

VALLEY HI COMMITTEE
McHenry County Government Center – Administration Building
667 Ware Road
Woodstock IL 60098

MINUTES OF THURSDAY, JULY 26, 2007

Chairman Zierer called the Valley Hi Committee meeting to order at 8:30 a.m. The following Committee Members were present: Mary Lou Zierer, Chairman; Ed Dvorak; Jim Heisler; James Kennedy; Pete Merkel and Dan Shea. Mary McCann arrived at 8:34a.m. Also in attendance: Peter Austin; County Administrator; Ralph Sarbaugh, Associate County Administrator – Finance; John Labaj, Deputy County Administrator; Cathy Link, Purchasing; Pam Palmer and Jim Bernier; Auditor; Marc Munaretto, County Board; Mike Scavatto, Management Performance Associates; Deb Randels, Valley Hi; John Hadley, Facilities Management; staff; and the press.

Mary Lou Zierer, Chairman	
Ed Dvorak	James Heisler
James Kennedy	Mary McCann
Pete Merkel	Dan Shea

MINUTES

Mr. Shea made a motion, seconded by Mr. Heisler to recommend approval of the Valley Hi committee minutes of July 12, 2007 as presented. The motion carried with all members present voting aye.

EXECUTIVE SESSION

Mr. Kennedy made a motion, seconded by Mr. Dvorak to enter into executive session at 8:32a.m. to discuss personnel. The motion carried with all members present voting aye on a roll call vote (Dvorak, Heisler, Kennedy, Merkel, Shea, Zierer)

Ms. McCann arrived at 8:34a.m.

The committee returned to regular session on a motion by Mr. Shea, seconded by Mr. Kennedy at 8:56a.m. The motion carried with all members present voting aye on a voice vote.

After noting that there was not action taken during the executive session, Chairman Zierer announced that a resignation has been received, and accepted, from Mr. Wenberg, the Administrator at Valley Hi.

PUBLIC PARTICIPATION

None

PRESENTATIONS

The Management Audit – Mike Scavatto, Management Performance Associates: Mr. Mike Scavatto, from Management Performance Associates joined committee members to answer questions surrounding the recent Management Audit that was completed for the Valley Hi Nursing Home. He provided a list of observations and suggestions for Valley Hi. Mr. Austin stated that weekly meetings have been scheduled with the division managers to address concerns. The most important is the fact that expenses are growing much faster than the revenue, which has to be reversed. Staffing levels at Valley Hi are really pretty good. Mr. Scavatto noted that reimbursements from Medicare and Medicaid were being overlooked and they are the best payers for nursing homes. He stated there is no reason why Valley Hi should not capitalize on these programs. There has not been any increase for the private pay residents either. These individuals should be paying the market rate. Valley Hi needs to be competitive in this area. Agency costs need to be reduced; these costs will never be completely eliminated, but, could come down. A standardized agency contract is needed. Basically the report noted that there is no issues regarding the patient care at the facility. Committee members stated that a game plan is needed and someone to follow through with the game plan. Mr. Scavatto stated that the changes start at the committee level. He encouraged committee members to speak with DeKalb County officials as they had similar problems in the past. Mr. Scavatto stated that his firm has been involved with 10 or 11 nursing homes where their situations have now turned around and the same could be done at Valley Hi, if a game plan is followed. Personnel need to be held accountable and Administration will be looking at everyone's performance. It will take a multi-disciplinary approach to solve some of these issues. Mr. Scavatto stated that one of the other issues he observed is that the Valley Hi committee has been so concerned with patient care that the finances have been ignored. The committee needs to be part of the solution and they need to make changes rapidly. Some suggestions included getting the Carewatch software, get on top of elopement, increase funding from Medicare A & B, charge for ancillary services, address the oxygen issue and place business with a prime vendor. Mr. Kennedy made a motion, seconded by Ms. McCann to direct Administration to analyze three options, 1) hire an Administrator; 2) contract with Management Performance Associates to develop a business plan for Valley Hi and 3) contract with Management Performance Associates to operate the facility and bring back for discussion at the next committee meeting. The motion carried with all members present voting aye on a voice vote.

Mr. Dvorak left committee at 9:37a.m.

Chairman Zierer stated that a special meeting may be needed to address these concerns. Committee members thanked Mr. Scavatto for his work at Valley Hi. Mr. Scavatto stated that Valley Hi is already better off that they were before because they now know the issues they need to address. The patients are all receiving great care and they have a great staff. Now it is important to take care of the business end. Committee members suggested that a summary of the total issues written out with the steps we will need to take to correct the issues and how much money it will cost to address the issues.

Committee members were provided with a construction update for Valley Hi. The contractor was challenged to wrap up the remaining issues at Valley Hi. Administration met yesterday with the State's Attorney, Architect and the County Board Chairman and reviewed the construction issues. They were pleased that with the outcome of the meeting and instructed the State's Attorney to forward the contract with the final closeouts. Some of the main issues that were addressed were the leak in the mechanical room; clean up of well house #2, problems with the dryer units and the shaking loose of the toilets. Mr. Austin stated that the top soil issues will be addressed as a part of next years landscape contract and ponding in the courtyard will be addressed with the landscape contractor.

Committee members questioned if the Management Audit would be reviewed with Staff. Mr. Austin noted that the audit is a business issue and has no reflection on the service being provided to the residents. It is hopeful with improved communication with the weekly meetings with division managers, information will flow to the staff. The managers will hear concerns of the employees and address any issues during these weekly meetings.

NEW BUSINESS

None

OLD BUSINESS

None

REPORTS TO COMMITTEE

None

COMMITTEE MEMBERS COMMENTS

None

ADJOURNMENT

Mr. Merkel made a motion, seconded by Mr. Heisler to adjourn the meeting at 9:50a.m. The motion carried with a unanimous voice vote.

* * * * *

RECOMMENDED FOR COMMITTEE/BOARD ACTION:

:ksf