

**SHIAWASSEE COUNTY MEDICAL CARE FACILITY
SHIAWASSEE COUNTY HEALTH AND HUMAN SERVICES BOARD MEETING MINUTES
June 29, 2018: ADMINISTRATOR'S CONFERENCE ROOM**

CALL TO ORDER: Mrs. Knauff called the meeting to order at 10:02 AM. The following attended: Londa Knauff (Chairperson), Cindy Civile (Co-Chair), Shana Espinoza (Administrator), Sandy Lamb (Human Resource Manager), Theresa DeLau (Director of Nursing), Jeff Smithingell (Plant Operations Manager), Jennifer Zamora (Dietary Manager), Kelli Jenness (Spence Brothers), Lacey Ziola (Accounting Assistant), Phil Alt (CFO) and Chelsea Edwards (Administrative Assistant to the Administrator). Zach Zechmeister (Spence Brothers) was present via telephone.

Approval of the Shiawassee County Medical Care Facility/Shiawassee County Department of Health and Human Services Board meeting minutes from June 1, 2018: Mrs. Civile moved to accept the minutes of the June 1, 2018 meeting; Mrs. Knauff supported the motion, which passed by an all yeas vote.

1. **Public Participation:** None.
2. **New Pleasant View Building- CM Payment Request:** Spence Brothers submitted their final payment request for \$1,095,017.84. Mrs. Civile made a motion to approve final payment to Spence Brothers for \$1,095,017.84; Mrs. Knauff supported the motion, which passed by an all yeas vote.
3. **New Pleasant View Building- Analysis of Building Project Costs/CON:** As discussed in the last two board meetings, the building project overran its approved costs by more than the threshold. As a result, an amendment to the CON was requested to accommodate the increased project costs. The amendment was filed on May 16, 2018 through the services of Walt Wheeler and is currently being processed.
4. **New Pleasant View Building- Building Update:** We are working to resolve the outstanding issues with the doors and windows. Zack Zechmeister of Spence Brothers reported that they installed a heavier door sweep and changed the threshold of the doors. This unfortunately did not work, so the company who installed the doors is doing research and will get in touch with Mr. Smithingell. Spence Brothers will follow up on this. The owner of the company who installed the windows came out and found no issues with the windows. He will get information for solutions from the manufacturer. Spence Brothers is addressing the cracks in the cement in the front of the building.

At 10:09, Kelli Jenness and Zack Zechmeister of Spence Brothers left the meeting.

5. **New Pleasant View Building- Marketing/PR:** Mrs. Espinoza reported that our 5 star celebration was a success. We also celebrated CNA week. We successfully held our first picnic in our new facility on June 20. Ideas for fundraising are ongoing. We began filming for new commercials. There will be a community workshop on July 17 from 6-8PM presented by Manor Law Group. This is for information on estate planning. We are also planning a community workshop in August to discuss

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understanding Medicaid. Enhancements to social media are being made. Our facility brochures are being updated. The facility summer newsletter is being developed. Mrs. Baldwin will complete her Associates degree in October.

6. **New Pleasant View Building- Star Rating with CMS:** We are still a 5 star facility, and we are continuously working to meet the requirements to maintain this status.
7. **Financial- Memorial Fund:** Because this fund is under review, amounts will be presented at the next board meeting. We are looking into changing the name of this account to Memorial/CRT (Community Relations Team) because we would like to combine this with CRT fundraising money. Some of these funds are already being used for CRT staff recognitions.
8. **Financial Report:** Mr. Alt presented the February 2018 unaudited financials.
9. **Financial- Accounts Payable:**
 - Mrs. Espinoza presented the accounts payable check register dated 6/1/18 for \$198,991.98. Mrs. Civile made the motion to approve payment of the check register 6/1/18 for \$198,991.98; Mrs. Knauff supported the motion, which passed by an all yea vote.
 - Mrs. Espinoza presented the accounts payable check register dated 6/15/18 for \$217,275.99. Mrs. Civile made the motion to approve payment of the check register 6/15/18 for \$217,275.99; Mrs. Knauff supported the motion, which passed by an all yea vote.
 - Mrs. Espinoza presented a second check register dated 6/15/18 for \$1,936,474.49. Mrs. Civile made the motion to approve check register dated 6/15/18 for \$1,936,474.49; Mrs. Knauff supported the motion, which passed by an all yea vote.
10. **Financial- Payroll:** Mrs. Espinoza spoke in reference to OT still being high due to 1:1 monitoring and necessary front door coverage.
 - Mrs. Espinoza presented payroll from 5/14/18-5/27/18 for \$379,980.75, which was paid on 6/8/18. Mrs. Civile made the motion to approve payroll from 5/14/18-5/27/18 for \$379,980.75; Mrs. Knauff supported the motion, which passed by an all yea vote.
 - Mrs. Espinoza presented payroll from 5/28/18-6/10/18 for \$433,403.81, which was paid on 6/22/18. Mrs. Civile made the motion to approve payroll from 5/28/18-6/10/18 for \$433,403.81; Mrs. Knauff supported the motion, which passed by an all yea vote.
11. **Occupancy Data Comparison:** Mrs. Espinoza presented the occupancy data comparison, which showed the average daily occupancy to be higher May 2018 than in May 2017.
12. **Write-Offs:** There were no write-offs to present at this meeting.

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13. **Operations- Compass:** As discussed in the previous board meeting, Compass Communications has requested a final payment for \$128,516. This amount is within the overall approved amount for services, however, Mrs. Espinoza is recommending no further payment at this time. There have been several discrepancies in their charges that do not align with the services outlined in the contract. It should be noted that Stingray was contracted by Compass, and Compass has not paid Stingray, claiming they cannot pay them until we pay Compass.

14. **Operations- Stingray:** In reference to the above (Compass), on June 20, 2018, we received a letter from an attorney representing Stingray. This letter was addressed to Compass and Pleasant View as they believe there is a bond covering this section of the project. We have obtained legal services through Jeff Gallant with Clark Hill. Although we have no obligation to pay Stingray directly, we are exploring the option of cutting a joint check to Compass and Stingray, if Compass agrees to deduct the amount owed (to Stingray) from the overall amount owed. Update to occur at the next meeting. Mrs. Civile made the motion to approve joint payment to Stingray and Compass (if recommended by legal counsel) for \$45,194.70; Mrs. Knauff supported the motion, which passed by an all yeas vote.

15. **Operations- State:** There are two outstanding FRIs. One is a resident to resident report which occurred on May 28, 2018. The second is a resident who received a burn from hot soup on May 29, 2018.

16. **Operations- Incident/ Accident Report:** Mrs. Espinoza presented the May 2018 incident/accident report at the meeting.

17. **Operations- Outpatient Therapy:** Mrs. Espinoza reported that she and Brian Long (CEO of Memorial) had a meeting. In the meeting Mr. Long gave his ok to our outpatient therapy program. They also discussed a potential wellness program and a potential collaboration on the outpatient therapy program. Determination as to how/when to begin this service is ongoing. An update will occur at the next meeting.

18. **Operations- Resident Privacy Curtains:** At the last board meeting, approval was given to proceed with cubical curtains at a cost not to exceed \$30,300, and for the installation not to exceed \$9,000 after getting comparable quotes. D.L Couch was the lowest comparable quote. The order is being processed. Once we have the curtains, Spence Brothers will install them.

19. **Operations- Purchasing Concern:** Mrs. Espinoza informed the board that last month there was an email chain between the county medical care facility Administrators. In this email chain, several other county Administrators were sharing that individuals were trying to buy their county facilities. Mrs. Espinoza forwarded this to Hartmann Aue (who was our board chair at the time). On June 6, 2018, Mr. Aue informed Mrs. Espinoza that the health director had received a call from someone wishing to purchase Pleasant View. Because Mr. Aue had not resigned yet, he called the individual and told him we are not interested in selling Pleasant View. Mr. Aue also spoke to the county Administrator, Mike Herendeen. Mr. Herendeen is in support to not sell Pleasant View.

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20. **Strategic Planning- Culture Change Journey:** Eden plans are set to restart. The Neighborhood Guides are meeting weekly. The Certified Eden Associate training is August 1-3. We are pushing our mission and vision statement and promoting staff empowerment.
21. **Human Resources- Work Comp Settlement#1:** Work Comp is requesting settlement of a former employee's knee injury. They are requesting authority to pay up to \$21,900 to the former employee to settle the claim. This amount equates to approximately six months of wage loss and a portion of the medical lien. Mrs. Civile made the motion to approve the work comp settlement up to \$21,900; Mrs. Knauff supported the motion, which passed by an all yeas vote.
22. **Human Resources- Work Comp Settlement #2:** Work Comp is requesting settlement of a former employee for a back/hip injury. They are requesting authority to pay \$59,200 to settle the claim. Broadspire has paid \$72,173.75 on this claim to date. Mrs. Civile made the motion to approve settlement for \$59,200; Mrs. Knauff supported the motion, which passed by an all yeas vote.
23. **Human Resources- CFO Resignation:** Mrs. Espinoza reported that on June 20, 2018, we received a resignation letter from Linda Weber (CFO). She gave a one month notice, however, her last agreed upon day at the facility was June 22. She remains available for questions and concerns if they arise. Mrs. Weber leaves in good standing.
24. **Human Resources- Phil Alt:** In reference to the above, Mrs. Espinoza is recommending engaging the services of Phil Alt, who previously worked with Plante Moran for thirteen years. He has left Plante Moran to start his own consulting business. Mr. Alt's current proposal for assistance with getting financials evaluated and caught up is \$130/hour. Moving forward, he is proposing \$175/hour. After the cleanup phase, he estimates approximately twenty hours per month. It is difficult to determine how many hours will be needed to assist in the beginning. The twenty hours a month at \$175/hour is approximately \$3,500/month and \$42,000 a year not including travels. Mrs. Civile made the motion to approve contracting financials to Phil Alt as outlined in his agreements; Mrs. Knauff supported the motion, which passed by an all yeas vote.
25. **Human Resources- Business Office Management Position:** Because we are contracting out the CFO responsibilities, Mrs. Espinoza recommended promoting someone within the business office to become the Business Office Manager. This person would handle the business office flow and functions, assist in Eden and become a department head for the business office. The vacated CFO position salary should be sufficient to cover the new contracted CFO cost as well as an increase in pay for a business office staff member. Upon quick review, we do not believe the salary for the business office manager position will exceed \$65,000, regardless of who is selected. Mrs. Civile made the motion to approve the business office manager role with a salary not to exceed \$65,000; Mrs. Knauff supported the motion, which passed by an all yeas vote.

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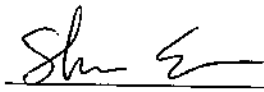
26. **Human Resources- Billing Assistant:** In light of the changes in structure to the business office, Mrs. Espinoza recommended changing the part-time Billing Assistant position to full-time. This will enable additional hours in the business office to account for the vacancy of the CFO. In addition, in preparation for the potential outpatient therapy, additional billing assistance will be needed. The funds from the vacated CFO position will cover the change to full-time as well as cover contracting the CFO duties and the increased salary for a business office employee. The change to full-time will cost approximately \$28,320.02, which includes increased hours and the addition of benefits. Mrs. Civile made the motion to approve changing the part-time Billing Assistant position to full-time; Mrs. Knauff supported the motion, which passed by an all yeas vote.
27. **Human Resources- Part-Time Desk Receptionist:** Mrs. Espinoza recommended a motion to approve two part-time desk receptionists to cover the front desk in the evenings. The facility has been paying over-time since we moved into our new facility. This is because the building is much larger than our old facility, resulting in staff not knowing who is coming into and leaving the facility. These part-time receptionists would not only let visitors in and out, but also assist visitor with any questions and assistance they may require. The receptionist will can also assist in business office needs such as filing and scanning. The cost of having the evening desk monitored with two part-time positions would be approximately \$22,754.40/year. These two part-time receptionists would work opposite days to ensure coverage. Mrs. Civile made the motion to approve two part-time receptionist positions (which they will work opposite days); Mrs. Knauff supported the motion, which passed by an all yeas vote.
28. **Human Resources- Sexual Harassment:** Mrs. Espinoza reported that there was an investigation of an employee who was accused of sexually harassing a few co-workers. This did not involve residents. The matter has been addressed and the employee is no longer with Pleasant View.
29. **Human Resources- Union Negotiations:** Union negotiations are beginning in August. Steve Girard, the attorney who assists us with negotiations, would like to be present at the July board meeting to discuss the direction with the board.
30. **Human Resources- EEOC:** As discussed at the last board meeting, a complaint of sexual discrimination was filed against the facility on January 25, 2018 through the EEOC. Lawyers have been involved for assistance; no further information to be presented at this time. On March 12 and March 13, complaints alleging discrimination from two separate individuals were filed through the EEOC. A letter was given to the Administrator a few days prior to the March 13 complaint. Legal assistance has been obtained for both allegations. Per Administrator request, the legal team is going to review allegations in the letter and is conducting an investigation. On June 14, 2018 we received a third complaint through the EEOC alleging discrimination. This matter was closed by the EEOC on June 18, 2018. Our responses have been submitted for all claims; we are awaiting the next step from the EEOC. It should be noted that a letter was received on May 21, 2018 from a lawyer representing 5 current and past employees. The letter asked for employment files of the 5 individuals, some of the individuals are the same individuals involved in

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the EEOC claims stated above. Legal assistance has been obtained. No further responses have been received on this matter.

31. **Updated Policies:** No new policies to discuss at this time.
32. **IT- Organizational Change:** Mrs. Espinoza reported that the IT department is now reporting directly to her, the Administrator. This change was made last month to lessen the work load of the CFO to enable her to complete audits and cost reports.
33. **IT- Marlin Company:** The Marlin Company provides digital workplace signage. We signed a contract with them in July 2014 to provide a TV in our facility that can stream different information we want to showcase. The contract does not expire until October 2019. We have paid \$11,700 to date and still owe \$2,700 on our contract. We no longer use this TV in our new facility because we can use the new TVs to do the same thing as the Marlin. The company has offered us a 5% discount to buyout the program now. This brings the cost to \$2,565. Because these services are not being used in the new facility, Mrs. Espinoza is recommending we pay this out. After discussion, Mrs. Civile made the motion to approve the buyout of \$2,565 to the Marlin Company; Mrs. Knauff supported the motion, which passed by an all yeas vote.
34. **Board Re-Organization:** Mrs. Knauff made the motion to re-organize the board positions in result of Hartmann Aue's resignation on June 12, 2018; Mrs. Civile supported the motion, which passed by an all yeas vote.
- Londa Knauff: Board Chair
 - Cindy Civile: Board Co-Chair
35. **Next Meeting Date:**
- Friday, July 27, at 10 AM in the Administrator's Conference Room.
36. **Adjournment:** Mrs. Knauff made the motion to adjourn the meeting at 11:00 AM; Mrs. Civile supported the motion, which passed by an all yeas vote.

Meeting Adjourned at 11:00 AM.



Administrator



Board Chairman