1. October 7, 2019 Special Lakeland Health Care Center Board Of Trustees Meeting Agenda
   Documents:
   10-07-2019 SPECIAL LHCC AGENDA.PDF

2. October 7, 2019 Special Lakeland Health Care Center Board Of Trustees Meeting Packet
   Documents:
   10-07-2019 SPECIAL LHCC PACKET.PDF
Lakeland Health Care Center Board of Trustees
SPECIAL MEETING NOTICE
Monday, October 7, 2019
3:00 PM
County Board Room 114
Walworth County Government Center
100 W. Walworth St., Elkhorn, Wisconsin

Ken Monroe, Chair  Tim Brellenthin, Vice-Chair
Supervisor Kathy Ingersoll  Supervisor William Norem  Supervisor Charlene Staples

(Posted in compliance with Sec. 19.84 Wis. Stats.)

A quorum of the Health and Human Services Board will be in attendance.
It is possible that a quorum of the County Board or any of its other committees could be in attendance at this meeting.

Agenda items are available on the county’s web page (co.walworth.wi.us). The agenda packet, including supporting documents, may be large depending upon the number of enclosures. Downloading it may take significant time.

A G E N D A

Note: all agenda items are subject to action.

1. Call to order
2. Roll call of committee members
3. Agenda withdrawals, if any
4. Agenda approval
5. Approval of Minutes
   a) September 11, 2019 Lakeland Health Care Center (LHCC) Board of Trustees Meeting
      (encl. pp. 1-3)
6. Public Comment Period
7. New business
   a) Update on 2019 LHCC Budget
   b) 2020 Preliminary Budget on LHCC (encl. pp. 4-5)
   c) Options for future operations and programming at LHCC
8. Reports
9. Correspondence
10. Announcements
11. Upcoming Events
12. Set/confirm next meeting date and time – Wednesday, October 16, 2019 at 1:00 p.m.
13. Adjournment

Submitted by: Ken Monroe, Committee Chairperson
            Timothy Peek, Lakeland Health Care Center Administrator

Posted: October 2, 2019
Memorandum

To: Lakeland Health Care Center Board of Trustees
Cc: Tim Peek, Administrator – Lakeland Health Care Center
    Jessica Conley, Finance Director

From: David A. Bretl, County Administrator
Date: October 2, 2019

RE: October 7, 2019 Special Lakeland Health Care Center Board of Trustees Meeting

There will be three different topics of discussion on the Special LHCC Board of Trustees meeting agenda. A brief verbal update will be provided on the 2019 LHCC budget. Recall that, to date, we have supplemented the 2019 budget with $150,000 in reserves from LHCC fund balance as well as $355,000 from our Contingency fund. Secondly, I have enclosed an excerpt from my 2020 Administrator’s Budget letter to reiterate the options for the LHCC. Finally, Assistant Administrator Taya Walk will be presenting the board with a number of alternatives regarding the future of Lakeland Health Care Center in the event you wish to move to 90 skilled nursing facility beds.

This is a special meeting and a time to ask questions, request staff to explore difficult options or suggest a solution of your own. We will be meeting again at our regular meeting on October 16, 2019 and I would expect we will include this item on future agendas until a decision is made. While I believe it will be to our advantage to be decisive in terms of our next steps (both to preserve fund balance and minimize potential disruptions), there is no need for you to make any final decisions at next week’s meeting.

Please call with any questions you may have.

DAB/sr
Chair Ken Monroe called the meeting to order at 1:00 p.m.

Roll call was conducted, with the following members present: Chair Ken Monroe, Vice Chair Tim Brellenthin, and Supervisors Kathy Ingersoll, William Norem and Charlene Staples. A quorum was declared.

Others in attendance:
County Board members: County Board Chair Nancy Russell
County staff: County Administrator David Bretl; Lakeland Health Care Center (LHCC) Administrator Timothy Peek; LHCC Assistant Administrator Taya Walk; Human Resources Director Kate Bishop; Director of Health and Human Services (HHS) Elizabeth Aldred; Deputy Director of HHS Carlo Nevicosi; Finance Director Jessica Conley; Finance Manager Stacie Johnson
Members of the public: Gary Wagner, Lake Geneva; Veronica VanAntwerp, Delavan, WI

Supervisor Norem made a motion, seconded by Supervisor Ingersoll, to approve the agenda as presented. Motion carried by voice vote.

On motion by Supervisor Ingersoll, seconded by Supervisor Norem, the minutes of the September 3, 2019 Board of Trustees special joint meeting were approved by voice vote.

Public Comment – There was none.

New Business
• Walworth County Proposal Recommendation – Pharmacy and IV Therapy Services for Lakeland Health Care Center (LHCC)
LHCC Administrator Timothy Peek reported they received two proposals. Based on scoring and the proposal reviews, staff recommends award to Omnicare, who was also the lowest bidder. The contract is for three years, with opportunity to renew for five additional one-year periods. Supervisor Staples asked if the services were based on a 120-bed facility, and Peek said yes, but the costs would decrease with a reduction in beds. **Supervisor Norem made a motion, seconded by Vice Chair Brellenthin, to recommend award of the proposal to Omnicare a CVS Health Company.** Motion carried 5-0.
• Walworth County Proposal Recommendation – Oxygen Services for Lakeland Health Care Center
Staff recommended the contract be awarded to Specialized Medical Services, the current vendor. The contract period runs from October 1, 2019 through September 30, 2022, with the option to renew for two additional one-year periods. **Supervisor Norem made a motion, seconded by Supervisor Ingersoll, to recommend award of the proposal to Specialized Medical Services.** The motion carried 5-0.
• County Administrator’s 2020 proposed budget as it relates to LHCC
County Administrator David Bretl said Peek prepared a presentation that will explore options for the future of the Health Care Center. The 2020 proposed budget offers a number of possibilities with respect to LHCC, which is well over the 2019 project budget and has had to utilize contingency funds to continue operations. The decrease in revenue is the most significant issue impacting the future of the facility. Staffing shortages are a universal problem in the health care industry, and both private and public facilities have closed. Bretl acknowledged that operational improvements can be made; however, he commended staff and management for their dedication and efforts to maintain a high level of service.
Due to the foresight of previous Board members, a fund was established to sustain long-term operations, and $1.14 million of the balance is needed to continue current operations in 2020. Bretl outlined possible options for future services: maintain the 120-bed census and conduct a referendum in November of 2020 to exceed the levy cap to continue operations; reduce long-term costs by downsizing to a 90-bed facility during 2020 and close some units; pay the daily bed tax to keep the remaining beds for potential future use; consider alternatives in care provision, such as Community Based Residential services; or find the $1.14 million in existing budget funds, which would impact other departments. He encouraged the Committee to review all of the information on potential options thoroughly to make the best long-term decisions. Supervisor Staples stated previous studies have been conducted concerning operations with no resolution of the issues identified. She agreed the low Medicare reimbursement is a significant factor, but stated if the staffing issues could be resolved, she feels all 120 beds would be occupied.

Peek gave a comprehensive overview of the current situation at LHCC and the 2020 proposed budget. Components of the presentation included the workforce shortage; current compensation and benefits; financial resources; payment models; the statewide challenges facing nursing homes; growth in the aging population; and options for consideration for the future sustainable operation of LHCC. The shortage of qualified staff, the decrease in the census and Medicaid revenue have created a 2019 projected shortfall of $505,000. Peek noted Governor Evers has created a Task Force on Caregiving to study current issues and explore a plan to implement recruitment and retention programs to expand the pool of health care providers. He presented a table of LHCC’s wage steps for Certified Nursing Assistants (CNAs), pool and agency staff. Compared to wages in the region, LHCC pays consistently higher and has a better benefit package overall. Thus, pay is not a significant cause of the low staffing levels at the Health Care Center. The facilities payer mix is down, as well as the revenue stream because of the reduction in the census. July 2019 was a positive month; however, that was due to $615,000 excess funding received from the State. Peek included news items on skilled nursing home struggles and closings statewide. He summarized revenue and expenses from 2012 to the present, which shows the ongoing loss in revenue and increase in expenditures, most of which is a result of payroll expense increases. Although Walworth County’s population remains static, the age rate is increasing alarmingly. State legislators are becoming involved in advocating increases in Medicaid reimbursement at the national level, but the challenges of staff recruitment and retention and regulatory reform efforts continue.

Peek presented his recommendation on future options for LHCC. The facility’s mission is to provide superior care which enhances quality of life and supports the independence of all of its residents. Peek said staff and the Board need to decide what the ultimate mission/passion should be, whether it be long-term care, a combination of long-term care and Memory care, and/or short term rehabilitation. Consideration should also be given to whether to expand services to other counties. Regardless of the service model chosen, funding sources to sustain operations is the ultimate decision that needs to be made. Peek’s recommendation is to operate a 90-bed facility, which will promote sustained staffing, reduce overtime, provide time to assess potential future sustainable operations and maintain the remaining 30 beds until assessments are completed and decisions made. The long-term care environment needs to be reassessed. Attracting and retaining new employees might be accomplished by investing/partnering with Gateway to reimburse tuition fees for qualified and hired students at LHCC; investing in orientation and re-orientation; and investing in additional training for new hires through the mentor program. Even if LHCC reduced the census to 90 beds, it would remain the largest nursing home in Walworth County. The reduction to 90 beds would also enable vacating one of the units in the facility, which could potentially be repurposed for another level of care. Assistant Administrator Taya Walk has a presentation on alternatives which will be presented at the next meeting. Bretl suggested the Board could hold some special meetings as needed so some options might be decided before budget adoption in November.
Consensus was to hold a special Board meeting on Monday, October 7 at 3:00 p.m. for Ms. Walk’s presentation.

**Reports**
- Report of Department Head concerning July and August 2019 Business Activities
  Peek noted the reduction in overtime for licensed staff is continuing. The Business Office is diligently working on collections with outside assistance.

**Correspondence** – There was none.

**Announcements** – There were none.

**Upcoming Events** – The list of events was included in the agenda packet.
  October 23rd is LHCC’s spaghetti dinner and fundraiser. There will be silent bids for gift baskets and a raffle ticket sale. The event begins at 4:30 p.m. and runs until 6:30 p.m.

**Confirmation of next meetings:** A special meeting will be held on Monday, October 7 at 3:00 p.m. The next regular business meeting was confirmed for Wednesday, October 16, 2019 at 1:00 p.m.

**Adjournment**
On motion by Supervisor Staples, seconded by Vice Chair Brellenthin, Chair Monroe adjourned the meeting at 2:04 p.m.

Submitted by Becky Bechtel, Administrative Assistant. Meeting minutes are not considered final until approved by the Board Trustees at the next meeting.
Transportation

Wal-to-Wal DIAL-a-RIDE van
Nicole Hill, Mobility Manager

For many years, Walworth County provided transportation for seniors and disabled residents through a program operated by our Health and Human Services (HHS) Department. In 2013, in an effort to stretch program dollars and expand services, the decision was made to transition services from the County-staffed operation to third-party providers.

Beginning in 2014, VIP Services, a nonprofit organization based in Elkhorn, was awarded a contract to provide services. Rides through the program were originally limited to our senior and disabled residents and further limited to trips to medical appointments, nutrition sites and grocery stores. In 2015, the County expanded the types of trips that could be taken, making it possible for a senior or disabled resident to catch a ride for other outings, such as visiting a friend or going to a movie. In 2016, the County applied for grant funding to expand transportation to any resident of the County. The County was awarded the grant and in 2017, hired its first Mobility Manager, Al Stanek. Al, a veteran of transit programs in a number of cities including Racine and Peoria, Illinois, organized the new program, naming it Wal-to-Wal DIAL-a-RIDE. Demand for service took off nearly immediately and continues to grow. In 2018, our transportation program provided over 34,267 rides, an increase of 38 percent from the previous year.

After Al’s retirement in 2018, Nicole Hill took over leadership of the transportation program. Our transportation program has improved the quality of life for thousands of residents who now have the ability to move around our county.

effectively manage highway and facility projects. With the position on board, we anticipate the ability to perform more engineering “in house.” We are offsetting the cost of adding this position by allocating $120,900 to capital improvement projects.

Another major component of the Public Works reorganization would be the creation of three hourly Assistant Superintendent positions, effective May 1, 2020. I fully anticipate that these will be filled through promotion or vacancies created by staff retirements. These Assistant Superintendents will provide on-site supervision of our night-time FTE highway positions and will provide support to our Highway Superintendents. Richard Hough will present this full plan to you in September.

LAKELAND HEALTH CARE CENTER

Our Lakeland Health Care Center (LHCC) has experienced its share of financial adversity during the past year. At the time of this writing, we have supplemented its 2019 budget with the addition of $150,000 in reserves from the LHCC’s fund balance. At our September 3, 2019 Special Joint LHCC Board of Trustees and Finance Committee meeting, I am proposing that we appropriate an additional $355,000 from the County contingency fund to continue operations this year. At the September Finance Committee meeting, we will also be bringing forward a budget amendment for $615,478 of federal supplemental payment aid for Medicaid to offset revenues not being collected from patient revenue shortfalls due to low census. It is easy to criticize our program and some have chosen to do just that. Improvements in operations can and need to be made. That being said, for one to blame staffing and financial shortfalls solely on management, one must choose to be oblivious to the numerous well-published stories regarding skilled nursing facilities in our state and country. Some of the following news stories have been reported in Wisconsin during the first seven months of this year. On January 31, Atrium closed its skilled nursing facilities in Neenah and Chilton. On April 5, Dycora placed all eight of its Wisconsin skilled nursing facilities in receivership. On May 10, Linden Grove announced that it would no longer provide skilled nursing services at three of its four Milwaukee area facilities. Carmenta,
which operated the third-largest skilled nursing facility in Dane County, announced its plans to close. The month of July’s average census at Rock County’s 128-bed facility was 118.42. Consider that as of May 15, according to McKnight’s Long Term Care News, 14 skilled nursing facilities have closed in Wisconsin this year alone. Twenty-seven Wisconsin nursing homes are currently in receivership. Finding adequate staff and dealing with completely inadequate Medicaid reimbursements are two factors causing the long term care crisis. Rather than disparaging our own healthcare center, I want to applaud the efforts of management and staff for the work that they have done to provide high quality care to our LHCC residents.

All this being said, there is no question that we need to make a fundamental change to this program or to how we fund this program. This budget is being offset with $1.145 million of use of fund balance. Fund balance may only appropriately be used to restructure the current operation or find different long-term funding, i.e. an increase in our levy cap.

If you approve this budget, you are committing to one of two courses of action.

1. Continuing to operate a 120-bed skilled nursing facility and placing the question of exceeding our levy cap to the voters on the 2020 fall ballot.
2. Committing to downsize to a 90-bed skilled nursing facility during the course of 2020. While this may seem like a shock considering we have 120 beds, keep in mind that our censuses have been at 103 beds. It is also possible, that if we were to downsize, we could utilize the vacated space to provide other services to seniors including respite, CBRF, assisted living apartments or other needed services to seniors in our community.

When I arrived in 2001, the question of the nursing home was always framed as to whether to have one or not. This is not the only way to look at the issue. The same argument was made with respect to our special needs school at the same time. I hope that Lakeland school will serve as an example. There, we modified the program and achieved an excellent outcome.

If you do not wish to commit to either of the two above-stated alternatives and wish to continue operating a 120-bed facility, it will be necessary to cut $1.145 million of our expenses in the County budget.

**EMERGENCY SERVICES**

There are a number of budget areas within the broad category of Emergency Services that I need to highlight in this budget letter.

*Consolidated Dispatch*

On June 17, 2019, at the urging of the county-wide Fire/EMS Study Committee, the Executive Committee recommended that I include funds in the County Administrator’s Budget to study an independent consolidated dispatch. While I tried to accomplish this, I was unable to accommodate the request. I did, however, want to highlight the issue in the event the Board sees this differently. This budget does include the purchase of ProPhoenix software to aid in the dispatch of our fire and EMS services.

*County-wide Communications Infrastructure Upgrade*

The Executive Committee and Sheriff have been discussing this major project during the course of the year. One of the challenges in planning for this project has been the uncertainty surrounding the upgrade