

**COUNTY HOME ADVISORY COUNCIL MEETING  
WEDNESDAY, APRIL 13, 2005**

**Call Meeting to Order**

Chair Ken Miller called the meeting to order at 6:30 p.m. at the County Home with the following Council members present:

Present: Ken Miller, Skip Sipos, Brian Feron, Randy Bing, Cheryl Scheck, Phebe Simpson, Craig Enoch, Randy Schmidt, and Emily Muscatello

Absent: Jo Becks

The following Ex-officio member was present: Lynn Remington – County Home Superintendent

Ken said the purpose of this meeting is to try to arrive at a County Home resident rate that they could recommend to the Commissioners. There have been several discussions over the issue, and it is not a simple issue. He encouraged everyone to express their opinions so they can reach the best decision possible for the operation of the County Home.

**Approval of Minutes for 3/20/05**

The minutes from the 3/20 meeting were tabled until the next meeting so that everyone can review them.

**Presentation of County Home Financial Information**

**A. Sources of income including residents' co-pay**

Lynn Remington provided a spreadsheet showing the breakdown of income by resident and their spend down. Cheryl Scheck explained how the spend down procedure works. She gave an example of a Medicaid paid resident whose gross monthly income before any deductions is \$732.

\$732 Gross income  
-20 allowance variance the state gives  
- 504 Medicaid need figure  
\$208 = spend down

The County Home takes care of paying the residents' Medicare premium. Because of the type of income they have, everybody that lives at the Home gets a \$20 disregard off the top of that income so they subtract \$20. Then there is an adjustment for the Medicaid "need" figure that is established by the State of Ohio for rent, utilities, and food, and that amount is \$504. If the income goes up yearly, the need standard is adjusted. After these deductions, that is the spend down figure available to meet their medical needs. Before Medicaid will pay any of the resident's medical expenses they would have to pay this \$208, and Medicaid would pay after that for that month's prescription, hospital, and doctor bills. Many residents are on a program that helps pay their Medicare premium every month so it is deducted and that lowers the spend down. Lynn makes the determination every month whether or not to put the resident in the program as they can go in and out of it according to their monthly medical expenses. She also has some

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residents that are pending Social Security claims or may be pending the determination that they are permanently disabled.

Skip Sipos pointed out that when someone's medical condition changes resulting in increased costs such as needing expensive prescriptions, it would be good to "buy this product". This is another variable that needs to be considered.

Upon questioning, Lynn said the board and care income can also fluctuate depending upon whether the spend down amount is paid. Most of the spend downs are being used. Four residents' spend downs fluctuate. Emily Muscatello arrived during this discussion. The residents marked "state pending" are residents that are still waiting for their assets to be sold. The four residents that do not have any income do not receive the \$40 personal allowance from the County Home. The Friends of the County Home usually gives them money for birthdays and such or they get church or family support. There is no statute that prohibits the County Home from giving them money. Other income is from donations. Budgets are increased 3% of the actual figures annually by the Commissioners. They are staffed appropriately for an increase in the number of residents. Food, consumable supplies, medical expenses, and medical supplies are variables.

**B. Review of expense reports and expense trend analysis**

Emily said the Finance Committee needs to know what the average cost is for the four residents that do not have any income because that would be a fixed cost that would come right off the top.

Phebe Simpson suggested they come up with a cost figure for the budget that excludes the variable of the medical bills. Then they could figure out what the medical costs are monthly. She pointed out that this method somewhat encourages higher medical bills because if a person does not have medical costs equal to their spend down amount, the costs would come out of their pocket.

Skip commented how valuable individual resource information is in order to give recommendations to the Commissioners. For example, when someone has an asset that is losing income such as an annuity that would be exhausted in three months - that would completely change the picture on the projections that were based on full pay.

Brian said that is why historically this has been such a difficult topic. There have been some good arguments either way last week about getting the rate closer to actual.

Emily asked if Lynn does a yearly update with vendors to see if there is somebody less expensive and Lynn said that she did for food and laundry supplies. Emily said in June or July in the assisted living and nursing home industry they look at all of the vendors plus vendors call on them. She said they might want to consider that method.

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Ken said they should ask for request for proposals (RFP's) from their providers and anyone out there in the same field to see if they can bid a lower price.

Brian asked if it would help to link up with some of the other county departments for purchasing since there is no central purchasing agent for the entire county. He suggested they recommend that the Commissioners consider the benefits of buying power with larger numbers.

Ken asked if there were any other expenses they needed to consider in the rates.

Lynn said they should consider the capital improvements. The major improvements have been done. There is a five-year capital improvement plan.

Ken said he thinks there was \$25,000 built into capital improvements each year in the levy projections. Because of the needs such as the roof and parking lot, the plan amounts were exceeded considerably, which added to the costs. They were also responsible for increasing staff and increasing wages in order to get a stable staff to better serve the residents' needs.

Cheryl said they also increased the residents' personal allowance, which decreased the revenue coming in. On the other hand, they eliminated some overtime pay from when they were short staffed.

Emily pointed out that staffing patterns are based on the acuity level that they have in the building. For example, if they had 30 of the 50 residents that could do everything for themselves, then the staffing patterns would need to be different. This situation needs to be looked at as far as expenses. Council felt the rates of pay had to be adjusted in order for Lynn to attract staff coming and wanting to stay. If they should drop below 45 residents they would need to look at staffing again.

**C. Enrollment trends for population**

**D. Expectation for 2005 enrollment**

Ken asked if they were looking at an increase in population at this point.

Cheryl suggested they have a "special" where they offer a reduced rate for the first month to try to attract people.

Lynn said she has a married couple that is interested and will be coming in for a tour soon.

Skip said Lynn has been working with the Housing Authority staff that has the ability to help her with paperwork and arrange to get the interested parties here. He feels this relationship and its marketing should add about five new residents by the end of summer.

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Lynn said they have a letter going into the Helping Hands newsletter soon and a letter will be going into the Medina County Annual Report newspaper supplement; there will be free blood pressure checks at the Home; and they are setting up tables with information at White Oaks of Wadsworth and at the hospital in the fall. September 18<sup>th</sup> is the big Open House with a silent auction and barbeque.

Brian said he feels the marketing efforts are key this year. There is no shortage of target markets in the county. There is an abundance of people to get the word out to, even if they are not in the Home's age bracket - they might be a caretaker of someone younger or older age that is looking for alternatives. The goal of 55 residents is certainly in reach.

Cheryl said whatever they set the rates at, the families do not want to turn the income over. That is why the nursing home rates are down. They are choosing to keep people at home and keep that income.

Skip said the advertising pitch needs to be a non-economic one.

Ken said since they are expectant and confident that they will have fifty-five residents, he asked Council if they wanted to set that as a standard for attainment as far as one of the evaluation standards for the performance of the County Home by the end of the year.

Skip said he thinks they should have measurable outcomes and goals. Cost containment could be another one. But if they are looking for an occupancy standard, the goal should be 55 residents by January.

Brian pointed out that he agrees that goals are great, but the one thing they cannot control is the departure rate. They should keep the "pipeline" filled and see what they can do to keep a waiting list scenario.

Ken said their expectation for 2005 enrollment is 55 as the standard and anything over that is "gravy".

Skip asked Lynn if that expectation is unreasonable and she felt it was not unrealistic. There are 10 beds available in both areas - close areas for those in wheelchairs and farther away for those that can walk.

Ken asked Lynn if it was a fair statement that they had not concentrated on the active solicitation for increased enrollment because of all the things going on at the Home as far as the changes and new administration. Comments have been made that CH population has even gone down. He feels it may have gone down because their attention has been diverted elsewhere at least part of the time. She agreed and feels comfortable with the goal of enrollment at 55 residents.

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**E. Rate(s) calculation – one or two?**

Ken said Brian made a suggestion for the rate calculation based on 50, 55, and 60 residents. He asked if they want to have one rate or two.

Brian said he does not think anyone would disagree that one rate would be much easier to market as long as they keep the explanation in the brochure, website, etc., subject to income eligibility.

Skip suggested they do not publicize the rate and just say, “based on income” and all agreed the rate details would be explained in person.

Cheryl agreed with the one rate, stating two rates might cause conflict eventually. She pointed out that anyone could potentially come into money, such as an inheritance or the lottery.

**F. Additional income – full payment of rate for out of county residents**

**G. ADAMH Board residents & accommodation of need**

**Calculation of Rate**

**How to present information for public understanding**

Ken said they have three rate proposals from the Commissioners to consider. The group reviewed and discussed them. Skip asked about the ADAMH Board resident’s rate circumstances – if a rate increase would apply to them or not. Cheryl said, because it is a contract, they would need 120 days advance notice for a rate increase. When the contract expires in June it could be negotiated. She suggested they go with the \$1,580 rate for everyone for this year and look at the future with either a percentage increase or reduced expenses. Skip said Commissioners have already set a budget for this year, but he felt they needed more analysis of the variables before they can make future percentage increase recommendations. Brian pointed out unknowns such as costs for medical and higher gasoline prices tacked on across the board. Cheryl said the medical costs for employees went up 15% this year, but the employees are paying a higher premium. Skip speculated the net impact was about an 11% increase. Brian suggested they make the official recommendation of \$1,580 for all residents. Emily suggested they review the assisted living rates and other County Home rates that one proposal was based upon first, and the group looked over the data. Skip pointed out that going from the old rate of \$1,100 to \$1,580 was a 43% increase. He feels comfortable charging \$1,580 if the ADAMH Board was willing to pay a portion of the increase.

On a motion by Skip Sips and a second by Randy Schmidt the County Home Advisory Council recommended that the Medina County Commissioners establish one rate of \$1,580 for all the residents of the County Home effective July 1, 2005. Ken Miller, Skip Sips, Brian Feron, Randy Bing, Cheryl Scheck, Phebe Simpson, Craig Enoch, and Randy Schmidt voted AYE. Emily Muscatello voted NAY. Motion carried.

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It is the request of Council that their Finance Committee further review of the expenses, etc. over the next few months and report back to Council as a whole the outcome of their efforts.

**Public input** - none

**Adjournment**

Respectfully submitted,  
Pam Vereb, Secretary

**Next Meeting – April 27<sup>th</sup> at 6:30 p.m. at the County Home**