PORTAGE COUNTY

PCHCC COMMITTEE MEETING MINUTES

WEDNESDAY, JANUARY 20, 2021
5:00 PM

ANNEX CONFERENCE ROOM 1 & 2
1462 STRONGS AVENUE
STEVENS POINT,WI 54481

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1. **REMOTE ATTENDANCE & COMMENT**

To attend this meeting by telephone : dial 1-608-338-1399, after dialing the number you will then be asked to enter in a meeting number. Use the following meeting number: 742 266 877, then press #

To attend this meeting by video: Click here to join the meeting.

Due to COVID-19 and the potential risk to members of the public who attend meetings in-person, any person who plans to attend the meeting remotely, but wishes to comment on an agenda item can send their comments via email to lingforl@co.portage.wi.us. The deadline for sending comments by email is 48 hours prior to the start of the meeting. Emailed comments will be delivered to committee members at least 24 hours prior to the meeting. Remote comment by the public during the meeting will be at the discretion of the Chair.

Face coverings are required for in-person attendance unless an exemption applies.

2. **CALL TO ORDER (5:07 PM)**

Members Present: D. RAABE, M. JOHNSON, M. NEVILLE, N. MOUA AND R. RESER

Reser, Raabe, Neville, Moua attended virtual. Johnson attended in person.

3. **PUBLIC NOTICE**

Members of the public who wish to address the Committee on specific agenda items must register their request at this time, with such comments subject to the reasonable control of the Committee Chair as set forth in Robert's Rules of Order.

4. **APPROVAL OF MINUTES**

5. **20-2709** **DECEMBER 16, 2020 MEETING MINUTES**

Documents: 2020.12.16 DRAFT 2.PDF

A motion was made by Member R. Reser, seconded by Vice-Chair N. Moua, to approve.

6. **DISCUSSION/POSSIBLE ACTION REGARDING SPECIAL MEETINGS (PORTAGE COUNTY ORDINANCE 3.1.47 & 3.1.48)**

- **REQUEST FOR SPECIAL MEETING ATTENDANCE**
- **APPROVAL OF ATTENDANCE OF SPECIAL MEETINGS**
- **SPECIAL MEETING ATTENDANCE REPORTS**

No action.

7. **CORRESPONDENCE**

None.

8. **DISCUSSION/POSSIBLE ACTION**

- **DISCUSSION AND POSSIBLE ACTION REGARDING REGIONALIZATION WITH NORTH CENTRAL HEALTH CARE** - Joint presentation by Michael Peer, Principal at Clifton, Larson, Allen and Michael Loy, CEO at North Central Health Care, on the financial concepts of regionalization. ***The information contained in the presentation is intended to illustrate financial results under various strategies. As project scope/design has not occurred, the resulting cost and operational impact will change.****

- **DISCUSSION AND POSSIBLE ACTION REGARDING RESOLUTION RECOGNIZING THE HEROIC AND EXCEPTIONAL EFFORTS OF THE TEAM OF PCHCC IN THEIR WORK TO PROTECT OUR MOST VULNERABLE POPULATION DURING COVID-19.**

- **DISCUSSION AND POSSIBLE ACTION REGARDING RESOLUTION ALLOCATING U.S. HEALTH AND HUMAN SERVICES "PERFORMANCE PAYMENTS" TO SKILLED NURSING FACILITIES AS BONUS PAYMENTS TO HEALTH CARE CENTER EMPLOYEES.**

- **DISCUSSION AND POSSIBLE ACTION REGARDING UPGRADING AMERICAN DATA ECS V9 to V10.**
  - **ECS V10 upgrade was not discussed.**

9. 21-2818 **FINANCIAL PRESENTATION**

Documents: CLA PCHCC COMMITTEE UPDATE - DRAFT 1.13.2021.PDF

Michael Peer, Principal at Clifton, Larson, Allen and Michael Loy, CEO at North Central Health Care, provided a joint presentation on the financial concepts of regionalization. Chair M. Johnson used her chair privileges, to predicate the HCC situation. The future of the HCC has been a discussion point for many years. Chair M. Johnson said we have two options: stay in business but not in the existing building, or not be in the health care business. If we sell, we are selling our bed license and our employees. Chair M. Johnson stated the information contained in the presentation is intended to illustrate financial results under various strategies. As project scope/design has not occurred, the resulting cost and operational impact will change.

Michael Peer provided a strategic overview. Does the Committee support next steps to explore an investment in infrastructure? Does the Committee support next steps to explore a collaboration model with NCHCC? COVID has provided challenges, including decreased occupancy and admissions. M. Peer said we do not know what future regulatory oversight will result because of COVID but infection control and air handling are likely issues to be addressed. Older facilities may not be able to handle the potential requirements. The year 2019 is being used at the base-year for financial analysis. The market assessment shows there are 130 skilled beds in the market area. The need for skilled beds is expected to decrease by the year 2025. The current need is 96 and expected to be 88 in 2025. There are decreased lengths of stay, other sources of home health opportunities and insurance pressure to use less costly resources. M. Peer said the electronic medical record has exceeded its useful life. It needs to be replaced to allow interfacing with other facilities and reduce duplication of work. M. Peer said an add on component, such as assisted living, will be needed to achieve financial sustainability. There are less regulations for assisted living facilities, less cost per square foot for construction, and greater profit margin.

Michael Loy said in 2017 Marathon County faced a similar situation, deciding if they should remain in skilled nursing. Marathon County decided to remain in the business. He said COVID will likely impact future regulatory requirements. M. Loy said the access to skilled beds will likely decrease. We need to keep beds available in our community. He said there is a need for more rehabilitation services, but they are requiring shorter length of stays. There is an increased need for behavioral services, relative to dementia care. M. Loy said long-term care is changing. Collaboration would provide the ability to share resources, negotiate better contract pricing, and make us more valuable to health care systems. Collaboration would allow the County to retain ownership of the building. The County would enter into a 5-year management agreement.

M. Peer said collaboration buys us time. The construction of a new building would need to occur because the current building efficiency limits will be maxed in the long-term. M. Peer said there are four concepts: A) continue in the current building and renovate. This doesn't fix the problem and the tax levy requirement will continue to increase; B) build new at current capacity without collaboration. This doesn't fix the problem because it doesn't provide financial stability; C) build new and collaborate. This will result in operating margin compression and revenue will be less than expenses; D) build new and collaborate, decrease the number of skilled beds, add assisted living. This will provide stabilization and financial viability. M. Peer said the recommended next steps would assess the strategy of moving forward with collaboration and communication with an architect on infrastructure.

Several questions were asked. What is the benefit of regionalization that we couldn't do on our own? Could we have a breakdown of the amount of savings with collaboration? What administration is retained? Do we become competition for the private sector? Can the additional services be provided by the private sector? How much input does staff have in the chosen products being negotiated? What happens if there is a financial shortfall? Are losses spread across all Counties? Have the HCC semi-private rooms (shared rooms/bathrooms) hurt the admission rate? Is it hard to get a blend of payer sources with fewer skilled beds? What timeline is needed to get the financial impact of collaboration?

Chair M. Johnson said there will need to be a robust discussion to obtain the information M. Loy will need to assess the financial impact of collaboration. A meeting will be scheduled with Executive C. Holman, Al Haga, Chair M. Johnson, D. Raabe, Human Resources, Finance and HCC administration. D. Raabe said he would like information on the impact of collaboration and on selling the beds and facility. Some other Committee members would like that information also. Executive C. Holman or Chair M. Johnson may be contacted with questions. There will be a Committee meeting on February 3, 2021 to continue the discussion of collaboration and exiting the skilled nursing business.

10. 20-2736 **RESOLUTION**

Documents: APPRECIATION RESOLUTION.V2 OF 01-15-2021.PDF

Motion by Neville/Raabe to discuss the appreciation resolution. D. Raabe said this is a good gesture and formalizes the high regard we have for the HCC staff with their work during COVID.

A motion was made by Member M. Neville, seconded by Member D. Raabe, to approve.

11. 21-2819 **BONUS PAY**

Documents: BONUS PAY RESOLUTION OF 01152021.PDF

Motion Raabe/Neville to discuss bonus pay for HCC employees. Executive C. Holman said the federal government provided some information today on the allowable usage of the Quality Incentive Program (QIP) funds. J. Jossie said usage of the QIP funds aligns mostly with the infection control guidelines. There are five categories of allowable expenses: costs associated with COVID testing, costs associated with COVID reporting, hiring of staff to provide patient care, costs to improve infection control, and costs to add technology resources to connect residents with family. D. Raabe said the bonus pay must be for HCC employees only and the COVID funding must be available. The funds cannot come from the regular budget. D. Raabe withdrew his motion. Neville agreed to withdraw the motion.

12. **REPORTS**

- Chairperson
- Administrator
- Business Manager
    - Financial Report
    - Vendor invoice List
- County Executive

Administrator

M. McDonald said the current census is 33. M. McDonald said the HCC roof is leaking in several places and may need replacement. She shared information on how some of the COVID funds have been utilized. The resident visitation room has been completed. We purchased some additional snack carts. M. McDonald said she spoke with the Department of Health who acknowledged the great achievement of remaining 303 days of resident COVID negative living. The one resident COVID positive case was mitigated. M. McDonald said the Medicaid reimbursement rate has declined to approximately $183.00 per day compared to the cost of $419.00 per day.

Business Manager

L. Lingford said the agenda format will be changing next month due to new software being utilized. L. Lingford said the window visit area is completed and the cost was approximately $30,000. This does include the construction, HVAC, fire alarm system, flooring. L. Lingford said that we were notified that we were denied Phase 3 COVID funding.

County Executive

Executive C. Holman provided highlights of the effects of COVID. Executive C. Holman said that revenues have changed significantly. In November 2019 the revenue was $508,000, December 2019 $540,000. In November 2020 the revenue was $286,000 and December 2020 $325,000. If that trend continues there will be an additional $800,000 shortfall. Net assets would need to cover the additional shortfall.

13. 20-2737 **FINANCIAL REPORT**

Documents: 012021 FINANCIAL PACKET.PDF

14. 20-2738 **VENDOR INVOICE LIST**

- Angus Young Associates- window visit remodeling prints
- Clear Path- repair call light locators
- Nassco-battery floor scrubber
- Ron's Refrigeration-refrigerant charge

Documents: HEALTH CARE CENTER VENDOR INVOICE LIST 11.30.20.PDF

15. NEXT MEETING DATE

February 3, 2021 at 5:00 p.m. in Annex Conference Room 1 & 2.

16. ADJOURNMENT (7:30 PM)

A motion was made by Member D. Raabe, seconded by Member M. Neville, to approve adjournment. Motion carried.

17. NOTICES

Notice: Any person who has special needs planning on attending this meeting in-person or remotely should contact Facilities Office at 715-346-1598 as soon as possible to ensure that reasonable accommodations can be made.

Notice: A quorum of the Portage County Board of Supervisors, or any committee thereof, may be present at this meeting.