

COUNTY BOARD STAFF/FINANCE COMMITTEES
June 18, 2010

Call to Order. County Board Staff Committee Chair Podzilni called the joint meeting of the County Board Staff Committee and the Finance Committee to order at 8:30 A.M. in Conference Room N-1/N-2 on the fifth floor of the Rock County Courthouse-East.

Committee Members Present County Board Staff Committee – Supervisors Podzilni, Kraft, Arnold, Brill, Bussie, Collins, Jensen, Peer, Yankee. Finance Committee – Supervisors Mawhinney, Kraft, Beaver, Podzilni.

Committee Members Absent: Supervisor Diestler (Finance).

Staff Members Present: Craig Knutson, County Administrator; Jeff Smith, Finance Director; Phil Boutwell, Assistant to the County Administrator; Sherry Gunderson, Nursing Home Administrator; David Sudmeier, Health Care Center Controller.

Others Present: Supervisors Anna Marie Johnson, Terry Thomas, Robert Fizzell.

Approval of Agenda. Supervisor Bussie moved approval of the agenda as presented, second by Supervisor Arnold. ADOPTED.

Citizen Participation, Communications and Announcements. None.

Approval of Minutes. Supervisor Jensen moved approval of the minutes of May 28, 2010 with a correction on page 2. The last sentence under “Delinquent Tax Balances” should read “This process is called the In Rem Procedure”, second by Supervisor Collins. ADOPTED as amended.

Review and Discussion of Preliminary 2011 Budget Projections and Program Information - Rock Haven. Ms. Gunderson distributed copies of her presentation and a recent Milwaukee Journal Sentinel article, “Mount Carmel nursing home cited 35 times”.

Ms. Gunderson reminded the Committees that the average daily census in 2000 was 328 – in 2010, the average daily census is 129. Rock County has 130 licensed beds. She said, at this time, there are five empty beds in rooms that are not air-conditioned. Ms. Gunderson said there are 185.9 FTE positions, however, not all are currently filled. Some positions are being left vacant in case they are needed in the future. The tax levy in 2010 is \$5.9 million. The request in 2011 will be \$6.1 million. This includes the 2010 levy plus the \$250,000 budgeted to be taken from net assets in 2010.

Ms. Gunderson said the following changes have been made to reduce the tax levy:

- 1) Staffing adjustments were made to decrease direct care staff and reduce the time per resident per day from a high of 6.5 hours in 2003 to the current 4.5 hours.

- 2) The practice of using agency nurses was discontinued in 2005, and staff was hired for an internal pool.
- 3) Staffing adjustments were made in all support services with each downsize.
- 4) All nursing home beds were consolidated in the Rock Haven building resulting in staffing efficiencies.
- 5) A lighting upgrade and new boilers improved utility costs.
- 6) Reductions in supply costs (food, medical, disposables) coincided with downsizing.
- 7) Worked with staff to avoid waste and reduced the cost of adult disposable products by \$35,000 in 2009.
- 8) Evaluated and changed positions to increase the number of fulltime and decrease the number of insurance packages.
- 9) Renegotiated the Aramark contract to three years, reducing the cost.
- 10) Use group purchasing contracts to buy in bulk and reduce cost.

Ms. Gunderson said the following options were revisited:

- 1) Reducing Staffing Ratios - Ms. Gunderson said reducing staffing ratios is not an option at this time because of our layout and the acuity of our residents..
- 2) Reducing Support Service Ratios – Ms. Gunderson said these levels have been reduced as downsizing occurred.
- 3) Evaluated retirements to determine the best way to fill the positions. Ms. Gunderson said she did not refill the position of Secretary in her office.
- 4) It was determined that downsizing to 108 private rooms would be budget neutral.

Rock Haven sources of funding are:

- 1) 85% of patient days are covered by Medicaid. Medicaid rates have increased slowly, however, our deficit is \$139.85 per resident day.
- 2) Maintain 130 full beds and try to increase the number of private pay and Medicare covered residents. Ms. Gunderson and Mr. Sudmeier are budgeting the following resident mix in 2011:

3 Private Pay
7 Medicare/Insurance
119 Medicaid

Ms. Gunderson commented that Rock Haven has stayed within its budget in 2009 and anticipates doing so in 2010. She and the staff are committed to completing a 2011 budget that maintains the current levy plus the use of \$250,000 in net assets. Ms. Gunderson said by the time the 2012 budget is completed, Rock Haven will be planning the move date to the new nursing home, which will provide cost savings regardless of the size.

Mr. Knutson said he attended a meeting yesterday with a state representative on Family Care. It looks like it will be moving forward. Rock County is planning for an Aging and Disability Resource Center (ADRC) and the implementation of a Family Care Managed Care Organization (MCO) around the middle of 2011. The ADRC must be operational 60 days before

Family Care becomes effective. Mr. Knutson said 9-12 months of planning and training are anticipated to prepare for opening an ADRC. He commented the target groups for Family Care are the Elderly, Physically Disabled and Developmentally Disabled.

Set Future Meeting Dates. The next meeting of the Joint Committees will be Monday, June 28th, 8:30 A.M. with a presentation by the Rock County Health Department.

Adjournment: Supervisor Peer moved adjournment at 9:40 A.M., second by Supervisor Collins. ADOPTED.

Respectfully submitted,

Linda Milligan
Confidential Administrative Assistant

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