

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: BUDGET - HEALTH SERVICES AND COUNTRYSIDE ADULT HOME

DATE: AUGUST 25, 2009

COMMITTEE MEMBERS PRESENT:

SUPERVISORS GERAGHTY
BELDEN
O'CONNOR
CHAMPAGNE
KENNY
SHEEHAN
MERLINO
TAYLOR

OTHERS PRESENT:

REPRESENTING THE DEPARTMENT OF PUBLIC HEALTH:
PAT AUER, DIRECTOR
SHARON SCHALDONE, ASSISTANT DIRECTOR
GINELLE JONES, ASSISTANT DIRECTOR OF PUBLIC HEALTH
TAMMIE DELORENZO, CLINICAL & FISCAL INFORMATICS
COORDINATOR
TAWN DRISCOLL, FISCAL MANAGER
REPRESENTING COUNTRYSIDE ADULT HOME:
BRENDA HAYES, DIRECTOR
KATHY BAKER, FISCAL MANAGER FOR THE DEPARTMENT OF
SOCIAL SERVICES
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL
SERVICES
JOANN MCKINSTRY, DEPUTY COMMISSIONER OF ADMINISTRATION
& FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISORS PITKIN
SOKOL
STRAINER
THOMAS
SHEILA WEAVER, COMMISSIONER OF THE DEPARTMENT OF SOCIAL
SERVICES
CHARLENE DiRESTA, SR. LEGISLATIVE OFFICE SPECIALIST

COMMITTEE MEMBER ABSENT:

SUPERVISOR STEC

Mr. Geraghty called the meeting of the Budget Committee to order at 9:30 a.m.

Copies of the Health Services Department 2010 Budget Request were distributed to the Committee members; a copy of which is on file with the minutes.

Patricia Auer, Director of the Department of Public Health, commended Tawn Driscoll, Fiscal Manager of the Department of Public Health, for all of her work on the 2010 Budget Request. Ms. Auer stated that the Department's Budget request had decreased from last year; however, she noted, the Department's ability to generate revenue was dependent on staffing levels.

Ms. Driscoll stated the 2010 Budget request for Health Services (A.4010) reflected a total appropriation of \$4,455,229 and a total revenue of \$5,634,583, which equated to a profit to the County of \$1,179,354. She explained that the CHHA (Certified Home Health Agency) was included under this budget code. She advised that the 2010 Budget request for Long Term Home Health Care Program (A.4016) reflected a total appropriation of \$671,978 and a total revenue of \$921,307, which equated to a profit of \$249,329. She noted that the CHHA and the Long Term Home Health Care Program were the revenue generating programs for the Department and would generate a profit for the County of approximately \$1.5 million for 2010.

Ms. Driscoll advised that the Physically Handicapped Children Program (A.4011) and the Physically Handicapped Programs (A.4046) were not mandated and had been eliminated in the 2010 Budget request. She added that the expenses had been allocated to the Preventive Program (A.4018).

Ms. Driscoll stated that the 2010 Budget request for the WIC (Women, Infants and Children) Program (A.4013) reflected a total appropriation of \$1,424,181 and a total revenue of \$1,424,181. She said that the Program was funded by grants and had no financial impact to the County; however, she added, since the amount of grant funding for 2010 was currently unknown, she had budgeted using the amount that had been received for 2009.

In reference to the Preventive Program (A.4018), Ms. Driscoll noted that the position of the Director of Public Health and two positions of Medical Advisor were State mandated and totaled \$97,481. In connection with the Preventive Health - Family Health Program (A.4018.0020), she explained that the Department was anticipating a loss of approximately \$48,000 due to changes in medical insurance. She added that more frequently than in the past the insurance companies were not paying for needed services, which had caused the reimbursement rate to decrease from 70% to 30%. Mr. Geraghty asked if there was an attempt to retrieve payment from the individual, if their insurance company did not pay for the service and Ms. Auer responded that they did not when it came to the Maternal Child Health Program; however, she added, with the CHHA they did attempt to retrieve payment. Tammy DeLorenzo, Clinical & Fiscal Informatics Coordinator for the Department of Public Health, noted that if the client did not have insurance the law stated that the CHHA was required to do a certain percentage of charity care.

Ms. Driscoll advised that the Preventive Program-Disease Control (A.4018.0030) was State mandated and included rabies vaccinations and immunizations. She added that the H1N1 virus was expected to become an issue that would cause expenses for 2009 and 2010. She stated that the 2010 Budget request for the Preventive Program-Health Education (A.4018.0040) reflected a loss to the County of \$3,682. She apprised the 2010 Budget request for the Preventive Program-Tobacco Entitlement (A.4018.0055) reflected a total appropriation of \$15,000, compared to \$30,000 in 2009. She noted that they rarely expended more than \$15,000 to \$20,000 on the Program. Ms. Auer explained that a large portion of the budget for the Program had been expended on a bus advertising campaign, which they would forego in 2010. She added that she appreciated Mr. Kenny's efforts over the years to preserve the Tobacco Education Program.

Ms. Driscoll said that the 2010 Budget request for Laboratory (A.4025) reflected a total appropriation of \$1,000 and a total revenue of \$340. She added that it was necessary to budget a small amount in the code in order to qualify for State Aid. She advised that the Education/Physically Handicapped Children (Preschool) Program (A.4054) and the Education/Physically Handicapped Children Early Intervention Program (A.4054.0060) were State mandated. She added that both programs were operated at a great loss as the State was allowed to bill rate reconciliations to the County for the services up to three times for the same time period.

Ms. Driscoll apprised that the revenue generated by the CHHA and the Long Term Home Health Care Program helped to offset some of the costs of the State mandated programs. Sharon

Schaldone, Assistant Director of the Department of Public Health, reiterated the Department's need to fill the vacant positions in the CHHA. Ms. Driscoll stated that the County operated the only CHHA within the county and had no competition because they were able to meet the needs of the county. She said if the CHHA was unable to accept referrals, the County would need to change the Certificate of Need for the CHHA and competing facilities would arise.

Discussion ensued pertaining to the need to fill the vacant positions in the CHHA.

Mr. Merlino entered the meeting at 9:45 a.m.

Returning to the Budget review, Ms. Driscoll stated that the 2010 Budget request for the Public Health-Bioterrorism (A.4189) reflected a total appropriation and total revenue of \$103,106, which had zero impact on the County as the revenues were obtained from grant funding. She said that the amount of grant funding had been increased by approximately \$60,000 in anticipation of the H1N1 virus. Ms. Auer noted that she had recently attended a Health Commissioner's Call pertaining to the H1N1 virus, which was anticipated to become an issue later this year.

Mr. Belden said that there was a shortfall reported by the County Treasurer and he asked why the Public Health Department had not submitted the bills for the months of May and June. Ms. Driscoll replied that she had just completed the billing for June and was currently working on the billing for July. She added that she needed to summarize the numbers and give them to the Treasurer's Office. She noted that the billing for both months would be reflected in the budget analysis that would be presented at the next Committee meeting. Mr. Geraghty asked if there was a longer lag time in State reimbursements and Ms. Driscoll responded affirmatively. Mr. Geraghty suggested that the issue be presented at the next Committee meeting so that it could be referred to the Legislative & Rules Committee. He added that the Chairman of the Board could draft a letter to Senator Little and Assemblywoman Sayward to inform them of the issue.

Mr. Geraghty stated that he had received emails from nurses who complained that the County was eliminating revenue generating positions. He voiced his opinion that he did not feel anyone in the County was advocating the elimination of revenue generating positions. Ms. Auer replied that the nurses had read newspaper articles and were aware that the vacant CHN position was tabled at the August 21, 2009 Board meeting. She added that there were members of her staff that were worried about their future with the County and were seeking employment elsewhere. Mr. Kenny asked how many Warren County employees were in the Department of Public Health. Ms. Auer responded that she was unsure at this time but the number of employees was listed in the Health Services Annual Report. She estimated that there were 75 to 80 Warren County employees and approximately 55 to 60 contractors.

Mr. Kenny questioned the 2010 Budget request for Equipment of \$4,500 and Ms. Driscoll replied that there were no vehicles budgeted for 2010 and the amount that was budgeted was for many small items. Mr. Kenny commented on the fact that the Health Services 2010 Budget request was decreased by approximately .5%, as compared to 2009.

Mr. Belden asked if the salary for the vacant CHN position was in the 2010 Budget request and Ms. Auer replied affirmatively. Mr. Pitkin apprised that the Board of Supervisors had tabled all

of the requests to fill vacant positions at the August 21, 2009 Board meeting. He added that he thought the Board needed to take a closer look at each position that was tabled.

Motion was made by Mr. Kenny, seconded by Mr. Belden and carried unanimously to approve the Health Services Department 2010 Budget request and to forward same to the Budget Officer.

The representatives from the Health Services Department exited the meeting and Brenda Hayes, Director of Countryside Adult Home; Kathy Baker, Fiscal Manager of the Department of Social Services (DSS); and Sheila Weaver, Commissioner of the DSS, entered the meeting at 10:04 a.m.

Copies of the Countryside Adult Home 2010 Budget Request were distributed to the Committee members; a copy of which is on file with the minutes.

Commencing with the budget review, Brenda Hayes, Director of the Countryside Adult Home, advised that the Personal Services (100's) for Countryside Adult Home reflected a 2010 request of \$957,770, as compared to the 2009 appropriation of \$972,986, a decrease of \$15,216. She said that she had submitted two personnel change forms for 2010 to add funds to the budget to cover the cost of per diem employees (\$16,498) and shift differential (\$21,230). Mr. Geraghty asked if the salary for per diem employees and the shift differential had been budgeted in the past and Ms. Hayes replied in the negative. Mr. Geraghty asked if the amount for per diem salaries and shift differential had been included in the 2010 Personal Services request and Ms. Hayes replied in the negative. Mr. Geraghty noted that he had requested that the Department Heads fix issues such as these in the 2010 Budget so that they would not be an issue in the future.

Ms. Hayes stated that Equipment (200's) for Countryside Adult Home reflected a 2010 request of \$1,800, as compared to the 2009 appropriation of \$8,250, a decrease of \$6,450. She added that the funds were required for the purchase of six park-style benches that needed to be replaced and two vacuum cleaners.

Ms. Hayes reported that Contractual (400's) reflected a 2010 request of \$350,058, as compared to the 2009 appropriation of \$366,708, a decrease of \$16,650. Kathy Baker, Fiscal Manager for the Department of Social Services, interjected that Rob Lynch, Deputy Treasurer, had advised that he would present the budget request for Indebtedness (700's) with the Treasurer's Office Budget request. Mr. Geraghty asked what was included in the Indebtedness and Ms. Baker responded that it included the Capital Project for the windows and the cost savings for energy.

Ms. Hayes said that Employees Benefits (800's) reflected a 2010 request of \$439,378, as opposed to the 2009 appropriation of \$394,510, an increase of \$44,868. She added that the increase was from the Hospitalization (860) and she was required to use the percentage that was given. Ms. Baker explained that when an employee retired, they had to continue paying for the employee's Hospitalization, as well as that of the new employee that was hired to fill

the vacant position.

Ms. Baker advised that the Revenues reflected a 2010 request of \$1,140,921, as opposed to a 2009 revenue of \$1,195,130, a decrease of \$54,209. She said that the revenues were generated from the Social Security payments from the residents. She noted that Social Security would not increase for the next two years. She said that 50% of the shortfall which occurred during the operation of Countryside Adult Home was reimbursed by the State.

Mr. Belden asked if the three positions which had been considered for abolishment were still in place. Ms. Hayes responded that two of the positions had been abolished and one of the employees whose position was abolished had assumed another County position. She said that the abolishment of the third position had been tabled. Mr. Belden asked if the position had been included in the 2010 Budget request and Ms. Hayes replied affirmatively.

Mr. Kenny inquired as to the effect on the 2010 Budget when the amount for Indebtedness was added. Ms. Baker responded that it would not effect the Countryside Adult Home budget as Mr. Lynch had included it in the Treasurer's Office budget.

Mr. Geraghty noted that the Parks, Recreation & Railroad Department could probably construct the six park-style benches at a considerable savings. Mr. Belden said if Ms. Hayes presented her specifications he would inquire with the Parks, Recreation & Railroad Department.

Mr. Merlino referred to the 2008 expenditures which totaled \$1,741,816.52 and the 2008 revenues which totaled \$1,310,044.53 and asked where the difference of \$431,771.99 had come from. Ms. Baker replied that the facility always operated at a loss, with 50% of the deficit reimbursed by the State and 50% paid for by local taxpayers.

Mr. Belden apprised that the County had not received the State reimbursement for 2008 even though they were more than half way through 2009. Mr. Geraghty noted that they should include this issue in the letter to be sent to Senator Little and Assemblywoman Sayward to inform them of the excessive lag time for all State reimbursements.

Following a brief discussion, Mr. Geraghty stated that the 2010 Budget request for Countryside Adult Home needed to be decreased. He added that a \$60,000 increase in Hospitalization for 30 employees seemed exorbitant. He questioned the increase in Contracts (470) which had been \$16,927.29 in 2008 and \$32,000 for both 2009 and 2010. He asked if there was a new contract that had been included in 2009. Ms. Baker responded that the laundry was included in Contracts which had increased in 2009 due to the contract with Westmount Health Facility.

Mr. Geraghty advised that the overall increase for the 2010 Budget request for Countryside Adult Home was 18%. Mr. O'Connor asked why Hospitalization was an issue with Countryside Adult Home when it had not been mentioned by other departments. JoAnn McKinstry, Deputy Commissioner of Administrative & Fiscal Services, responded that some departments did not show Hospitalization in their budget requests. Ms. Hayes noted that the budget request would be decreased if it were not for the amount budgeted for Hospitalization. Mr. Geraghty said that

they would work with Ms. Baker to find a way to reduce the Hospitalization. Ms. Baker advised that the amount she had budgeted was the amount that had been derived based on the computer program. She reiterated that when an employee retired they continued to pay for that employee's health insurance, as opposed to it being paid by the Treasurer's Office out of the General Fund like other departments. She explained that the reason it was budgeted this way was so that it would qualify for the 50% State reimbursement. Mr. Geraghty stated that when they worked on the Hospitalization they could probably reduce the amount by \$40,000 to \$50,000.

It was the recommendation of the Committee that Countryside Adult Home resubmit their 2010 Budget request at a future meeting after they had obtained a more accurate figure for Hospitalization.

There being no further business to come before the Budget Committee, on motion by Mr. Kenny and seconded by Mr. Belden, Mr. Geraghty adjourned the meeting at 10:35 a.m.

Respectfully submitted,
Charlene DiResta, Sr. Legislative Office Specialist