

Minutes of Executive Finance Committee (EFC)  
May 19, 2008

EFC Members present: Representatives Ferland, Chair, Cloutier, Converse, Donovan and Gottling; Reps. Franklin (ex officio), Gagnon (ex officio). Other Delegation members present: Nielsen (Delegation Clerk), Rodeschin.

County employee present: Sullivan County Health Center Administrator, Ted Purdy.

The meeting was called to order by Chair, Representative Ferland at 10:00 a.m. Mr. Purdy began discussion of the Fund 40 budget items. He said there were only minor changes to the Commissioners' original budget. The Marketing department consists of 2 positions, Director of Admissions and External Care Coordinator (ECC). The ECC requires a travel budget as part of the job. Money left in the 2008 budget is more than projected because the position was unfilled for part of the year. The 2009 figure for Travel of \$4,000 reflects gas for the former County Manager's car instead of mileage for use of a personal car. This car is kept in Unity. Costs for repair and maintenance is in the Commissioners' budget.

SCHC spent \$800 so far this year on Advertising and Public Relations although \$5,000 was appropriated. \$3500 was appropriated in Fiscal Year (FY) '07 and this will be the figure for 2009. Rep. Franklin asked how much of the year the two positions were filled. The Director of Admissions position was filled all year and the External Care Coordinator (ECC) filled recently, within the last 6 to 8 weeks. Rep. Franklin inquired about Performance Benchmarks. Are there any? Mr. Purdy answered that the ECC is expected to perform screenings of prospects and make referral contacts. The goal is the same as the overall census goals of SCHC.

Mr. Purdy said that the salaries for the administrator, office manager, and administrative assistant is less than administrative expenses under Genesis, the private company providing administration until July, 2007. There is a 3% raise for non-bargaining employees and a 6% raise for union employees. The 6% covers the possibility of a retroactive raise being included in the final union contract. There are 3 2-person health plans in the budget. New retirement figure is \$14,687, less than the figure in the published budget. \$5,000 for Education and Training includes expenses for helping a second person gain Nursing Home licensure. This will provide a backup so that the county does not have to employ expensive consultants to bridge an administrator gap.

\$50,000 is budgeted for the auditors and contract services. Landmark consultants will be available on an as-needed basis with no minimum expenditure required. Use of consultant services may be offset by the proposed position of county comptroller.

Nursing and Dietary department budgets were reviewed. \$8500 is proposed for memberships, dues, and subscriptions. Rep. Ferland asked Mr. Purdy to provide a breakdown of these expenses. It includes laboratory fees. Other expenses noted were \$300 for postage and \$18,000 for telephone service for the facility. Mr. Purdy stated that residents pay for their personal telephone service directly to the phone company.

Rep. Donovan expressed concern about getting into expensive consulting and administrative services again. He felt there should be more networking with other facilities to share resources and information. He asked if we were making use of state resources. Mr. Purdy said he was but still needed consultants for other purposes such as assessing care plans. Rep. Donovan mentioned that Medicaid now pays for incontinence supplies and wondered if SCHC could get reimbursement for these supplies.

Rep. Franklin asked what is the \$18,000 phone bill for? He was told it was only for the facility operation.

A discussion ensued about Medicaid write-offs. There is a projected decrease because SCHC is staying more on top of past-due balances than in the past. The \$138,000 write-off for this year is from 2005 and 2006 claims or bills. SCHC has an ambitious goal to decrease this amount. Billing errors which lead to write-offs can be reduced by timely and accurate billing. Because there is only one business office person, he has reassigned a secretarial position to an administrative assistant position to help out.

Rep. Gagnon left the meeting at 11:00 a.m., Rep. Donovan at 11:20 a.m., and Rep. Nielsen left at 11:34 a.m. Rep. Cloutier then took over the duties of clerk.

The next discussion concerned the Administrative section of the SCHC proposed budget. Mr. Purdy presented figures for SCHC based on the resident census for FY '07, '08, and proposed figures for FY '09. Mr. Purdy completed review of the Dietary department and began review of the Nursing budget.

Rep. Franklin left the meeting at 12:15 p.m. Mr. Purdy answered questions about the Nursing budget while those present had a working lunch paid for by those present.

Mr. Purdy answered questions about the number and quality of the present nursing staff as well as the use of agency nurses when there is a shortage. Discussion centered on staffing, funds for staff salaries and the amount that should be budgeted for group health insurance. Should we assume the worst case that all staff would take the family health insurance plan. Next, Mr. Purdy discussed Nursing On-Call in the proposed budget followed by the Physician and Pharmacy sections, Medicare Part A and Part B, Physical Therapy, Occupational

Therapy, Recreational Therapy, Social Services, and Dental Services. Questions were asked about the continuing relationship between Genesis and PT and OT.

Acting Administrator Greg Chainis, who had entered the room about 1:30 p.m., reviewed the Transfer Out section of SCHC. Together, Purdy and Chainis went over SCHC revenue figures. (Rep. Gottling took over clerk duties for 5 minutes.) They looked at possible Pro-Share payments. Medicaid Assessment is the bed tax. It seems to be in line for this year at approximately \$45 per Medicaid patient per day. Discussion ensued over the amount of Medicaid revenue that will be brought in. Mr. Purdy, when asked by Rep. Cloutier, what was needed to close a floor, replied that SCHC would have to lose another 20 patients. The chair requested that Mr. Purdy prepare a breakdown on staff employment needs for FY 2009.

Mr. Chainis pointed out that on page 68 of the Commissioners' Proposed Budget, \$835,000 appears on the expense side of the budget to pay off part of the FY '07 deficit of \$2,500,000. On the advice of Mr. Paul Brown and the Department of Revenue Administration, the county should use instead a Contra revenue line that will appear on the Revenue side of the budget. The Delegation may choose to use some other dollar figure for dealing with the deficit. Mr. Chainis intends to recommend at the May 20 meeting that the Commissioners amend their budget and deal with the deficit through this Contra Revenue process.

The Chair announced that she plans to take up County Grants at the Friday, May 23 EFC meeting. Rep. Cloutier moved and Rep. Gottling seconded a motion to adjourn at 2:49 p.m.

Acting Clerk, John Cloutier

---