

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, January 9, 2012

9:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

- COMMITTEE:** Patrick F. McAllister, Chair Joseph J. Hauryski, Vice Chair Lawrence P. Crossett
Carol A. Ferratella Thomas J. Ryan
- STAFF:** Mark R. Alger Jack Wheeler Nancy Smith
Vicki Fuerst Chris Congdon David McCarroll
Stacey Lee Henry Chapman, Psy.D. Karen Monroe
Pat Donnelly Jim Gleason Alan Reed
Brenda Mori
- LEGISLATORS:** K. Michael Hanna Gary B. Roush Randolph J. Weaver
- ABSENT:** Gary D. Swackhamer Scott J. Van Etten
- OTHERS:** Mary Perham, *The Leader*

I. CALL TO ORDER

Mr. Crossett called the meeting to order at 9:00 a.m.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES FROM THE NOVEMBER 7, 2011 MEETING MADE BY MR. CROSSETT. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mr. Alger stated that Mrs. Fuerst and Ms. Congdon met with VNA a week ago and are beginning the process of discussing the transition and coordination of the agency with regard to the contract finalization. During the process we will discuss what we will retain through the transition. At this point, there is no indication that we should expect any issues with the contract negotiations. There will be more than one contract in place for this and there are a couple of steps that we will have to take with regard to the different contracts. We will bring those back to the committee as they develop to get approvals.

Mr. Hauryski stated that he would like to thank both Mrs. Fuerst and Ms. Congdon as they have done an outstanding job through this entire process.

B. Office of Community Services

1. **RFP for Services** – Mr. Alger stated that we do not have a lot of information at this point. He stated that he does have copies of RFP's that were sent out in the last five years by Fulton, Madison, Oneida and Cattaraugus counties. There will be coordination issues with this process as well. We have not yet begun reviewing these. We will start looking at them and put one together for ourselves. Dr. Chapman stated that we will review them and make them fit with our programs and services.

Mr. McAllister asked do you anticipate receiving more? Mr. Alger replied at this point these are the RFP's they are aware of. Many counties did RFP's ten or fifteen years ago. The ones we have are the most recent. They are

also somewhat the same. We need to really look at the services and programs that we have that these other counties may not, and vice versa. Dr. Chapman commented that he anticipates that they will be mixing and matching the various RFP's.

Mr. Hauryski asked how many overall clients do you see in a year? Dr. Chapman replied in 2010 our adult clinic averaged 1,000 open cases, which equates to a caseload of 60 – 75 per caseworker. The drug and alcohol program averages 400 open cases, with a caseload of 30 per caseworker. He explained, with this program, the State puts a cap of 35 cases per caseworker. It is ideal to run about 30. The Office of Mental Health does not put a cap on caseloads. The Children and Youth Program had 800 open cases with each caseworker having on average 60 – 70 cases. Dr. Chapman stated the Continuing Day Treatment Program had 75 – 80 individuals and the Forensics program had 1,200 inmates. With regard to the Forensics Program, that total is a combination of crisis assessments and new inmates deemed at risk. There are a certain number of inmates that are seen on an ongoing basis.

Mr. Ryan stated that St. James has announced they are closing their psychiatric program. Will that have any effect on your department? Dr. Chapman clarified St. James is closing the Aquinas Program. The hospital did contact us this past Fall to let us know this was something they might do. We have had a couple of meetings with the hospital with regard to us attempting to absorb their clientele. We think we can reasonably do that without any significant changes to our staffing in the Continuing Day Treatment Program. The biggest issue in the transition is that our program is in Bath and we will have to rely on public transportation for Hornell clients to come over and be seen. Dr. Chapman stated that he believes it is workable. Using our Corning CDT program as an example, we closed that office and brought the clients to Bath. We have had pretty good success with clients using public transportation. We are assuming the same trend will happen with Hornell. The hospital may be able to help with transportation for six months to ensure the clients are brought door to door from their residence. Whenever you lose a provider, there is a certain amount of hardship.

C. New Health Care Facility

1. **RFP for Services** – Mr. Alger stated similar to the Office of Community Services, we are in the process of collecting various counties RFP's. A number of counties across the State are in the process of doing this due to the reimbursement system and the problems with it. The options that we have talked about previously are still on the table and haven't really changed. You will have to give us some direction on the approach to take as we go forward with this.

Mr. Hauryski stated that he asked Mr. Donnelly to bring some numbers in so we can get a grasp on how much we owe on the facility. Mr. Donnelly stated we have \$15,425,000 in serial bonds that are owed. Every year we pay about \$1,450,000 for principal and interest. These bonds are callable after 2025. He explained the longer term bonds have higher interest rates. The yield on these bonds is between 2.4 and 4.25 percent. These were issued in 2005 and the longer terms were for 20 years.

Mr. Hauryski asked what is in the budget for 2012 for the operating expenses at the Health Care Facility? Mr. Alger replied we have \$1.4 in repayment. The operating budget is \$13.2 million. The deficit anticipation for 2012 is \$1.9 million. Last year's budget deficit was \$2.4 million and we don't yet know the actual.

Mr. Hauryski commented the Essex County Legislature has offered their facility up for sale and it was marketed through an outfit in Chicago and that has garnered them some interest. In the actual process, the Legislature put in a stipulation for sale, etc. He stated that he would want to include all options as we go forward, not just looking at an RFP. We need to put that on the table for consideration and look at what the market will bear. Mr. Alger commented that is not a bad idea. The real consideration with this facility is the bond. The difficulty with any sale is generating revenue to pay that bond back. If we get rid of it, we still have the responsibility for the bond. Whatever we do, we need to keep that in mind. Mr. Alger stated it may be worth our while to have the consultant come in and talk with you about how that would impact us going forward. The key is what you will do with the bond.

Mr. Crossett stated if you sell, the money you get from the sale would need to be put aside to pay down the debt and if there is not enough, then you have to pay the debt down through the budget. Mr. Alger stated that will be the key issue in the decision making; how will that impact the debt. The last time we looked at selling the facility, we received an offer for \$1 million. Are you willing to absorb \$15 million in debt to get out from under the facility? In this fiscal climate, we need to understand what the potential for a new owner is to recoup capital costs, or the different relationships between the County and new operators that would be more advantageous. Discussion followed.

IV. OTHER BUSINESS

A. Meeting Date – Mr. McAllister asked if there was any opposition to setting the regular meeting date for the first Monday of each month at 11:30 a.m. The committee was in agreement.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MRS. FERRATELLA. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: AUTHORIZING AN RFP FOR THE CONTRACTING OUT OF VARIOUS SERVICES AT THE HEALTH CARE FACILITY, SPECIFICALLY: HOUSEKEEPING, DIETARY AND MAINTENANCE; REHABILITATION DEPARTMENT; AND ACCOUNTING DEPARTMENT; AND AUTHORIZING THE COUNTY ADMINISTRATOR TO HIRE A MARKETING FIRM FOR THE SALE OF THE HEALTH CARE FACILITY MADE BY MR. CROSSETT. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. RYAN. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN MADE BY MR. CROSSETT. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

NEXT MEETING

****PLEASE NOTE CHANGE**Monday, February 6, 2012**PLEASE NOTE CHANGE**
11:30 a.m.**

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, February 6, 2012

11:50 a.m.

Legislative Committee Room
Steuben County Office Building
Bath, New York

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Carol A. Ferratella	Joseph J. Hauryski, Vice Chair Thomas J. Ryan	Lawrence P. Crossett Scott J. Van Etten
STAFF:	Mark R. Alger Vicki Fuerst Stacey Lee Shawn Corey Gail Frey	Jack Wheeler Chris Congdon Hank Chapman, Psy.D. Alan Reed Dawn Patton	Nancy Smith David McCarroll Jim Gleason Brenda Campbell Karen Welch
LEGISLATORS:	K. Michael Hanna Gary B. Roush	Aaron I. Mullen	William A. Peoples
ABSENT:	Gary D. Swackhamer		
OTHERS:	John Kropski, Freed Maxick & Battaglia, PC Mary Perham, <i>The Leader</i>		

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:50 a.m. He asked Mr. Roush to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE JANUARY 9, 2012, MEETING MADE BY MR. CROSSETT. SECONDED BY MR. VAN ETEN. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mrs. Fuerst informed the committee that they have been working on the contract and that VNA recently conducted interviews with interested staff. She requested an executive session at the end of the meeting to review specific details regarding the contract.

B. Office of Community Services

1. **RFP for Services** – Dr. Chapman informed the committee that since the last meeting, they have requested RFP's from seven counties and have received four. These RFP's are from counties that have gone through this process within the last five years and will provide us with a good template to work from. Mr. Van Etten asked what is the timeframe for putting the RFP together? Mr. Alger replied we are still in the process of gathering RFP's and then will put together a draft. Mr. Van Etten asked what is the target date? Dr. Chapman replied he would assume that he would get the information from the other four counties within the next month. Interestingly, it is safe to say that based on the other counties, this whole process will take a year to a year and a half to complete. Once the RFP is out and returned, we will need to review them, conduct interviews and then, whoever we may want to contract with, their plan will need to be reviewed by the State. Mr. Van Etten asked whoever is bidding is likely not new and is already operating in the State? Dr. Chapman stated that would be

ideal. In theory, someone who is not currently licensed could submit a proposal and then the timeframe would be longer. If they are already providing services in the State, then that process would be shorter.

Mr. Alger stated we can target April 1, 2012 as the date to have a draft RFP. If not then, May 1, 2012. Mr. Hauryski commented how you draft this RFP goes a long way toward how the industry sees this and how interested they would be. He stated that he would like Dr. Chapman to utilize the services of both the Purchasing and Law Departments to develop an appropriate RFP. Mr. Alger stated that we want to get as broad based an RFP as we can. One of the challenges you have is attracting agencies to do this because the services largely are now provided internally. We don't have other existing providers providing these services. Putting this RFP together will be tricky.

Mr. Van Etten commented that whether you get all seven RFP's in, he has to believe that you can still write a good RFP from the four you have already received. Dr. Chapman stated that we could use these as a template. There will be a great deal of time devoted to getting statistical information for anyone who is interested in putting in an RFP. They will need to know what they are up against.

C. New Health Care Facility

1. **RFP for Services** – Mr. McCarroll introduced the consultant, John Kropski. Mr. Alger stated we asked Mr. Kropski to come to give us an idea, from his perspective, if there are any advantages to taking any one of the options that would help us maximize our return.

Mr. Kropski stated this is a complex issue. The focus is on the bond. When the facility was built, you borrowed on a \$19.7 million bond. The actual cost of the facility is representative of that amount. The State has delayed reimbursement because the facility is running 80 percent of the residents on Medicaid and the remaining 20 percent are on Medicare, other third party insurance, or private pay. The construction costs exceeded the cap limit and they will not reimburse you the full amount. They will reimburse 73 percent of the bond costs. The remaining debt on the entire bond was at \$15.4 million at the end of last year. The State recognizes that they owe you \$11 million. They will take 80 percent of that \$11 million. The bond will mature in 2025. The Medicaid system claims reimbursement on the actual construction cost. If the facility was sold, the new buyer would be eligible to get the remaining reimbursement for the construction cost. Bonds really are not assumable and if there were a new owner, they would need to get their own financing. That may affect how potential buyers look at this situation. This is a relatively new facility and the reimbursement would be claimed by the buyer, however, if they paid more than the value, they would not get reimbursed.

Mr. Kropski stated that there are three scenarios. The first is to continue as is, knowing that the reimbursement will remain relatively flat. For county facilities, the IGT money is included at this point, but there are no guarantees down the road. Also, the reimbursement rate for Medicaid is flat and he doesn't see that going up. There is a lot of activity across the State with regard to the purchase of for-profit nursing homes. The reimbursement system has changed and the Medicaid Redesign Team has made it so that more residents are covered by the Medicaid Managed Care Program. That is significant to think about as it relates to the future. You would be dealing with Medicaid Managed Care providers, not the state. The second option would be to sell and pay off the bond. A new buyer would look at the facility and see what they can earn and would need to calculate that. They would recognize if the location is right and if they would realize any cost savings. The third option is to sell just the operating license and lease the building. You would lease the building to an operator and keep on paying the debt, but the operator would cover a significant portion of that debt.

Mr. Alger asked with the third option, is there any advantage to the operator? Mr. Kropski replied the State is implementing the new reimbursement and is paying facilities statewide prices adjusted to regional fluctuation. They have frozen the 2012 – 2016 rates. Steuben County has an attractive rate and it is higher than what you would normally see. That would be attractive to a new buyer. Mr. Ryan asked do you know of any counties that have sold their license and leased their facility? Mr. Kropski replied there are counties that have released RFP's indicating they were interested in that option; however, he is not aware of any one who has entered into a lease agreement.

Mr. Van Etten asked what is the downside to a lease? Mr. Kropski replied the downside is that the operator may not make the payments, and you would end up with the building back. He stated that the redemption date on the bonds is August 14, 2014, and at that time you can call those bonds. Your interest rate is currently at 4 percent. Mr. Alger stated that our fiscal advisors have suggested we look at refinancing these bonds. Mr. Kropski stated this is a newer facility and you could extend the terms and lower your monthly payment. The biggest change would be if you sold the facility.

Mr. Van Etten asked, knowing what you know about the market and the fact that we are losing \$2 million a year operationally, what would your recommendation be with these three options? Mr. Kropski replied if the assumption is that you are losing \$2 million per year, you would want to look at what you still owe on the facility, the legacy cost and add those up. If there is a reasonable payback period for those, then selling would probably make sense. He stated that he still thinks looking at the next five years is a good way to think about things. Looking at financial modeling gives you an indication of the best route to go.

Mr. Hauryski stated at the last meeting we had put on the table an RFP for recommended services. Mr. McCarroll replied they have been gathering background information. We do have sufficient information to put together an RFP to do dietary, maintenance and housekeeping. There are other departments that we are looking at, but will need to gather more information. He stated that within a month's timeframe he could put together an RFP for dietary, maintenance and housekeeping.

Mr. Alger stated we will pursue both options simultaneously and, in the interim, we will put together an RFP and look at these services first. It is easier to implement in the shorter term than the entire facility. Mr. Van Etten asked are there consultants out there who can help you sell the facility and get the most money and best deal? Mr. Alger replied there is an opportunity to generate an RFP for consulting, marketing and program transition. Mr. Kropski commented this isn't something you do every day. You usually do your best to make it saleable. Sales take time and in the meantime, it is still an operating business and you do things to constantly improve it.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN OPEN SESSION MADE BY MRS. FERRATELLA. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN MADE BY MR. CROSSETT. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

NEXT MEETING
Monday, March 5, 2012
11:30 a.m.

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, March 5, 2012

11:30 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Joseph J. Hauryski, Vice Chair Gary D. Swackhamer	Carol A. Ferratella Scott J. Van Etten	Thomas J. Ryan
STAFF:	Mark R. Alger Hank Chapman, Psy.D. Shawn Corey Nancy Smith Gail Frey Dawn Patton	Jack Wheeler David McCarroll Brenda Mori Brenda Campbell Rebecca Kilsdonk Carol Jones	Chris Congdon Stacey Lee Jim Gleason Norma Jones Karen Welch
LEGISLATORS:	William A. Peoples	Gary B. Roush	Randolph J. Weaver

I. CALL TO ORDER

Mr. Hauryski called the meeting to order at 11:30 a.m.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE FEBRUARY 6, 2012, MEETING MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Ms. Congdon stated since our last meeting, we have signed the purchase agreement and the management services agreement. Both of these need to be approved by the State. VNA has interviewed the nurses and some of the therapists and will hire staff once the State approves the agreement. Additionally, VNA has sent in their application for a Certificate of Need (CON). We have also submitted our licensed homecare application so that we can still do some of our homecare visits. We will need to send in our closure plan to the State for their review. Things are moving along. We also have submitted our application to be a licensed agency.

Mr. Van Etten asked how much have we been paid by VNA? Ms. Congdon replied we have been paid 60 percent. Mr. Alger explained part of the negotiated final agreement is that they would have to pay us \$250,000 if they back out or we would pay them \$250,000 if we back out. We have received \$600,000 from them.

Mr. Hauryski asked when was the CON submitted? Ms. Congdon replied VNA submitted it on February 17, 2012.

B. Office of Community Services

1. **RFP for Services** – Dr. Chapman stated that he is moving forward with the RFP process. He has received sample RFP's from a handful of counties and we will be using those as templates. He stated that he is hoping to have a draft RFP to Mr. Alger, the Law Department and Purchasing by the end of the week. During conversations with State OMH and OASAS, he has learned we will need to forward a copy of our RFP for their review and comments. They will be very helpful with regard to the clinic restructuring and it will be key to have some of their input. We should be on target for the committee to review the RFP at the April meeting.

Mr. Alger asked with regard to the process with the State and the Community Services Board, does the State need to review the RFP before we issue it? Dr. Chapman replied State OMH does not have to approve the RFP before we issue it. He does have a call into State OASAS as he believes they have particular items that they will want addressed in the RFP. Ultimately, after the RFP is sent out, both State offices will need to approve the new provider plans and our department plans to discontinue the services.

Mr. Hauryski asked can you provide us with an overview of the RFP? Will you combine everything into one RFP or separate it out? Dr. Chapman replied the initial draft will be all-inclusive, which would follow what you had stated in October. The RFP from Madison County most closely represents this approach and that was done in 2004. Within that, there will be the Adult Clinic, Children & Youth, Adult CDT, Substance Abuse Services and Forensic Services.

Mr. Hauryski asked, if a provider is interested in the RFP, but only in one aspect, does this RFP allow for that? Are you limiting it by scoping it for all services? Dr. Chapman replied that is something for us to decide and he would recommend that the RFP be written in such a way that a provider could respond if they had the ability to do all, or only a piece. He would recommend that the only separation allowed be mental health services versus substance abuse services. They both are licensed under different State offices. It will be interesting to see what agencies show interest.

Mr. Van Etten asked in your current setup, is there any administrative work that is done for both? Would a contractor be able to have synergy in doing both? Dr. Chapman replied the business office and the support staff are the best examples of staff who are involved in all program services.

Mr. Van Etten commented that he would agree that we have the flexibility so that a contractor can do all or parts. Mr. Weaver stated you want to make sure that they aren't cherry picking. Mr. Van Etten asked for other counties that have done this, have they gone for all or parts? Dr. Chapman replied it varies by county. He hopes to have more information for the next meeting. Mr. Hauryski stated we need to find out what problems or roadblocks other counties have experienced. Dr. Chapman stated that Cattaraugus County is currently in the midst of their RFP process and he is hoping to get more information from them.

Mr. Alger commented the mental health side is more complicated. We will want to describe each of the program areas in the RFP,. Typically we break even or make money with the substance abuse services program as folks are more motivated. The mental health program is a little less likely to generate enough revenue to cover overhead costs. That is what we are currently seeing. Dr. Chapman stated that he is hoping that if he can put as much detail into the initial RFP, it will be easier for those responding to know exactly what we will need for services.

Mrs. Ferratella stated last month you had indicated that you had received four samples and were hoping to get a total of seven. Did you receive those additional samples? Dr. Chapman replied that he has been working with the ones he has, although he is hoping to get something from Cattaraugus County.

Mr. Alger commented that there are about six to ten counties that are going through this process across the State. Mr. Van Etten stated that with Public Health Nursing, there were concerns about service areas. Are there any concerns with service areas or stipulations about service areas for these services? Mr. Alger replied currently we operate three offices in Bath, Corning and Hornell. In the RFP we anticipate they would establish locations in those three areas or provide alternative suggestions. That is a key factor. We will have to look at how services are proposed to be provided.

C. New Health Care Facility

1. **RFP for Services** – Mr. McCarroll informed the committee that he has assembled sample RFP's for housekeeping, dietary and maintenance. He will be meeting with Mr. Gleason and expects to have the draft RFP's ready within a week to ten days. We are also indicating that they have to bid all three as one package. Mr. Van Etten asked is that prudent? Mr. McCarroll replied typically these vendors would provide all three of these services. Mrs. Ferratella asked how many vendors are there? Mr. McCarroll replied he is aware of five that

provide all three of these services. Mr. Swackhamer asked do these companies provide the service directly or subcontract? Mr. McCarroll replied they provide the service directly.

Mr. McCarroll asked once we have the final draft ready, do you want it issued this month? Mr. Alger asked does the committee want to review the RFP prior to it going out?

MOTION: AUTHORIZING THE HEALTH CARE FACILITY, IN CONJUNCTION WITH THE PURCHASING DEPARTMENT TO SEND OUT THE RFP'S FOR HOUSEKEEPING, DIETARY AND MAINTENANCE SERVICES AT THE NEW HEALTH CARE FACILITY PENDING FINAL REVIEW BY THE COUNTY ADMINISTRATOR MADE BY MR. SWACKHAMER. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Mr. Hauryski asked about the need to do an RFP for a consultant for the New Health Care Facility. Mr. Alger stated we have had a number of folks contact us. He thinks it would be beneficial to do an RFP for general assistance for the facility for professional marketing and management alternatives standpoint. A number of firms have sent us information. The RFP would be to get proposals to analyze what we currently have.

MOTION: AUTHORIZING THE COUNTY ADMINISTRATOR TO SOLICIT RFP'S FOR CONSULTANT SERVICES FOR THE NEW HEALTH CARE FACILITY MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Mr. Van Etten commented in this case we don't know what we don't know and that could cost us. It is worth paying the money for a consultant to come in. Mr. Alger stated we are in a unique situation with this facility because of the financing mechanics that are in place with the bonds. Our options are to lease, sell or manage the business ourselves. We need assistance to understand the financial implications of those options.

Mr. McCarroll stated that this committee had indicated that he should work on all measures to save money in the meantime. He is almost prepared to put together an RFP for contracting out our billing and accounting office. He will bring that to the committee next month for their consideration.

IV. OTHER BUSINESS

A. *Regular Meeting Time Change* – Mr. Alger stated it is been recommended to move the time of the meeting from 11:30 a.m. to 11:00 a.m.

MOTION: CHANGING THE TIME OF THE MONTHLY MEETING OF THE HEALTH SERVICES REVIEW COMMITTEE TO 11:00 A.M. ON THE FIRST MONDAY OF EACH MONTH MADE BY MR. HAURYSKI. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN MADE BY MRS. FERRATELLA. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

NEXT MEETING

Monday, April 2, 2012

****PLEASE NOTE CHANGE**11:00 a.m.**PLEASE NOTE CHANGE****

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, April 2, 2012

11:20 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Joseph J. Hauryski, Vice Chair Gary D. Swackhamer	Lawrence P. Crossett Scott J. Van Etten	Carol A. Ferratella
STAFF:	Mark R. Alger Hank Chapman, Psy.D. Karen Monroe Gail Frey	Jack Wheeler David McCarroll Brenda Mori Karen Welch	Vicki Fuerst Jim Gleason Norma Jones Dawn Patton
LEGISLATORS:	K. Michael Hanna William A. Peoples	Hilda T. Lando Gary B. Roush	Aaron Mullen
ABSENT:	Patrick F. McAllister, Chair	Thomas J. Ryan	
OTHERS:	Mary Perham, <i>The Leader</i>		

I. CALL TO ORDER

Mr. Hauryski called the meeting to order at 11:20 a.m.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE MARCH 5, 2012, MEETING MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mrs. Fuerst informed the committee that they do not have anything new to report from last month. The services management contract has been completed and sent to Albany. Once we get that back, VNA could then employ the nurses and physical therapists, all of which have been offered jobs.

Mr. Van Etten asked do you have any idea how long the State review process will take? Mrs. Fuerst replied it could take as long as two years. We are already at six weeks at this point. The review of VNA's Certificate of Need could take up to two years, as the Public Health Council needs to approve it. In Schuyler County they have been waiting for close to two years. Mr. Swackhamer asked does anything change with regard to the commitment to the employees: Mrs. Fuerst replied no. They are anxious to move ahead.

Mr. Alger commented it could take up to two years for the final approval of the transfer. We are waiting for the management agreement and will transfer the responsibility for day-to-day operations. Through that and the final approval process, the staff will be monitoring cases and will be supervised and then the staff will be transferred to VNA, with the exception of the clerical. Mr. Van Etten asked what is the component of payment? Mr. Alger replied the final payment will be made after the transfer is complete. We are holding the pre-payment pending the final payment. The expectation is that it shouldn't take more than the two year period and we are hoping it will take less.

B. Office of Community Services

1. **RFP Update** – Dr. Chapman stated we created two separate RFP's; one for OMH and one for OASAS. There is no reason that if any agency is willing and able to provide all services, that they couldn't respond to both RFP's. Mr. Van Etten asked is there a benefit to an agency doing both? Mr. Alger replied in the selection process, no. The process for selection needs to be discussed, but there will be no preference with regard to weight.

Dr. Chapman stated that he sent copies of the proposed RFP's to both State offices as they will need to be reviewed and approved by the State before we can send them out publicly. He reviewed the highlights of the RFP's. On the mental health side, we included all services with the exception of the SPOA (Single Point of Accountability) as that is a case management component. His recommendation would be to keep that piece. Many individuals are referred to SPOA and we are mandated to have that by State OMH. By keeping this portion, it would allow us to "direct traffic" and would give us the opportunity to be involved with treatment. He asked that the committee give that some thought. Additionally, in the RFP he made mention of the services that the Department of Social Services has contracted with for school based services as well as the BILT program. In the RFP, those portions were left to the discretion of the DSS Commissioner. That is something that we will need to give some more thought to. He stated that he did not include dollar amounts for those services.

Mr. Hauryski asked what are those programs? Dr. Chapman explained the BILT Program has a coordinator and a CASAC who provide employment readiness, mental health and substance abuse evaluations. The other program is a program to provide school-based mental health services at the Bath, Hammondsport and Hornell schools. We provide services in more schools ourselves, and those are done separately from the three that are funded through the Department of Social Services. Part of the RFP references that preference may be given to an applicant that may be willing and able to provide school services.

Mr. Crossett asked what is the role of the Community Services Board with this process? Dr. Chapman replied that is another point of discussion. Ideally, he would recommend that we have a review committee that would include a member of the Community Services Board and a member of the Legislature and that they would review the proposals and make a decision who to contract with. Mr. Hauryski asked Mr. Corey if he has looked into this? Mr. Corey replied he did meet with Mr. Alger and agrees with Dr. Chapman. It is unclear exactly what the role of the Community Services Board is. Statute says they are a policy making authority. The problem is that policy making authority is a broad term and is not 100 percent clear. We are leaning toward the Legislature having the final say on this. Mr. Alger stated the conclusion is to establish a review committee with a member from the Community Services Board and a Legislative representative. We will include that in the RFP and that is the best way to include the Community Services Board in the discussion and to make sure their review has been done and their recommendation comes to us.

Dr. Chapman stated that in both RFP's we also included language encouraging employment opportunities for existing staff. Mr. Hauryski asked how many staff do you have? Dr. Chapman replied we have 100 employees that consists of business office staff, receptionists and direct service providers. At this point we don't know who will be interested, so it will be interesting to see what their needs are.

Mr. Van Etten asked what is meant by an eligible voluntary agency? Dr. Chapman replied his understanding is that we receive State funding in addition to what the County provides as we are mandated to be a not-for-profit. That same aid for funding is not available to agencies that are for-profit.

Mr. Van Etten asked with regard to the current software system, in the RFP you have indicated that you would make that software available, however, if a contractor decided to use their own, would we still be responsible to maintain that software and pay the license fee? If so, for how long? Dr. Chapman replied that is something that we need to research more. It is cleanest if the agency doesn't already have their own software or like the idea of using ours. If they like the idea of using our software, his understanding is that we could transfer the license. With our system, we will still have a percentage of billing that will need to be completed. Coupled with what you have heard us say in the past about clinic restructuring, there is still money owed to us that we have not been paid and we will have to re-bill upwards of \$1 million of services starting in May. The State finally approved us to go

through the readjudication process. We will need to continue to maintain our current billing system for at least one to one and a half years before we will have completed that process. We will need to research this further with Anasazi to see what our options are. He commented that he is not sure what their opinion will be of us transferring our license while we are continuing to use the software. The other piece is that if we have two separate contractors respond to the RFP's and we contract with both, we would need to discuss that with Anasazi. The piece that is important to us is what do we need to have in place to continue our billing. For another agency, software will be important to them, but that doesn't necessarily have to be our problem.

Mr. Van Etten stated that he would agree; we do need to know what you need to keep in place. With the past history claims, can we sell those to someone else? Mr. Alger stated it is conceivable. That is something that we would want to look at. The question is do you want to sell those and get a discounted rate or just write them off? Ms. Monroe commented that she feels we will get our Medicaid dollars. The self-pay has already moved over and we are doing our own collections on those. Mr. Van Etten asked have we adjusted the self-pay? Ms. Monroe replied we have an allowance on the books for that and actively go after it. There is money in third party payments. The real money is in Medicaid and we will get it, it is just a matter of time to work the clinic restructuring out.

Dr. Chapman stated with regard to timelines for the RFP's, we gave the same timeline for each document and the dates included were to give you an idea of how long this may take in an ideal scenario. The timeline could vary depending on the new provider and whether they are willing and able to continue with a lease agreement with the current buildings. It may take longer if the new provider does not want to continue the lease as the State has to approve the new provider service plan and physical space. Mr. Van Etten asked if they assume the lease, would they assume our furniture and fixtures? Mr. Alger replied no. That is something you can entertain, but that is not part of the RFP. Mr. Van Etten asked is the lease assumable? Mr. Corey replied that he believes it is.

Dr. Chapman stated at last month's meeting, the committee was interested in how prevalent contracting services were across the State. The Conference of New York State Mental Hygiene Directors conducted a survey and found that approximately one-third of the 62 counties continue to provide services similar to how we currently do it. In our immediate area of the Finger Lakes which consists of 12 counties, 4 counties, including us, provide both mental health and substance abuse services. Three counties provide only mental health services and contract out substance abuse services. Three counties contract out both services. Dr. Chapman commented there are certain geographical issues that we face from a service delivery end and the community with regard to transportation and accessibility to available services. This region is unique to that. Mr. Van Etten commented that both RFP's point out that decentralized services are preferred. Dr. Chapman replied that was used as an example and is up for discussion. Mr. Van Etten asked are we currently decentralized? Dr. Chapman replied yes. Mr. Van Etten asked are all of the locations leased? Dr. Chapman replied yes. Our leases are all with the same landlord, Yunis Realty. Mr. Van Etten commented this would be a high preference that we would want because of the geography of the county. Dr. Chapman stated that is important. He stated that he has continued to think about what we could currently do to significantly reduce county costs, but still offer services, and the best chance of doing that would be to centralize and bring all services to Bath, under one roof. We would need to rely heavily on the improvements that have been made to the transportation system. The main pitfall to this is that we would be limiting where our services are provided and everyone would have to come to Bath. He stated that he is just trying to look at all options.

Mr. Swackhamer stated we have looked at that option a couple of different times. In the past, there was no way to offer services to people in Hornell, Corning, Addison, etc. It is a little better now with the transportation system. The question is what we are going to do about the outlying areas. Mr. Crossett commented now the people in the outlying areas go to Corning or Hornell. If they can get to those areas, they can get to Bath. Mr. Van Etten stated that component needs to be addressed as a decentralized office is what is preferred.

Mr. Alger stated we still have some decisions to make, but we are not too far away from having the RFP's ready. Discussion followed.

Dr. Chapman stated that he asked Ms. Monroe to run some figures to show what the County cost would be if the County opted to retain case management services; they also include the costs for general administration. In addition, this report shows the actual State aid that we currently receive, which would go to the new provider. Ms. Monroe pointed out that the County will still have the Mental Hygiene Cost which is \$22,000.00 per month and that is the minimum amount. Mr. Van Etten asked if an outside agency takes over, will they be as proactive about this? Mr. Alger replied we wouldn't look for the outside agency to do that, as we still have a Community Services director. Those still would come through the court system. The director may be directing those to a not-for-profit agency for treatment and it will be incumbent upon him to make sure there are no hospital costs. Dr. Chapman stated if you decide to privatize, the yearly County cost would be anticipated to be approximately \$400,000.

Mr. Swackhamer asked if we no longer lease the building, how much square footage would you need? Dr. Chapman replied he would check into that. Ms. Monroe stated there would be a total of 9 people, of which 6 of those would be in the field. Mrs. Ferratella asked if the lease of the building is paid by floor, will the Youth Bureau space be eliminated? Mr. Alger replied we would need to move them out of there. Mr. Swackhamer asked if we did this, would we need to have space in Hornell and Corning? Dr. Chapman replied no as the case management staff are pretty mobile.

C. Health Care Facility

1. **RFP Update** – Mr. McCarroll stated the RFP for Food & Nutrition, Housekeeping and Maintenance Services does include the County boiler plate. Mr. Van Etten asked do they have to bid on all three or can they bid on them separately? Mr. McCarroll replied it is preferred that they bid on all three as a package. Mr. Alger stated the expectation is that we would get one proposal for the three services, rather than separating them out. Mr. Hauryski asked are there vendors who will do that? Mr. McCarroll replied yes.

Mr. McCarroll stated with regard to a timeline, once we send out a bid, we would hold a pre-bid meeting within a week to ten days and would provide a tour of the facility to see our resources. Four to five weeks after that the bids would be due back in. Mr. Swackhamer asked do we have the authority to reject? Mr. McCarroll replied yes, you can reject any and all bids.

Mr. Van Etten asked when this RFP is finalized, you don't need the committee to approve it as we gave you the authority? Mr. Alger replied that is correct. We are close to being able to issue this RFP.

Mr. McCarroll stated as was mentioned at last month's meeting, he is prepared to put together an RFP for the Accounting/Business Office within a week to ten days and then put that out publicly within a month.

MOTION: AUTHORIZING THE COUNTY ADMINISTRATOR TO FINALIZE THE RFP FOR THE HEALTH CARE FACILITY'S ACCOUNTING AND BILLING OFFICE AND TO SEND IT OUT MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

2. **Consultant RFP** – Mr. Hauryski asked what is the status of doing an RFP for a consultant? Mr. Alger replied he has the authorization to issue that. We have received one for the assistance with review and potential sale of the facility.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN MADE BY MR. CROSSETT. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

NEXT MEETING
Monday, May 7, 2012
11:00 a.m.

STEUBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, May 7, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

Meeting was cancelled.

STEUBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, June 4, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Carol A. Ferratella Scott J. Van Etten	Joseph J. Hauryski, Vice Chair Thomas J. Ryan	Lawrence P. Crossett Gary D. Swackhamer
STAFF:	Mark R. Alger Chris Congdon Stacey Lee Nathan Alderman Brenda Mori	Jack Wheeler Hank Chapman, Psy.D. Alan Reed Jim Gleason	Vicki Fuerst David McCarroll Shawn Corey Tammy Hurd-Harvey
LEGISLATORS:	K. Michael Hanna Aaron I. Mullen Randolph J. Weaver	Hilda T. Lando William A. Peoples, Jr.	Robin K. Lattimer Gary B. Roush
OTHERS:	Mary Perham, <i>The Leader</i> WETM		

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mrs. Ferratella to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE APRIL 2, 2012, MEETING MADE BY MR. HAURYSKI. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

III. OLD BUSINESS

A. Public Health & Nursing Services

1. **CHHA Update** – Mrs. Fuerst informed the committee that the management services contract is still in Albany awaiting approval. In the interim, we would like to enter into a services contract with VNA so the nurses can be hired and we hope to get that contract approved at Wednesday’s Human Services, Health & Education Committee meeting. Mrs. Fuerst stated that their licensed homecare agency application has made it through the subcommittee process and was approved. We expect final approval on June 7, 2012. We have not received news on the status of VNA’s Certificate of Need application. Mr. McAllister asked how long before your contract for services with VNA will be approved by Albany? Mrs. Fuerst replied they expect that it will take at least another couple of months.

B. Office of Community Services

1. **RFP for Services Update** – Dr. Chapman informed the committee that since the last meeting, the State Office of Alcohol and Substance Abuse Services (OASAS) has approved our RFP for the Alcohol and Substance Abuse Program. The Office of Mental Health (OMH) has not yet approved our RFP for clinic services. They have suggested some changes and requested further information. We are hoping to get that approved by the end of the month.

Dr. Chapman stated that with regard to the software component of the RFP, we were able to contact Anasazi and they are willing and able to work with any new agency that we may choose to contract with. The new agency would have to go through the implementation and training process with Anasazi. We will take that language out of the RFP until such time that we reach a point where an agency may be interested in the software package. Mr. Van Etten asked is there a possibility that an agency may already use that software? Dr. Chapman replied some providers already do use this software and it is conceivable they would already have it in place. If they don't have this software, they may already have software from another company in place. He stated that we will still need to continue to monitor our database for a period of years. By law we are required to retain records for 10 years. For children, that requirement is for 10 years past their 18th birthday. Dr. Chapman stated that in any given month they have 50 requests for SSI or SSDI for records and that is separate from any requests we receive from individuals. He stated that he will consult with Information Technology to see what may be best in maintaining our client database.

Dr. Chapman stated that he went ahead and created a scoring packet to be utilized once proposals are submitted. The committee could use this packet to make the selection process more objective and give each proposal a score.

Dr. Chapman stated that at the last meeting there was a question regarding the lease agreements. The lease agreement for our Bath office will expire 10/31/13, with one portion of the first floor expiring 1/31/14. The Corning lease expires 1/31/14 and the Hornell lease expires 2/28/13. Mr. Hauryski stated that he asked Mr. Corey to give him copies of the spreadsheet showing that and itemizing the various lease arrangements we have. Mr. Weaver asked if that could be sent to all Legislators.

Dr. Chapman stated that he is doing his best to work with OMH and hopes to have their approval to move ahead with the RFP by the end of the month. Mr. Van Etten asked what is the timeline after OMH approves the RFP? Mr. Alger replied we would want at least 30 – 45 days to provide prospective vendors to do adequate research and respond. There would then be a couple of weeks for the committee to review the proposals. In total, the process would probably be a couple of months.

C. Health Care Facility

1. **RFP for Services Update** – Mr. McCarroll informed the committee that they distributed the RFP for housekeeping, dietary and maintenance. They received three proposals. He requested an Executive Session to further discuss the proposals. Mr. Reed stated that under Public Officer's Law, it would be proper to adjourn to Executive Session to discuss the financial components that may be awarded; however, policy considerations should be discussed in open session.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.H RELATIVE TO THE FINANCIAL HISTORY OF A CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. CROSSETT. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

Mr. McCarroll stated there will be implications if we contract our services out. The three vendors who submitted proposals are Morrison, Healthcare Services Group and Sodexo. He distributed a handout depicting our costs for the year looking forward if we opt to contract services out and the different scenarios of unemployment. If we had 100 percent unemployment, meaning that none of the current staff would work for the new agency, the county's cost would be \$334,173.96. At 75 percent the cost is \$269,532.47; 50 percent is \$204,890.98 and 25 percent would be \$140,249.49. This is a one-time cost that would be incurred in the first year.

Mr. Van Etten asked would there be a scenario for less than 25 percent unemployment or zero unemployment? Mr. Alger replied in the RFP we requested that the successful vendor provide for interview opportunities for all staff in those positions. The expectation is that there would be a minimal amount of unemployment expense. It may be less than 25 percent, however, we are trying to give you a conservative estimate. Mr. Hauryski asked how

many employees are we talking about? Mr. Alger replied there are 18 full-time and 12 part-time. Mr. Swackhamer asked have you checked the references of these companies? Mr. McCarroll replied yes.

Mr. McAllister asked what are the projected savings if we do contract these services out? Mr. McCarroll replied the worst case scenario would be a savings of \$136,000 and the best case scenario would show a savings of \$440,000. That is for year one only. In year two, we would see a savings of \$580,000.

Mrs. Ferratella asked if the Health Care Facility is ultimately sold, what will happen to these contracts? Mr. Alger replied if the Legislature pursues proposals for the entire HCF to be privatized, these contracts would have to have a provision to allow us to terminate the contract. The vendors involved would have the option to pursue continuing with the new vendor or not.

Mrs. Lando asked will we be assisting current employees with resume processing, etc.? Will there be an additional cost to do that? Mr. Alger replied the Workforce Development Board will provide a certain set of opportunities for training for individuals with no additional charge. This would include basic resume and interview skills. If there is something beyond that, then we will experience some cost. We would need to define specifically what we would want to do.

Mr. Van Etten asked if we move forward with this, what is the timeframe for implementation? Mr. McCarroll replied the contract work would take 3 – 4 weeks and we could expect implementation within 6 – 8 weeks.

Mr. Swackhamer asked what is the process if this committee adopts this proposal? Mr. Alger replied this committee would make a recommendation, which would be sent to the Human Services, Health & Education Committee for their consideration. If it passed there, it would then be forwarded to the Full Legislature.

Mrs. Lando asked has the committee met with the Union and/or the employees to discuss their ideas for cutting costs? Mr. Alger replied the committee has not. We are currently in negotiations with the Union and we have received no proposals relative to that.

Mrs. Ferratella asked are we aware of any additional opportunities to reduce costs? Mr. Alger replied the approach we are using with these RFP's and the RFP for marketing of the facility are probably the best alternatives for savings. The opportunity, internally, to look for savings is done all the time. We are losing \$3 million per year on the facility. That is a substantial amount of money and when we are looking for savings, then we look at people as they are actually 70 percent of the cost.

Mr. Hauryski asked, if the committee recommends awarding the RFP, what will the total savings look like 2 – 2 ½ years down the road? Mr. McCarroll replied the first half year the savings will be affected by termination costs. The two years that follow, the savings will be \$580,000 for each of those two years. Mr. Hauryski commented that is \$1 million.

Mr. Ryan commented the State is letting these people down. In his opinion, they have put us in a bind. Mr. Alger stated the problem we face here is not of anyone's making. The facility is good and the employees do a great job. There is no question about that. This is really a State policy and this Legislature is taking the heat. The State has made the decision that facilities such as ours should no longer be under public control. The State is in the process of regulating the rate setting methodology and that will further lower our reimbursement. Public facilities have high overhead costs. Ours is among the highest in our region. We will lose reimbursement. Public policy has been made in Albany and either the facility needs to be subsidized by the taxpayers or you have to get out of the business. That is the effect of the reimbursement system. It is unfortunate because our facility has been here for a long time and we have provided good services to our residents. The options are to put \$3 million on the tax levy or use surplus to fund it. We also have to meet the 2 percent tax cap and that limits our ability to raise taxes. In order to come up with the \$3 million, you would have to pass a local law to override the tax cap; and that would probably be an annual event. Mr. Alger stated in order to cover the \$3 million loss at the facility, you would have to raise taxes 6.5 percent, but you are unable to do that because of the tax cap. This is a no-win situation for both

the Legislature and the taxpayers. The only alternative is to look at ways to cut costs. The State is shifting the burden to you, locally.

Mr. Mullen commented the possible termination costs are pretty high. He would like to look at what those numbers would be if we integrated the RFP for the marketing of the facility. There may be more people retained which would equal a savings of a few hundred thousand dollars. Mr. McAllister stated we have been pursuing that. This is a two-prong strategy; first looking at contracting out a few of the departments and then also looking at the sale of the entire facility.

Mr. Alger stated those termination costs would be the same if we did the entire facility, only higher. By contract, we have to pay for all vacation time and a portion of sick time if the individuals have been here longer than 10 years. The variable in this is unemployment. He stated he is not sure that you would see much difference if it were for the entire facility. Discussion followed.

MOTION: AWARDING THE RFP FOR DIETARY, HOUSEKEEPING AND MAINTENANCE AT THE NEW HEALTH CARE FACILITY TO MORRISON FOR AN ANNUAL COST OF \$1,510,865.00 AND FORWARDING TO THE HUMAN SERVICES, HEALTH & EDUCATION COMMITTEE FOR THEIR REVIEW MADE BY MR. VAN ETTEN. SECONDED BY MR. SWACKHAMER FOR DISCUSSION.

Mr. Van Etten stated this is not an easy thing to do. In concert with what Mr. Alger detailed, this is what we are here to do. We ran for office and now it's our time. These are short-term fixes for a long-term problem that will not be fixed. We will continue to lose \$3 million or more per year.

Mr. Crossett stated that the savings from doing this are insignificant in terms of the overall deficit. He stated that he would rather see the Legislature pursue the sale of the facility and he will not support this.

Mr. Ryan stated that he also cannot support this.

VOTE ON PREVIOUS MOTION: MOTION CARRIES 5-2. (MR. CROSSETT AND MR. RYAN OPPOSED)

Mr. Van Etten asked has there been any other progress as far as the marketing of the facility? Mr. Alger replied we have the RFP for the marketing of the facility ready to go, along with the RFP for fiscal services.

Mr. Swackhamer commented this is too important of an issue for one committee to decide and that is why he voted in favor to pass this along to the Human Services, Health & Education Committee and the Legislature. This decision affects everyone. It is much too important for one committee to say no and needs to go through this process. This is what we were elected to do. He stated that now this will go to the Human Services, Health & Education Committee to discuss and see if there is anything we have missed, or if there are other options.

MOTION: TO ADJOURN MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

NEXT MEETING
Monday, July 2, 2012
11:00 a.m.

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, July 2, 2012

11:00 a.m.

Legislative Committee Room
Steuben County Office Building
Bath, New York

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Carol A. Ferratella	Joseph J. Hauryski, Vice Chair Thomas J. Ryan	Lawrence P. Crossett Gary D. Swackhamer
STAFF:	Mark R. Alger Hank Chapman Brenda Campbell Jim Gleason	Jack Wheeler David McCarroll Nancy Smith Pat Donnelly	Vicki Fuerst Stacey Lee Matt McGrath
LEGISLATORS:	William A. Peoples	Gary B. Roush	
ABSENT:	Scott J. Van Etten		
OTHERS:	Steve Groom Mary Perham, <i>The Leader</i>		

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mr. Donnelly to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES FROM THE JUNE 4, 2012, MEETING MADE BY MR. RYAN. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 4-0. (MR. CROSSETT AND MR. SWACKHAMER ABSENT FOR VOTE)

III. OLD BUSINESS

A. Public Health Nursing Service

1. **CHHA Update** – Mrs. Fuerst informed the committee that as of this morning, the State has approved the management services agreement. VNA plans to come in on July 11th to do an orientation for the nurses that are going to work for them and they will be on the VNA payroll beginning July 16th.

B. Office of Community Services

1. **RFP for Services Update** – Dr. Chapman informed the committee that the Office of Alcoholism and Substance Abuse Services (OASAS) has approved the RFP language, as has the Office of Mental Health (OMH). The RFP is now ready to go out.

Dr. Chapman stated at last month's meeting, Mr. Hauryski had asked for a cost analysis if we closed the Hornell and Corning offices and centralized services to Bath. Closing the two outer offices would take 10 positions out of the budget. Of those, 5 positions would be direct service and 5 would be support staff. His recommendation would be to not get rid of all of the direct service positions as the majority of the people we see in Hornell and Corning would follow us to Bath. We have 6 support staff positions; 3 for each office. His suggestion would be to keep one support staff position as we desperately need an additional person in the business office to go after denials. The cost for utilities for the two buildings is pretty equal. The rent in Hornell is \$36,000 per year plus \$8,000 for taxes. The rent in Corning is \$66,500 per year plus \$15,000 for taxes. Dr. Chapman explained with

the loss of direct services you will see a loss in revenue of approximately \$417,000. We used net revenue rather than gross revenue as with the gross revenue, there is a tendency to over inflate the cash we think we'll have.

Mr. Swackhamer asked would this leave you with enough staff to handle the clients? Dr. Chapman replied he assumes so as he would think that everyone may not follow us to Bath. That is the one downside to this approach. Even given the improvements in the transportation system, there will be a certain number of individuals who will not use public transportation. Mr. Crossett asked will they go without services? Dr. Chapman replied a certain number of them will go without. There may be others who will seek other providers in the area.

Mr. Ryan asked if the clients all come to Bath, will you have enough space to handle them? Dr. Chapman replied if we were to attempt to do this, we would be using every inch of the Bath building to accommodate the clients. In addition, we would need to find another location for the Youth Bureau staff. Mr. Swackhamer asked what is the square footage of the three buildings? Dr. Chapman replied the Bath building is 28,000 square feet, Hornell is 5,700 square feet and Corning is 7,000 square feet.

Mr. McAllister commented there is no public transportation in the rural areas. If there are people who would like to go to another provider, they would still have to travel a significant distance. Dr. Chapman stated that is true. The majority of clients have Medicaid for insurance. The number of providers that accept Medicaid would be limited.

Mr. Hauryski commented this is just food for thought depending on how the RFP's come back. This is something we wanted to look at and think about. He is not necessarily advocating this. Mr. Crossett asked how long before the RFP's come back? Mr. Alger replied it will be 30 – 45 days. Mr. Swackhamer commented his concern is if the clients from the outer offices will actually come to Bath to get treatment. Mr. Alger stated that is a concern of the Community Services Board as well. You will see a savings by consolidating the offices, however, if there are a couple of emergencies that require commitment, you will eat up those savings. That is the risk you run with going that direction. You don't have control of those costs. Mr. Swackhamer commented if someone gets hospitalized, we are responsible for that cost. Dr. Chapman explained in the case of a forensic placement, the cost is \$12,000 per month and there are also the additional costs by the Sheriff to provide extra security. That could happen even now. We could have a greater risk of that happening.

Mr. Hanna asked can you provide services only in Bath? Dr. Chapman replied we could, but he is not sure that will provide significant cost savings; other than the cost of the rent and taxes for the Hornell and Corning offices. If we were to find a different location, he is not sure if the rent were lower if that would be enough to make us change our approach to services. We have the number of staff we do in Hornell and Corning based on community need. Mr. Hanna asked would you have better efficiencies if everything were in Bath? Dr. Chapman replied the efficiencies would be the same. The potential change would be the number of clients. Mr. Hanna asked what is the availability of other providers? Dr. Chapman replied in Hornell they have the Match Program at St. James for alcohol and substance abuse. They also have inpatient mental health services. There are a handful of private practitioners in Hornell that also offer mental health services. In Corning, there are no providers for alcohol and substance abuse. Individuals needing those services would have to go to Chemung County. There would be a handful of private practitioners for mental health services.

Mr. Alger asked in the RFP, could we put in an alternative to allow us to ask for services in Hornell and Corning, separate from Bath? Dr. Chapman replied we could. The RFP currently encourages providers to look at the entire County. We built in flexibility and could change the wording to separate out Hornell and Corning.

Mr. Hauryski asked what are the total costs for the leases of the buildings? Mr. Donnelly replied Corning is \$98,000, Hornell is \$62,500 and Bath is \$387,000. Dr. Chapman stated that he met with Mr. Corey and reviewed the lease agreements. The cost per square foot in the Bath building is \$13.81. As a comparison, the cost per square foot for the Law Department is \$15.11. With regard to the lease terms, all of the expiration dates are different for various reasons. With the Bath location, the dates vary by floor. One thing we are hoping to change is to have all of dates be consistent. He stated that he would also like to examine how, in addition to paying the rent, we are paying the taxes. He would suggest that we look at that and see if doing that is in our best interest, or

if we should approach that a different way. Dr. Chapman stated that they also discussed the renovations to the back of the Bath building. That had been damaged in a fire many years ago and been blocked off. A few years ago Dr. Anderson had worked with the landlord to expand that space. We have been, each month, paying money toward those renovations with 9 percent interest. The grand total for the renovations, as of January 2009 was \$134,000. Moving forward, he would also like to look at those types of agreements as well. The cost for those renovations are included in the \$13.81 per square foot.

Mr. McAllister asked what is the term for the leases in Hornell and Corning? Dr. Chapman replied the Hornell lease expires February 2013. The Corning lease expires January 2014. Mrs. Ferratella commented if we do anything, we have to clean up the leases as they are so convoluted. Mr. McAllister stated this is a topic that we will revisit. Mr. Alger stated that he would want to consolidate the lease and have one lease. Mr. Hanna asked what about cleaning and maintenance of the buildings? Mr. Alger replied we contract with someone to do the maintenance. Dr. Chapman stated we also contract for cleaning services.

C. Health Care Facility

1. **RFP for Services Update** – Mr. McCarroll informed the committee that the RFP for Accounting/Billing has gone out. Responses are expected by July 12th and then we'll do an analysis and report on the estimated savings at next month's meeting.

Mr. Crossett asked what is the status on the RFP for a consultant? Mr. Alger replied they are also due back on July 12th. Mr. Hauryski asked what did that RFP include? Mr. Alger replied this RFP asked that the bidder assist us in analyzing and marketing of the facility to determine whether to lease, sell or convert the building.

MOTION: TO ADJOURN MADE BY MRS. FERRATELLA. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****
Monday, August 6, 2012
11:00 a.m.

**STEUBEN COUNTY HUMAN SERVICES, HEALTH & EDUCATION COMMITTEE
STEUBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE**

Joint Special Meeting

Monday, July 23, 2012

9:30 a.m.

*Legislative Committee Room
Steuben County office Building
Bath, New York*

****MINUTES****

COMMITTEE: Carol A. Ferratella, Chair Gary B. Roush, Vice Chair Hilda T. Lando
Robin K. Lattimer Randolph J. Weaver

Joseph J. Hauryski, Vice Chair Lawrence P. Crossett Thomas J. Ryan
Gary D. Swackhamer Scott J. Van Etten

STAFF: Mark R. Alger Jack Wheeler David McCarroll
Stacey Lee Dawn Patton Karen Welch
Sally McDougal

LEGISLATORS: K. Michael Hanna Aaron I. Mullen William A. Peoples
George J. Welch

ABSENT: Patrick F. McAllister, Chair

I. CALL TO ORDER

Mrs. Ferratella called the meeting to order at 9:00 a.m.

II. GENERAL BUSINESS

A. Health Care Facility

1. **Awarding RFP for the Marketing of the New Health Care Facility** – Mr. Alger informed the committee they received two proposals for the marketing of the new Health Care Facility. They are from Health Dimensions and Marcus & Millichap. They both are proposing a marketing scheme for the facility. The difference with the proposals is that Health Dimensions is a fee-based service. They have a schedule of payments for services rendered over a period of six months and those fees total \$212,000. Additionally, there will be a closing fee which is to be determined, whether we sell the facility or not. Mr. Alger stated that the proposal from Marcus & Millichap is a more traditional real estate proposal. If we sell the facility, they will receive a commission of 2.5 percent of the gross purchase price. With Marcus & Millichap there will be no cost to the County until a willing, ready and able buyer is produced and the transaction is closed.

Mr. Alger stated both of these companies have worked in New York State. Health Dimensions assisted with the Founder's project in Corning. He commented that he is not sure of Health Dimensions' experience with municipal facilities. Marcus & Millichap is currently working with Essex, Chautauqua, Orange and Ulster counties in the marketing of their health care facilities. Mr. Alger stated that he would recommend awarding the RFP to Marcus & Millichap.

MOTION: AWARDING THE RFP FOR THE MARKETING OF THE NEW HEALTH CARE FACILITY TO MARCUS & MILLICHAP OF CHICAGO, ILLINOIS, MADE BY MR. VAN ETTEN. SECONDED BY MR. ROUSH. MOTION CARRIES 5-0 (HSH&E) AND 6-0 (HEALTH SERVICES REVIEW).

Mr. Van Etten asked what is the timeline for this process? Mr. Alger replied we would begin as soon as possible. Mr. Van Etten asked if we were to find a buyer within six months, would it be another year for the transition?

Mr. Alger replied yes. The buyer will have to go through the Certificate of Need process with the State and that can take anywhere from one to two years. Mr. Van Etten asked will we have to budget a loss for next year? Mr. Alger replied that he thinks you have to, as well as for 2014.

MOTION: TO ADJOURN MADE BY MS. LATTIMER. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0 (HSH&E) AND 6-0 (HEALTH SERVICES REVIEW). *Resolution Required.*

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, August 6, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Carol A. Ferratella	Joseph J. Hauryski, Vice Chair Gary D. Swackhamer	Lawrence P. Crossett Scott J. Van Etten
STAFF:	Mark R. Alger David McCarroll Tammy Hurd-Harvey Brenda Campbell	Jack Wheeler Stacey Lee Jim Gleason Nancy Smith	Chris Congdon Pat Donnelly Shawn Corey Alan Reed
LEGISLATORS:	Hilda T. Lando	William A. Peoples	Randolph J. Weaver
ABSENT:	Thomas J. Ryan		

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mr. Wheeler to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE JULY 2, 2012, AND JULY 23, 2012, MEETINGS MADE BY MR. VAN ETTEN. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 5-0. (MR. SWACKHAMER ABSENT FOR VOTE)

III. OLD BUSINESS

A. Public Health Nursing Service

1. **CHHA Update** – Ms. Congdon informed the committee that their nurses started with VNA on July 16, 2012. We also completed our management contract for the CHHA. We are on the October agenda to be certified as a licensed agency. The State will come and do a visit to approve that portion.

B. Office of Community Services

1. **RFP for Services Update** – Mr. Alger stated that the RFP's were sent out and advertised on August 1, 2012. They are due back by September 7, 2012. We have identified agencies that we sent the RFP to directly. If you have any other ideas, please let us know. We are looking at the surrounding counties and their service providers as well as our own providers within the County. We are hoping to get responses, but we don't know we will get. The RFP has also been posted on the website.

C. New Health Care Facility

1. **RFP for Services Update** – Mr. Alger stated we have received proposals back for accounting services. He suggested the committee adjourn to Executive Session to discuss personnel issues.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. CROSSETT. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. CROSSETT. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO POSTPONE AWARDING THE PROPOSAL FOR ACCOUNTING SERVICES AT THE NEW HEALTH CARE FACILITY UNTIL THE SEPTEMBER 10, 2012 MEETING MADE BY MR. VAN ETTEN. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

IV. OTHER BUSINESS

A. *RFP for Marketing of New Health Care Facility* – Mr. Alger stated last month the Legislature agreed to award the proposal for the sale process. We have contacted Marcus Millichap and they are sending information to the Law Department for the contract. They also sent a list of items they would like from us to assist them in preparation of sale information. Once we finalize the contract, we will meet with them.

Mr. Hauryski asked what is the status on the Morrison contract? Mr. Alger replied they are talking with the attorneys as there is an issue with language in the contract that we are trying to sort out.

B. *September Meeting Date* – Due to the Labor Day Holiday, it was suggested that the September meeting be held on Tuesday, September 11, 2012, at 11:00 a.m.

MOTION: CHANGING THE DATE OF THE SEPTEMBER MEETING OF THE HEALTH SERVICES REVIEW COMMITTEE TO TUESDAY, SEPTEMBER 11, 2012, AT 11:00 A.M. MADE BY MR. VAN ETTEN. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN MADE BY MR. VAN ETTEN. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****

****PLEASE NOTE CHANGE**Tuesday, September 11, 2012**PLEASE NOTE CHANGE**
11:00 a.m.**

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Tuesday, September 11, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE: Patrick F. McAllister, Chair Joseph J. Hauryski, Vice Chair Lawrence P. Crossett
Carol A. Ferratella Gary D. Swackhamer Thomas J. Ryan
Scott J. Van Etten

STAFF: Jack Wheeler Chris Congdon Hank Chapman, Psy.D.
Nancy Smith David McCarroll Pat Donnelly
Jim Gleason Shawn Corey

LEGISLATORS: K. Michael Hanna

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mr. Gleason to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE AUGUST 6, 2012, MEETING MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mr. Wheeler stated that they are still waiting for the State to act on the CHHA.

B. Office of Community Services

1. **RFP for Services Update** – Dr. Chapman informed the committee that he and Mr. Gleason held a pre-bid conference on August 22nd. They had eight agencies in attendance, including Family Services Society, Trinity, Catholic Charities, St. James, Allegany Rehabilitation Associates, Institute for Human Services and Arbor Development. He stated that his sense is there may be a couple of agencies who may try to collaborate together. It will be interesting to see how many proposals we receive.

Mr. Crossett asked when are the proposals due? Dr. Chapman replied we did extend the deadline. It was unanimous among the agencies present, that given the magnitude of the project, they would be hard pressed to have a proposal done within thirty days. We did agree to extend the deadline to sixty days, which will be October 26th.

Dr. Chapman stated that one other change was with regard to the requirement for a bid bond. According to the bid documents, the agency would be required to put up 10 percent. The agencies indicated that they are not-for-profit and cannot use State funding towards a bid bond. After discussion, we have waived that requirement and will use a letter of credit with the dollar amount to be negotiated at the time of the contract. He stated that he did contact other counties to see how they handled this. Most used a letter of credit and also required CFR reports. Additionally, we had a discussion relative to the initial term of the contract being for one year with the option for renewal of three separate one year terms. The agencies felt this would be a big commitment and it is conceivable there would be a loss of revenue during the first year. The RFP language will be changed to say that the County would look at a multi-year extension contract of up to five years with a 90-day cancellation clause for cause. Mr. Wheeler stated the assumption is that based on performance, we would extend the contract. From our

perspective, we don't want them to have an easy out after one year. The language states that this will be a multi-year partnership with renewal options.

Mrs. Ferratella asked is there are review process in place? Dr. Chapman replied that he needs to meet with Mr. Alger. He expects there will be a review team which will be comprised of representatives from the Community Services Board, as well as from the County. We are asking that when the agencies submit their proposals, they provide ten copies. Our thought was to have ten people review them and make recommendations to this committee and the Legislature.

Mr. McAllister stated with the bid bond, once they enter into a contract, they are locked in if they don't follow through. A letter of credit is nothing more than saying that they have the money. Mr. Corey explained this would be an irrevocable letter of credit. Mr. McAllister asked if the agency backed out, can you call a letter of credit? Mr. Donnelly replied yes. Mr. Corey stated a bid bond guarantees that they sign the contract. What we really wanted was a performance security. We can't "performance bond" this kind of a thing. A letter of credit is always an option on the table. The letter of credit will be negotiable.

Mr. Van Etten asked are there any other agencies that you wanted or expected to be in attendance? Dr. Chapman replied the ones that were present were ones that he had anticipated would show interest. We had sent letters out to the area agencies. Not all agencies that were present will provide both services. Many only provide either mental health services or substance abuse services. Mr. Wheeler commented it will be interesting to see what will come from this.

C. Health Care Facility

1. **RFP for Services Update** – Mr. McCarroll informed the committee that they rejected the proposals for the accounting and billing as we have less staff and it no longer is relevant to our current situation. The Human Services, Health & Education Committee authorized us to issue a new RFP which will focus primarily on our Medicare billing. This RFP will not include the reduction of staff as we no longer have our biller or CFO. Our goal is to become more self reliant and less dependent on the contractor. There are some aspects of the CFO position that we will need assistance with and we will address that later as an addendum.

Mr. Van Etten asked what is the status of the contract with Morrison? Mr. Corey replied we are waiting for them to get back to us. Hopefully we will get this resolved shortly. Mr. Hauryski asked what is the issue? Mr. Corey replied they wanted a six month trial period and then quote us a firm price at the end of six months. Mr. McCarroll commented that was not clearly stated in the contract. Mr. Wheeler stated we are going to hold them to one year.

Mr. McCarroll stated that the contract with Marcus Millichap has been signed for the marketing of the facility. Mr. Wheeler stated the offering sheet Marcus Millichap put together is being distributed across the nation. Mr. McCarroll and his staff have put together numerous documents for the consultants review. We expect the initial responses to be due back at the end of October.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 7-0

MOTION: AUTHORIZING THE COUNTY ADMINISTRATOR TO AMEND THE CONTRACT WITH MARCUS MILLICHAP TO INCLUDE THE OPTION OF LEASING THE NEW HEALTH CARE FACILITY MADE BY MR. HAURYSKI. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. VAN ETTEN. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

MOTION: TO ADJOURN MADE BY MR. RYAN. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 7-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****
Monday, October 1, 2012
11:00 a.m.

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Monday, October 1, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Carol A. Ferratella	Joseph J. Hauryski, Vice Chair Thomas J. Ryan	Lawrence P. Crossett Gary D. Swackhamer
STAFF:	Jack Wheeler Jim Gleason	Nancy Smith Alan Reed	David McCarroll
LEGISLATORS:	K. Michael Hanna William A. Peoples	Hilda T. Lando Randolph J. Weaver	Aaron I. Mullen
ABSENT:	Scott J. Van Etten		

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mrs. Lando to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE SEPTEMBER 11, 2012, MEETING MADE BY MRS. FERRATELLA. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mr. Wheeler informed the committee that Yates County had their transfer approved, and they are approximately six months ahead of us in the process. Hopefully, by the first quarter of next year, we'll have the transfer approved. Mr. Hauryski stated that Mr. Alger had suggested seeing if we could get Assemblyman Palmesano and Senator O'Mara to help to try to speed this process along.

B. Office of Community Services

1. **RFP for Services Update** – Mr. Wheeler stated the RFP's are due back at the end of October, so we should have more information next month. We have provided responses to questions that were submitted by the bidders.

C. New Health Care Facility

1. **RFP for Services Update** – Mr. McCarroll informed the committee that they rejected the bid to outsource the billing process, however, we did rebid that without changing the number of workers and he will be reporting to the Human Services, Health & Education Committee on Wednesday. With the revised bid, we are looking for a company that can help us with our Medicare billing and also some of our CFO duties. He stated that we are saving money and trying to get the Medicare and Medicaid process moving smoothly. Upon award of the revised bid, our goal is to become less dependent on the contractor and get our workers more up to speed. All of the staff understands that things will be done differently and we have already begun cross-training.

Mr. McAllister asked what do you mean when you say that you are going to bring your staff up to speed? Mr. McCarroll replied the contractor will help us with our Medicare and other insurance billing.

Mr. Wheeler stated that Marcus Millichap has been working on the marketing of the facility and have sent out flyers and information packets which provide an overview of the facility, demographics and budget history. Mr. McCarroll and his staff have provided the consultants with a lot of financial data history. This information is on their website, however, in order for someone to view it, they have to register with Marcus Millichap and they are tracking that information. Hopefully we can come back at the end of October and have had a good response.

Mr. Crossett asked what about the old facility? Mr. Wheeler replied they also have offered that and, if they want to, a vendor can provide a proposed purchase price and a plan for operation. It will be interesting to see what we will get with that.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. CROSSETT. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MRS. FERRATELLA. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN MADE BY MR. CROSSETT. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****

****PLEASE NOTE CHANGE**Tuesday, November 13, 2012**PLEASE NOTE CHANGE**
11:00 a.m.**

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Tuesday, November 13, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE: Patrick F. McAllister, Chair Joseph J. Hauryski, Vice Chair Lawrence P. Crossett
Thomas J. Ryan Gary D. Swackhamer Scott J. Van Etten

STAFF: Mark R. Alger Jack Wheeler Vicki Fuerst
David McCarroll Jim Gleason Hank Chapman
Nancy Smith Karen Monroe Shawn Corey
David Morsch Brenda Campbell

LEGISLATORS: William A. Peoples Gary B. Roush

ABSENT: Carol A. Ferratella

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mr. Gleason to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE OCTOBER 1, 2012, MEETING MADE BY MR. VAN ETTEN. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

III. OLD BUSINESS

A. Public Health Nursing Services

1. **CHHA Update** – Mrs. Fuerst reported that we did not make it on the Department of Health’s December agenda. They typically meet every other month, so the soonest we will be on the agenda will be February.

B. Office of Community Services

1. **RFP for Services Update** – Dr. Chapman informed the committee that they received one proposal from the Livingston County Council on Alcoholism and Substance Abuse. They submitted a proposal only for our substance abuse services. We will be reviewing this proposal and have a meeting scheduled for November 29, 2012 with the Community Services Board to review and get their recommendation. Dr. Chapman stated that in his opinion, the lack of responses is a reflection of the uncertainty of the providers with regard to the Medicaid rates, managed care and health homes and the impact of those locally. There also continues to be issues with the rejudication process. He explained this is where the State has not paid us for services that we have provided over the last 1 ½ - 2 years and they have not allowed us to rebill for those services. However, they continue to tell us that the money will be available.

Dr. Chapman commented the State is not making it easy for providers. We had to cut \$290,000.00 from our budget due to changes at the State level. First there was a reduction in the Federal Salary Sharing of \$135,000.00. That funding is provided to the local government unit to help with administrative costs. They redefined the definitions and we lost funding. The other issue relates to COPs funding for our Continuing Day Treatment Program. This is additional money that the State attached to services we could bill for. Previously we received \$42.60 and they have reduced that to \$28.40 which is retroactive from April 1, 2012. We billed for those services and the State changed the funding. Additionally, effective October 1, 2013, this funding will be eliminated

altogether. Dr. Chapman stated we have no choice but to try to get our PROS license for the Continuing Day Treatment program. The State is sending a message to anyone with a Continuing Day Treatment Program that they have to do it on their own. There is a push by the State to have more providers fall under the PROS license.

Dr. Chapman stated that with regard to the reduction in his budget, we have staff that already have or will be retiring shortly. We will eliminate those positions and will be looking at contracts and also look at making changes with the programs. He stated they are at bare bones right now, but he still feels the key is the business office. With the insurance denials we get, it comes down to having the manpower to get after those and to keep pace with the Medicaid billings.

Mr. Swackhamer asked what will happen to the patients since you are reducing staff? Dr. Chapman replied we will attempt to change our approach on how we do intakes. One of our staff who is leaving primarily does intakes. We will spread that out as a shared staff duty. We also will do a better job of linking up with people at the hospital before they are discharged. That should reduce the number of no-shows we get for intakes. Across the State there is a 40-45 percent no-show rate for people coming in for their initial appointment.

Mr. McAllister asked has the date come and gone for the submission of proposals? Mr. Alger replied yes. He would suggest that the committee take no action at this point and we will review the proposal.

Mr. Hauryski asked are you short on staff in the business office? Dr. Chapman replied yes. At the very least, we need one more person, but ideally, we need two. Ms. Monroe stated that is mainly because of the changes in Federal and State regulations. They have restructured how they want the bills prepared. Medicaid has been forced to Managed Care and all services need preauthorization. Mr. Ryan asked is this a time sensitive issue that opens us up to liability? Mr. Alger replied there are billing cycles. If you don't make the billing cycle, you don't get the money. Ms. Monroe stated they have 90 days to submit Medicaid billing.

Mr. Alger stated that he doesn't recommend the committee take any action at this point. We should take a step back and see what our options are and develop a secondary plan.

C. Health Care Facility
1. **RFP for Services Update**

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MR. CROSSETT. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. VAN ETTEN. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

MOTION: TO ADJOURN MADE BY MR. VAN ETTEN. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 6-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****
Tuesday, December 11, 2012
11:00 a.m.

STEBEN COUNTY HEALTH SERVICES REVIEW COMMITTEE

Tuesday, December 11, 2012

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

COMMITTEE:	Patrick F. McAllister, Chair Gary D. Swackhamer	Joseph J. Hauryski, Vice Chair Scott J. Van Etten	Thomas J. Ryan
STAFF:	Jack Wheeler Hank Chapman, Psy.D. Jim Gleason Shawn Corey	Vicki Fuerst Karen Monroe Pat Donnelly Alan Reed	Chris Congdon David McCarroll Tammy Hurd-Harvey Brenda Mori
LEGISLATORS:	K. Michael Hanna William A. Peoples	Hilda T. Lando Gary B. Roush	Aaron I. Mullen Randolph J. Weaver
ABSENT:	Lawrence P. Crossett	Carol A. Ferratella	

I. CALL TO ORDER

Mr. McAllister called the meeting to order at 11:00 a.m. and asked Mr. Mullen to lead the Pledge of Allegiance.

II. OLD BUSINESS

A. Public Health Nursing Service

1. **CHHA Update** – Mrs. Fuerst stated that they had originally thought they had not made the Department of Health’s agenda, but with two days left, they were notified they were on the agenda. Visiting Nurse Association (VNA) is applying to expand services into several counties, including Monroe, Livingston and Ontario. They did remove Monroe, Livingston and Ontario counties from their expansion and we were approved. Mrs. Fuerst stated that we are going to talk with them on Thursday and some amendments will be made to our current plan. We will be working on this with the NYS Department of Health. Ms. Congdon commented that VNA still needs to be vetted by the Department of Health.

Mr. Ryan asked how are things working on a daily basis? Mrs. Fuerst replied VNA has hired one new nurse and will be interviewing two more. Services are going well.

B. Office of Community Services

1. **RFP for Services Update** – Dr. Chapman stated since the last meeting, he did meet with the Community Services Board on November 29, 2012. We reviewed the substance abuse proposal we received from Livingston and Chemung CASA. Dr. Chapman requested an executive session to discuss the proposal in more detail.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS’ LAW, ARTICLE 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MR. VAN ETTEN. SECONDED BY MR. HAURYSKI. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: REJECTING THE BID FOR THE RFP TO PROVIDE OUTPATIENT ALCOHOL & SUBSTANCE ABUSE SERVICES MADE BY MR. HAURYSKI. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: RECOMMENDING AWARDING THE BID FOR THE SALE OF THE STEUBEN COUNTY HEALTH CARE FACILITY TO THE CENTER FOR SPECIALTY CARE GROUP AND FORWARDING TO THE HUMAN SERVICES, HEALTH & EDUCATION COMMITTEE FOR THEIR REVIEW MADE BY MR. HAURYSKI. SECONDED BY MR. RYAN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. VAN ETTEN. SECONDED BY MR. SWACKHAMER. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN MADE BY MR. SWACKHAMER. SECONDED BY MR. VAN ETTEN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING****
Tuesday, January 8, 2013
11:00 a.m.