

**Pleasant View Shiawassee County Medical Care Facility
Shiawassee County Health and Human Services Board Meeting Minutes
November 15, 2024**

Call to Order: Mrs. Knauff called the meeting to order at 10:00 am. The following were in attendance: Londa Knauff (Board Chair), Greg Bontrager (Board Member), Cindy Civile (co-chair), Shana Espinoza (Administrator), Marque Wenzlick (Administrative Assistant to the Administrator), Theresa Delau (Director of Nursing), Sandy Lamb (Human Resources), Rachel Baldwin (PR/Marketing), Jeff Smithingell (Plant Operations), Kelly Knieper (Business Office Manager), Cheri Gokee (Dietary), Tabitha Woodruff (Central Supply), Phil Alt (Contracted CFO), Michael Miller (IT).

1. **Employee Appreciation:** Plant Operations, specifically Jeff and his right-hand support, for reprioritizing their list to meet a resident need related to a hooyer lift concern. They focused on quality of life as a top priority!
2. **Approval of the Pleasant View Shiawassee County Medical Care Facility/Shiawassee County Department of Health and Human Services Board Meeting Minutes:**

- Mrs. Civile made motion to approve the minutes of the October 18th, 2024 DHHS Board Meeting. Mr. Bontrager supported the motion, which passed by consensus.
- Mr. Bontrager made motion to approve the first closed session minutes of the October 18th, 2024 board meeting. Mrs. Civile supported motion which passed by consensus.
- Mrs. Civile made motion to approve the second closed session minutes of the October 18th, 2024 board meeting. Mr. Bontrager supported motion, which passed by consensus.

3. **Public Participation:** None

4. **Blue Cross Blue Shield Health Benefits Renewal:** We have reviewed our insurance renewal rates for 2025. BCBS rates came in at a 4.62% increase. We have reviewed options for renewal and are looking at a HRA (Health Reimbursement Arrangement) plan that is estimated to reduce costs. We are also looking to provide an HSA (Health Savings Account) option. Insurance renewals need to be negotiated with the union and are mostly completed. There will be no change for the employee (only adding an option) Our new benefits coordinator, John O'Connor, with Acrisure (formally 44 north) discussed new options.

-Mr. Bontrager made motion to approve the BCBS plans as written. Mrs. Civile supported motion, which passed by consensus.

5. **Retention Credit:** IRS examination was denied as discussed at previous meetings, and appeal has been filed. As a reminder our case has been forwarded to the IRS Independent Office of Appeals. There has been no further direct communication to us. Administrator has continued coordinating efforts with state reps, former reps, etc. Formalizing information from other County homes to combine efforts has continued. The claim at Pleasant View is for a \$4.6 million credit. Updates will be provided.
6. **Check Fraud:** We continue to review with the bank. Mrs. Knieper stated we are waiting on an auditor to be assigned to us. Updates will continue to occur.
7. **Financial Report:** Mr. Alt presented the September 2024 unaudited financial statements, including the summarized balance sheet, income statement, and month-end recap. Further commentary provided during the meeting.

- Mrs. Civile made motion to approve the unaudited September 2024 financials. Mr. Bontrager supported motion, which passed by consensus.

8. **Accounts Payable:** Mrs. Espinoza presented the check registers for the pay period dated 9/28/2024-10/11/2024 and 10/12/2024-10/25/2024.

- Mrs. Civile made motion to approve payment of check register date of 10/11/2024 in the amount of \$545,724.49. Mr. Bontrager supported the motion, which passed by consensus.

-Mr. Bontrager made the motion to approve payment of check register dated 10/25/2024 in the amount of \$806,841.69. Mrs. Civile supported the motion, which passed by consensus.

9. **Payroll:** Mrs. Lamb presented the payroll summaries for pay periods dated 09/23/2024-10/06/2024 and 10/07/2024-10/20/2024.

- Mrs. Civile made motion to approve payroll summaries for the dates of 09/23/2024-10/06/2024 in the amount of \$472,019.18. Mr. Bontrager supported the motion, which passed by consensus.

-Mr. Bontrager made motion to approve payroll summaries for the dates 10/07/2024-10/20/2024 in the amount of \$475,223.76. Mrs. Civile supported the motion, which passed by consensus.

10. **Community Relations Team (CRT) Funds Transfer:** Transfers of funds related to CRT expenses were reviewed for expenses for July 2024 through September 2024. We have transferred the total expenses back to the operating fund, as staff recognition expenses are not to be expensed through general operating funds.
11. **Occupancy data comparison:** Mrs. Espinoza presented the graphs from 09/2024 which align with the September Financials. Daily census was reported at 132. Two are at the hospital.

12. Write Offs: None to present at this meeting.

13. Write Offs Less than \$1000: None to present at this meeting.

15. AR Reconciliation: Mrs. Knieper presented the AR reconciliation form.

16. Audit and Cost Reporting RFP: A request was sent to three companies to receive quotes for a financial statement audit, along with preparation of the Medicare and Medicaid cost reports. The contract for audit services that ran for 3 years with Yeo & Yeo expired in 2023 and Rybar Group that previously prepared our cost reports was bought out by a CPA firm, so we felt it was important to confirm the value we receive from these services with a formal RFP process for services that will cover reporting from 2024 to 2026. Rubin Brown is the firm that acquired Rybar Group and they declined the opportunity to bid on the audit but provided a quote for cost report services starting at \$6,400. Yeo & Yeo does not prepare cost reports, so they only provided a quote for audit services starting at \$25,700. CLA was able to provide a quote that included both audit and cost report services starting at \$31,920. It is our recommendation to select CLA for both services, since they are familiar with our industry, they know PV since they just assisted us with a market assessment, and their service delivery includes industry insights and benchmarking.

-Mr. Bontrager made motion to approve working with CLA as written. Mrs. Civile supported motion, which passed by consensus.

17. Budget for 2025: Mrs. Knieper and Mr. Alt presented the budget proposal for 2025. Significant discussion occurred at the meeting.

-Mrs. Civile made motion to approve the 2025 annual operating budget proposal. Mr. Bontrager supported motion, which passed by consensus.

18. Star rating with CMS: Discussed remaining at a 5-star!

19. State: It was reported there is one outstanding FRI.

20. Updated Policies: None to present at this meeting.

21. Axis: We have utilized a company (Axis) as a third-party auditor to our therapy services (which are provided by Concept Rehab). They have completed monthly audits (chart reviews and follow up discussions) since 2021. Therapy services bring risk when over utilized (overpayment) or loss of funds (when underutilized). Axis has notified us that they are closing their business the end of this month. At this time there is not a third-party recommendation from the Administrator. However, she is working to identify options. In addition, the frequency of the need of the audits is being reassessed (perhaps a switch to a quarterly or twice yearly review). There may be a small gap in time where we don't have monthly audits, but there are no corporate compliance violations should this occur.

22. MMRMA Renewal: Michigan Municipal Risk Management Authority (MMRMA) is who we utilize for our insurance needs (excluding work comp). We have received our renewal rates for 2025. Our renewal is \$130,681. Last year it was \$133,193. This represents a slight reduction of 2%. It is also important to note that we are part of a pool that refunds

us money for low claims in the entire group. The coverage options with VOSS did not work out for 2025 (they declined to cover us based upon changes in the law). We will revisit with them in 2025. For MMRMA for 2025 there were no changes to coverage amounts or coverages.

-Mr. Bontrager made motion to approve MMRMA renewal for 2025 in the amount of \$130,681. Mrs. Civile supported the motion, which passed by consensus.

23. **MDS:** As discussed at previous meetings, we continue to work with Engage Consulting. They are submitting MDS assessments and working on training our MDS staff. We are continuing to utilize Engage Consulting to contract out portions of the MDS submissions, but at a much lesser rate. We are currently assessing the best use of Engage resources.
24. **Dialysis:** Census of dialysis is currently at four. Strategic plans for increasing census continue.
25. **Incident/Accident Report data:** Mrs. Delau presented incident and accident reports from August 2024 through October 2024.
26. **Nurse Bonus:** The total cost for the nurse bonus since the last payroll presented at the previous meeting, is \$700. Last time was \$600. We continue to see changes in staffing. Work is ongoing.
27. **Wage Review Strategy (non-union):** Currently under review (for wages set in 2025). Discussion to occur at the December meeting.
28. **Vision Insurance through BCBS:** Our vision benefit through BCBS is voluntary. The rates for 2025 are not in yet. They have stated it will be a decrease, but have not released any further information.
29. **80/20 Insurance Option:** Public Act 152, commonly known as the Publicly Funded Health Insurance Contribution Act, sets limits on the amounts a public employer in Michigan may pay or contribute towards the cost of a medical benefit plan for its employees and requires each public employer to vote annually to select either the "hard cap" or the "80/20" cost sharing option set forth in the Act. This facility has historically selected the 80/20 option since this requirement was set. Discussion occurred.

-Mr. Bontrager made motion to adopt the 80/20 cost sharing option set forth in PA 152 for plan year 2025. Mrs. Civile supported the motion, which passed by consensus.

30. **Delta Dental and Mutual of Omaha (life insurance and short-term disability):** These plans have a 2-year renewal date and are not up for renewal until January 1st, 2026.
31. **Work Comp renewal:** Our current carrier is Argent West Bend. The renewal plan year 12/20/2024 until 12/19/2025 is estimated at \$183,451 which is a percent savings of 15.9% from last renewal. Our estimated renewal last year was \$206,831 with an adjustment of \$219,094 due to payroll audit. The experience mod has decreased from 1.18 to 0.97 as 2019 has fallen off and 2022 was added on to the calculation. Argent West Bend also gave us the opportunity to select a dividend plan option, but the dividend plan would break even. The premium for this is \$196,748 based on out

estimated payrolls. It was recommended to renew with Argent West Bend for the estimated guaranteed cost renewal of \$183,451.

-Mrs. Civile made motion to approve the renewal with Argent West Bend as written. Mr. Bontrager supported motion, which passed by consensus.

- 32. Plant Operations Concerns list:** Mr. Smithingell presented a list containing maintenance updates. Discussion occurred regarding recent incident with the transfer switch failure. Incident command was stood up. Will keep board posted with any updates.
- 33. Quality Measure report:** Mrs. Delau presented the CASPER report with an update.
- 34. Marketing/PR:** Mrs. Baldwin provided an update regarding Marketing/PR.
- 35. Planned Activities:** Mrs. Tomac presented a list of activities planned for October 2024.
- 36. Dietary:** Mrs. Gokee reported an update from Dietary.
- 37. Central Supply:** Mrs. Woodruff presented a summary for Central Supply.
- 38. General IT update:** Mr. Miller provided an update from IT.
- 39. Proposed 2025 Board Meeting Schedule:** Mrs. Espinoza presented the proposed schedule for 2025 DHHS Board Meetings.

-Mrs. Civile made motion to approve the 2025 Board Meeting Schedule as written. Mr. Bontrager supported motion, which passed by consensus.

- 40. Expansion Update:** The LOI (letter of intent) was filed and the full application is underway. Legal is assisting with the RFP and draft construction management agreement. The construction management agreement would be similar to the contract for the original building. Discussion occurred and plan to proceed with the construction RFP in late November or early December. Strategic planning session for financing/cash use options will be coordinated soon. Memo regarding the bonding process was reviewed and discussion occurred at meeting with legal remotely.
- 41. Expansion Design Discussion:** Discussion occurred at meeting with Jordan London from ELA and legal remotely on the design plan options and costs. Board agreed with Option #1 out of three options that were presented. Plans will continue with pursuing Plan #1.
- 42. Closed Session:** Mrs. Civile made motion to enter Closed session pursuant to Open Meetings Act Section 8(c) for a strategy session to a strategy session connected with the negotiation of collective bargaining agreements. Mr. Bontrager supported motion, which passed by consensus. Motion carried with 3 yeas; Londa Knauff, Greg Bontrager and Cindy Civile.

-The meeting entered closed session at 11:57am.

-The meeting exited closed session at 12:50pm.

- 43. Return to open session:** Mrs. Civile made motion to return to open session, Mr. Bontrager supported motion, which passed by an all yeas vote.

44. **Wage Scale:** Discussion ensued regarding wages set for 2025 as written with a cap of 10% based on performance with a 3 year catch up to mid-level with the exception of the Administrator due to shortage of Administrators and Business office manager.

-Mr. Bontrager made motion to approve the wage scale as written with a cap of 10% raise based on performance with a 3 year catch up to the mid-level. Mrs. Civile supported motion, which passed by consensus.

-Mr. Bontrager made motion for an exception for the Administrator to reach the mid-level beginning January 1, 2025 due to excellent work and shortage of Administrators and the Business Office Manager to increase to 12% at this time. Mrs. Civile supported motion, which passed by consensus.

45. **Next Meeting date:** Next meeting date December 20th, 2024 at 10:00am.

46. **Adjourn:** Mrs. Civile made motion to adjourn the meeting. Mr. Bontrager supported the motion. The meeting adjourned at 12:51 pm.

Londa Craft
12/20/2024