the doctors about the issues.

AT THIS POINT COMMISSIONER CLARKE REQUESTED DELEGATION INPUT

Rep. Prichard spoke and is in favor of renewing the contract.

Rep. Donovan is not worried about a private / public partnership and spoke of each issue. He noted the mission of the County would be to those who don't have the means to pay privately and to provide them the same quality of care and opportunities. He wants them to go forward, cognizant to all stakeholders, making sure the mistakes made previously are not repeated. He felt it would be inappropriate to take a vote today.

Mr. Thivierge noted there is work to be done at the Sullivan County Nursing Home and that Genesis ElderCare is not interested in going further if they are going to get bashed in the press or in a public format.

Rep. Donovan spoke highly of Sullivan County Nursing Home, indicating they have a better product, but feels the County administration made poor decisions during the contract creation.

Commissioner Clarke indicated he took acceptance to that point of view. He noted he had never been to a delegation meeting where the delegates supported investing in the nursing home, and that the message from them has always been to cut costs.

The County Manager indicated he wanted to apologize again, publicly, for stepping on the Executive Finance Committee toes. He indicated they had consulted with the County Attorney,

who assured them they were in the right; and, at that point, they needed to move quickly.

Rep. Prichard noted the delegates needed to trust the leadership.

Rep. Donovan indicated they had not said one negative word against Genesis ElderCare.

Rep. John Cloutier indicated his only request was that when they draft the contract, they make sure to get it back on a Fiscal Year. Mr. Thivierge responded that that was not a problem.

Commissioner Nelson noted that Rep Donovan spoke of possibly using Genesis ElderCare through a consulting fee situation, during the Annual Convention, and wondered if there was a way to structure it where the Nursing Home Administrator was a County employee and Genesis as a consultant only. Mr. Thivierge noted he and the County Manager had previously discussed the pros and cons of that type of agreement. He noted that Courtney Marshall does not want to work as a County employee, the reason being, currently, as a Genesis person he know he's able to interact on a daily basis with a ½ dozen Genesis professionals in the facility, or by telephone or through e-mail - so what the County has is a management team. He recommended the County make a commitment to the situation. His current fear is that the Genesis team members, who have relocated to the area, are becoming nervous. Mr. Thivierge added, in New Hampshire, solo administrators are scared and feel more comfortable being part of a management team.

Commissioner Jarvis asked why he was speaking of fear. She indicated she knows the other ten NH county administrators and all the nursing home administrators in Sullivan County; and none are afraid. Mr. Thivierge indicated he did not mean to create fear, but that the county has a lot at risk and the opportunity for Genesis to work with them to help through the more complex times. He spoke, indicating other counties have approached Genesis, as well as other nursing home consultants, about using them for certain aspects in their county. The County Manager also noted four other county administrators asked him how it was going with Genesis and they keep calling him for updates.

The group discussed where they were at this point in the meeting.

Commissioner Clarke indicated he like to see if there is a consensus from the Executive Finance Committee for the partnership to work; and then they can go forward to have the County Manager meet with Genesis to create a timeline, with goals, and to then present that to the group. Mr. Thivierge agreed they could do that. The County Manager indicated the County Attorney recently reviewed the contract language, and, as long as they keep the "exit clause" in the contract, he is happy with the current language. Commissioner Clarke noted the new contract needs to get them back on the fiscal year cycle, and suggested it be an eighteen-month agreement.

Rep. Prichard recommended administration be more conscios to use only humane language in the contract.

Rep. Houde-Quimby asked when the next report was due? Mr. Thivierge indicated August 16<sup>th</sup> Genesis will be holding their next team meeting with all their consultants to discuss issues; and,

it is from that meeting a report is generated to the County Manager.

The delegates asked when the County Manager is required to sign the Genesis contact? He noted it would be 12/31/05 but that he needs to know now if they want the County to go in another direction.

Commissioner Jarvis asked what their projection was for the partnership to be successful? Mr. Thivierge indicated if they find they can trust each other, they would have been successful. He indicated, "I see no reason not to continue". He assured all that even if they were to terminate their agreement Genesis would be here for a smooth transition to a new administrator. He added, the partnership is something he sees that could be a good equation and benefit both parties. He suggested they focus on what they have in common. He noted he would be personally disappointed to see their relationship end.

Rep. Donovan asked if it might be beneficial to add one to two other people during the contact negotiation. Mr. Thivierge responded he would be happy and comfortable negotiating with all, but feels contract negotiations should not be in a public forum.

Rep. Ferland noted she had been through many negotiations and would rather see a working draft, which they could each review and return to the table to discuss.

Rep. Converse asked who would be working on the document? It was noted the County Manager and Ray Thivierge would create the document and then review the draft with the Commissioners, followed by the Executive Finance Committee. Mr. Thivierge noted the contract term and fees were two issues they needed to hammer out.

Commissioner Clarke requested goals to be added to the contract.

Representative Houde-Quimby commented they would be considering Genesis when we have a successful nursing home.

Rep. Converse requested an update on Genesis at the Nursing Home. Rep. Houde-Quimby pointed out the report is to come out in late August, and that they had received copies of the Genesis February report.

The County Manager and Mr. Thivierge anticipate the draft to be created by end of August.

**12:01 A motion was made to adjourn the meeting.**

*Respectfully submitted,*



*Ethel Jarvis, Clerk  
Board of Commissioners*

*EJ/s.j-c.*

Aug 3, 2005 Special Meeting – Negotiations  
Aug 3, 2005 Special Meeting Minutes tabled at @ Aug 16, 2005 meeting.  
Aug 3, 2005 Special Meeting Minutes approved @ Sep 6, 2005 meeting.