

SAMARITAN COMMITTEE

February 22, 2005

9:00 AM

Present: Dan Stoffel, Ralph Hensel, Larry Hoffman, Brian Bausch, Paul Tuchscherer, Ed Somers

Also Present: Bill Kurer

Meeting called to order at 9:00 AM.

Paul Tuchscherer moved to approve the minutes of 1/18/05, second by Ralph Hensel, motion carried.

Award of Affordable Assisted Living Construction Management Contract - Beyer Construction had a complete and competitive proposal for the construction management contract.

Paul Tuchscherer moved to award the Affordable Assisted Living Construction Management Contract to Beyer Construction and to reserve the right to change from a percentage fee to a fixed fee for Beyers services, and to negotiate the removal of the "on-site requirements" from the contract that can be provided by Samaritan, and authorize Purchasing to move forward with the Architecture Request for Proposal with Beyers assistance, second by Larry Hoffman, motion carried.

Designation of Future Meeting Dates - The committee needs to firm up future meeting dates for the next couple months to accommodate Assisted Living tours, Architect interviews and Architect selection.

The Committee agreed to hold meetings on March 22, 2005, April 19, 2005, and May 17, 2005.

Discussion of Governor's State Budget Proposal - The governors new budget proposes increasing the bed tax by \$50 per bed per month to provide a 1.4% increase in Medicaid nursing home rates. The governor wants to remove 25% of Medicaid residents from the Nursing Home and place them in community settings and is projecting savings of \$23.85 per patient day. The new budget also further reduces Pharmacy reimbursement, and adds to the list of drugs that need prior authorization.

Our Nursing Home association was able to obtain the standards the department of Health and Family Services is using to determine residents' ability to be transferred to the community. We reviewed the individuals that meet the criteria DHFS felt could be relocated into the community. Of the Medicaid residents at Samaritan that meet the criteria, only six could be cared for cheaper in a different environment. DHFS is using the Medicare guidelines for acuity. The primary flaw with the DHFS reasoning is there is no recognition of problem behaviors, dementia, diabetic monitoring, transferring needs etc.

The bigger problem will be if these transfers are mandated, and the money flowing from the state is \$23.85/day less, the difference to cover the cost of care will be borne by the county taxpayer. Dan Stoffel was concerned that DHFS is wrongly assuming that there are family members able to act as caregivers.

2004 Preliminary Year-End Financial Report - Samaritan finished 2004 in the black. The additional revenues generated from AB-492 and the pharmacy sale can be applied to the construction of the Affordable Assisted Living Project.

Collections - We have two current collection actions. The first we have obtained judgement and will likely have to wait for the individuals death to collect. The second we have sent a letter to the lawyer giving the individual 120 days to pay and the lawsuit will be dropped, otherwise we proceed for judgement.

Reports from Administrator

Sub-acute unit license - Due to the timing of the hospital closing and the medical building opening we have to operate the unit at Samaritan for four months or risk losing Medicare reimbursement. We will seek the services of attorney Burt Wagner to coordinate the changing of the units from building to building. Mr. Somers is meeting with Mike Murphy from Synergy Health to discuss details

Alarm System - We are soliciting proposals to upgrade the entire wandering prevention system.

Brian Bausch moved to adjourn at 10:50 AM, second by Larry Hoffman, motion carried.

The next meeting is scheduled for March 22, 2005 at 9:00 AM.

Dan Stoffel, Chairperson

Larry Hoffman, Secretary

Edward Somers, Administrator