PORTAGE COUNTY

MEETING MINUTES

HEALTH CARE CENTER COMMITTEE

PORTAGE COUNTY ANNEX
CONFERENCE ROOMS 1 & 2
1462 STRONGS AVENUE
STEVENS POINT, WI 54481

Thursday, September 28, 2023 **5:00 PM**

REMOTE ATTENDANCE & COMMENT

To attend this meeting by telephone : dial 1-872-242-7813, after dialing the number you will then be asked to enter in a meeting number. Use the following meeting number: 285 344 180, then press #

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

CALL TO ORDER

Meeting called to order at 5:00 P.M. by Chair V. Miresse.

Members attending in-person: V. Miresse, D. Jankowski (excused at 5:55 P.M.), G. Hakala, M. Hemmrich, S. Przybylski
Members attending on-line: None
Members absent: None
Members excused: None

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.

APPROVAL OF MINUTES

1. August 16, 2023

A motion was made by S. Przybylski, seconded by M. Hemmrich to approve the minutes from August 16, 2023. The motion carried on a voice vote with no negative votes.

DISCUSSION ONLY

2. Discussion Only: Regarding The Valuation Of Health Care Center

Executive J. Pavelski introduced Jay Hintze, Executive Director of SVN Hintze Commercial Real Estate, and Rachel Olson. Mr. Hintze specializes in selling skilled and senior housing facilities. Mr. Hintze said he had a potential buyer. Mr. Hintze did not walk through the existing HCC but based his estimate on comparable sales in the market and location. He said the 48 licensed beds are a good size and would be sought after by buyers. Mr. Hintze has sold seven facilities, five assisted living and two skilled nursing facilities. The most recent sale was in Algoma, WI. Questions were asked about commission rates and retainage of employees. Mr. Hintze said that the commission is typically a percentage of the valuation. The staff were retained with the Algoma sale. The market value of the HCC was not provided.

3. Discussion Only: New HCC Project Update By The Project Team

Nate Pearson, Tegra Group and Director C. Schultz provided an update on the new HCC project. The proposed new facility would be 53,000 square feet with an updated projected cost of $27.6M. This is an increase of approximately $1.8M in nine months. Major expense areas in the cost of the building were highlighted. Examples are gypsum board, plumbing, heating, electrical, and earthwork/excavation. There was discussion on the value of a new garage compared to the value of a typical homeowner's garage. The garage would have 14ft high side walls, floor drain, commercial doors, and other features not typical with a homeowner's garage. The garage may be utilized by other County Departments. Chair V. Miresse said there may be a potential to share the cost with other departments that would benefit from using the building.

PRESENTATION

4. Presentation: Master Financial Model update by Michael Peer, Principal at CLA (Clifton Larson Allen)

M. Peer, Principal at CLA (Clifton, Larson, Allen) provided updated financial projections. The baseline for the financial model was the current operations of the HCC. The model uses the 2024 budget based on a census of 32. The current occupancy is 25. The financial projection uses the assumption of 3% annual inflation for both revenue and expense. Capital expenditures are estimated at $50,000 annually. The tax levy is held flat at $3.2M. The model is a projection through 2032. M. Peer said the biggest drivers in the projection are occupancy rates and payer mix. M. Peer showed the projection with a census of 32 and 25. The model includes the updated cost of a new facility at $27.6M, with a bond rate of 5%. The amount of tax levy needed in 2032 is $5.5 to $6M. Chair V. Miresse asked if we closed the HCC would there be enough beds in Portage County to meet the demand for skilled beds. M. Peer said another skilled facility in the area may be available, others may be located in a different geographic area.

REPORTS

5. Chairperson

None.

6. Administrator

M. McDonald, NHA, said the world of skilled nursing facility care is ever changing. The dietary dishwasher is making a loud noise and we are looking into purchasing a new dishwasher. We are preparing for a state survey. Our current staffing level has allowed us to remain a 5-star facility. The current census today is 25. There were 857 resident days in August. We recently hired a casual LPN. There is an RN interview scheduled for next week. We have a devoted team, allowing us to maintain staffing without the use of temporary staffing. We continue to have a weekly call with the state infection preventionist. We have scheduled a flu clinic for residents and staff. Our goal is to continue to provide excellence in all aspects of operations.

7. Business Manager

- Vendor Invoice List
  - CoolSys- A/C repairs
- Financial Reports

L. Lingford, Business Manager, said in May 2023 we received a Payroll Based Journal (PBJ) audit. This was the first time PCHCC had a PBJ audit. Eight people were selected for the audit. Some of the items we were required to provide were payroll records, daily time sheets, employee handbooks, job descriptions, and census data. We received confirmation from CMS (Centers for Medicare and Medicaid Services) that CMS compared hours submitted to the PBJ policies and compared our census to MDS (minimum data set) records and they found no variance. No further action is needed.

Lingford provided information on current staffing at PCHCC versus the proposed staffing mandate. CMS is proposing .55 RN and 2.45 CNA hours per resident per day for a total of 3.0 hours per day. This does not include LPN hours. CMS is also considering 3.48 hours per day minimum staffing. CMS is currently accepting comments about the proposal. CMS estimated that 75-80% of nursing homes would have to strengthen their staff to meet the minimum staffing levels. PCHCC is currently staffing above those proposed mandates for both the RN and CNA.

8. County Executive

County Executive J. Pavelski said that a smaller facility is not economically efficient compared to a larger 80-100 bed facility. We are trying to build something that may not be economically efficient with a 32 bed facility. Pavelski asked if we are staffing above the mandate why we cannot increase our census. Gail Lankford, DON, said that our current building doesn't allow for sharing of staff. It is difficult to share staff between the units and that makes it difficult to increase the census.

DISCUSSION/POSSIBLE ACTION

9. Discussion/Possible Action Re: Special Meeting Attendance (Portage County Ordinance 3.1.47 & 3.1.48)

- Request for special meeting attendance
- Approval of attendance of special meetings
- Special meeting attendance reports

None.

10. Discussion/Possible Action: Regarding Resolution To Reduce The Number Of Bed Licenses

The HCC had approved the resolution on July 19th. The County Board voted on August 15th to send the resolution back to the Committee. There is the possibility that a 48 bed facility is more sought after than a 32 bed facility, if it was being sold. The State of Wisconsin currently does not have a process to obtain additional bed licenses if we want to increase the number of licensed beds. A workgroup is being established at the state level to discuss that potential situation but there is no time frame for that to be completed.

A facility can currently purchase licensed beds from a facility that is selling them. Chair. V. Miresse called three times for a motion. Due to a lack of a motion, no action was taken. This may be on the agenda after the April 2024 election.

CORRESPONDENCE

None.

NEXT MEETING DATE

11. October 26, 2023 at 5:00 P.M. in Annex Conference Room 5

ADJOURNMENT

Chair V. Miresse adjourned the meeting at 7:20 P.M.

NOTICES