

Public Health Committee Minutes

March 1, 2011 – 4:00 p.m.

Present: Chairman Wright; Supervisors Kinowski, Lucia, Raymond, Richardson, Southworth, Wood; Spencer Hellwig, Administrator; Diane Brown, Sandy Fisher, Maplewood Manor; Lori Stiles, Public Health; Sam Pitcherelle, Treasurer; Hans Lehr, Mental Health; Steve Dorsey, Robert Wilcox, County Attorney.

Chairman Wright called the meeting to order and welcomed all in attendance.

On a motion made by Mr. Lucia, seconded by Mrs. Southworth the minutes of the January 10, 2011 meeting were approved unanimously.

Mrs. Brown said Tricare is an insurance that is based on the Medicare reimbursement system. There are no changes in the reimbursement; however, there are a few changes in the way services are billed. **Mrs. Brown requested committee approval to allow the county to enter into an agreement with Tricare Insurance for billing purposes.**

A motion was made by Mr. Richardson, seconded by Mr. Kinowski to approve entering into a new agreement with Tricare Insurance for billing purposes. Unanimous.

Mrs. Brown said Maplewood Manor is done doing all of their adjustments for 2010, and is showing a shortfall for 2010 of \$5,219,389.16, which is needed from the General Fund.

The following outline was distributed to the committee explaining the revenues and expenses for Maplewood Manor for the period ending December 31, 2010:

Revenue:

Applied Fund Balance: During the budgeting process in 2009 it was believed that Maplewood Manor would end the year with a fund balance of \$5,600,000. Instead the year ended with \$4,264,771.47, leaving a negative \$1,335,228.53 difference.

Department Income: There was a negative balance in this category due to the lower than budgeted reimbursement from Medicaid of over \$525,000, lower than the budgeted reimbursement from Medicaid of \$375,000, and OMIG recoupment of over \$577,000 due to the Co-gen plant issue. Also \$872,000 was deferred in 2010 and it is expected to be income in 2011. During the budgeting process it was believed that the Infirmary would be getting higher rates for patient days, and that did not happen.

Interest Income: Any fund that is subsidized by the General Fund does not keep its interest income. It is effectively transferred to the General Fund.

Misc: The category is under budget by \$78,622.50. This represents a grant for a lift. The lift project was completed in 2011. The State has received the necessary paper work to award the grant, and the revenue will be realized in 2011.

Expenses:

Personal Services: This is over budget by \$31,351.14

Benefits: This category was over budget by \$1,547,434.25, which includes an accrual of over \$583,000 for the early retirement incentive. It also includes an amount in health insurance that is over budget by \$833,000.

Contractual: This category is under budget by \$154,566.02

Ms. Raymond asked if the \$525,000 and \$375,000 for the Medicaid and Medicare estimates were not right or if they reduced their reimbursement rates? Mrs. Brown said when they were budgeting for 2010 they didn't have rates for Medicaid. Mrs. Fischer said we are still getting 2009 rates. Ms. Raymond asked if we would get caught up at some point. Mrs. Brown said they are hopeful they will receive more money, but they are not sure given what is happening with the State.

Ms. Raymond asked if we were going to be back here in nine or ten months with the same problem? Mrs. Brown said what they do know is that 1.1% has been reduced from 2010; however, they have no information on 2011 as of yet.

Mrs. Southworth asked if when we projected for 2011, did we project the 2010 approved rate or did we project the 2009 rate that we were actually receiving? Mrs. Fisher said we projected on the 2009 rate.

Mrs. Brown said with regard to the \$375,000, the infirmary was down 12 Medicare days in 2010 compared to the usual. Mrs. Brown said Maplewood Manor takes a lot of people directly from their home, so there will be a lower number of Medicare days.

Mr. Hellwig said there is a surplus in the general fund of \$900,000, so in the case of the insurance piece of this total the money is just in the wrong fund, and because we allocate the money by payroll, the percentages were off. This is something that we will have to look at in the future, he said.

Ms. Raymond said she wants to make sure that departments don't end up with big holes in their spending plans because we are tacking them with the excess costs of the retirement. Mr. Hellwig said it is all done, those were all 2010 costs.

Mr. Hellwig said the way this worked out last year, none of this was anticipated, so all of the sudden we were spending millions of dollars to cover those additional costs and now this is the end of that.

Mr. Kinowski said the State is going to calculate the States requirements and tell you to pay a lump sum over a period of time. The only thing that was unknown was all the excess leave that was on the books that people didn't intend originally to pay back in addition to the benefits. The calculations of savings would be the opposite of that, including who didn't get hired back because you didn't plan to do that, and any deferral of hiring. The unknown is now known, and the calculation is subtracted from that, so this is probably going to happen by every department, he said.

Ms. Raymond asked if there is a shortfall by departments, where are they going to get that money from? Mr. Wright said it would come from the General Fund. She said she didn't want to see departments, who thought that their budgets were accurate, suddenly having to save several thousand dollars through the course of the year.

Mrs. Southworth asked if we are losing Medicare beds because people wanted to go to those facilities or because their admissions procedure was able to do it in a more timely manner? Mrs. Brown said there were some changes at Maplewood Manor. She lost a screening person, and it took a couple of months to get a new person trained in that position. Most of our admissions come from Saratoga Hospital, she said. Saratoga Hospital has a rehab area so patients go right to there, Wesley has a rehab area and patients go right to there. Maplewood Manor ends up being the third choice, mostly because of location. This is changing, however, as a lot of people are now requesting to go to the Maplewood Manor facility. Mrs. Southworth said, maybe we should be educating county residents. As much as you might like taking people from home, the county loses a considerable amount of money doing that. This is something that we should look at and re-evaluate. Mrs. Brown said the philosophy in the county has always been, if you live in the county we are going to take care of you.

Ms. Raymond asked why you get more money if a patient comes from a hospital rather than from a home? Mrs. Brown said if the patient has a three-day hospital stay and they are coming in for rehab or for some other skilled service they can be Medicare covered. The rate for Medicare is based on what services are being received. In general, the county budgets for \$280/day, which averages out to be that amount.

Ms. Raymond suggested inviting professionals in the field to tour the county facility, to meet the staff and some of the elected officials that can make it clear that they are supportive of the facility.

Ms. Raymond said she would make a motion to approve the budget appropriations for the county infirmary with the understanding that she reserves the right to possibly vote no, after reviewing it in more detail, when it reaches the full Board of Supervisors for consideration.

A motion was made by Ms. Raymond, seconded by Mr. Richardson to approve the budget appropriations for the county infirmary for 2010 as outlined. Unanimous.

A motion was made by Mr. Richardson, seconded by Mr. Lucia to move into Executive Session for the purpose of Litigation. Unanimous.

On a motion made by Ms. Raymond, seconded by Mr. Lucia the meeting returned to regular session. Unanimous.

A motion was made by Mr. Richardson, seconded by Mr. Kinowski to authorize litigation to collect the accounts of J. Marie Stack and William Stack. Unanimous.

Mrs. Southworth said the Pro Act discount card program is holding steady.

Mrs. Brown invited all Supervisors to the Maplewood Manor Recognition Luncheon on March 16th at 1:00 p.m.

On a motion made by Mr. Richardson, seconded by Mr. Lucia the meeting was adjourned.

Respectfully submitted,
Chris Sansom