



DAUPHIN COUNTY BOARD OF COMMISSIONERS

Legislative Meeting

August 3, 2005 (10:00am)

MEMBERS PRESENT

Jeff Haste, Chairman
Dominic D. DiFrancesco, II, Vice Chairman

MEMBER ABSENT

George P. Hartwick, III, Secretary

STAFF PRESENT

Marie Rebeck, Controller; Robert Dick, Treasurer; William Tully, Esq., Solicitor; Elke Moyer, Human Services Office; Dominick DeRose, Warden; Steve Suknaic, Director of Juvenile Probation; Robb Wentzel, Director of EMA; Guy Beneventano, Esq., Solicitor's Office; Teresa Hessler, Spring Creek Administrator; Scott Burford, Assistant Administrator at Spring Creek; Hugh Hennessey, Spring Creek; Randy Baratucci, Director of Purchasing; Greg Schneider, Budget and Finance Office; Mike Yohe, Director of Budget and Finance; Bruce Foreman, Esq., Solicitor's Office; Jeff Reuscher, Spring Creek; Dave Schreiber, Personnel; Faye Fisher, Director of Personnel; Brian Davidson, DCED; Garry Esworthy, Risk Manager; Melanie McCaffrey, Solicitor's Office; Sandy Moore, Director of Human Services; Julia Nace, Assistant Chief Clerk; Lena Martinez, Commissioners' Office and Jena Wolgemuth, Commissioners' Office.

GUESTS PRESENT

John Bair; Chris Ordiway; Ryan Servant; Phil Spaseff; Cathy Otto; Ed Balliet; Kevin Koval; Jack Sherzer; Tony Spagnolo; Julia Taylor and Ray Reilly.

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 a.m.

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have the June 29, 2005, July 6, 2005 and July 13, 2005 meeting minutes to approve. Is there a motion to approve?

It was moved by Mr. DiFrancesco and seconded by Mr. Haste to approve the June 29, 2005, July 6, 2005 and July 13, 2005 meeting minutes. Motion carries.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Haste: There were no Executive Sessions held between meetings.

PUBLIC PARTICIPATION

Mr. Haste: At this point in time we are ready for public participation. Is there anyone in the audience that would like to address the Board at this time? Please have a seat, take the microphone and state your name for the record.

Mr. Spagnolo: My name is Tony Spagnolo from 291 North 50th St., Swatara Township. I am appearing before the Board today in regards to Spring Creek Rehabilitation and Nursing Home. I am out there almost weekly. The facility, as they go, is excellent. The care given there now is good. I see here (in the agenda) you propose to eliminate a tremendous number of positions out there. I understand, and I don't know the particulars, that one floor is vacant.

Mr. DiFrancesco: Two floors.

Mr. Spagnolo: I just can't understand why a facility that nice was built and is not being utilized to the greatest extent. I understand you are not accepting any new patients for whatever reason, financial or otherwise. I want to tell you when you put dollars before souls I have difficulty with that. In hind sight of course we know that maybe that facility

shouldn't have been built. Futuristically I know what the plan was that the vacant lot setting on Paxton St. was to be developed and possibly leased. Those monies were to be used to offset the cost of Spring Creek. It is a nice dream but it hasn't happened yet. I know it costs a lot of money to run this facility. If you cut that care to those people out there to the extent where...I know Nick has spent some time out there, but you have to spend a day and really see what is being done for those people that really can't help themselves. It is wonderful tremendous care. I personally had an aunt in the old facility for 20 years, deaf and mute, that received excellent care. In her last year she was absolutely not there, but she got excellent care. I cannot praise the people out there enough and when I see the salary scale of the positions you are eliminating for the most part it is absolutely pathetic. I am going to ask you gentlemen to reconsider cutting. Consider those souls versus the dollars. I know we have paid higher taxes for two years. I did and I complained about that. When it comes down to these poor souls that can't speak for themselves, that's why I am here. I appreciate your concern. I appreciate the problems out there, financially, but it is a tremendous facility. If it could be better utilized at a lower cost I commend you for trying to do it. You just don't want to keep eliminating positions where the people are because they will get discouraged and they will also leave. I thank you for your time. I feel that this is pretty cut and dry of what you are going to do today, but futuristically you just have to consider those poor souls that are out there.

Mr. DiFrancesco: Tony, I just want to clarify a couple of things so you are aware. The positions that we are eliminating today are actually two-fold. Most of them are the layoff's that already took place. What we are doing today is basically the administrative action of getting rid of the positions. Those layoffs were directly attributed to the closing of those two floors. In terms of the level of care that is being offered to the floors that remain, really no cut in service is being done to those people. Really today's actions with these eliminations are just a result of the people who have been laid off. They are now the vacancies that exist and we are getting rid of the positions on the books. It is not further cuts to the layoffs that have already taken place.

In terms of us reducing the number of beds in the facility...one of the reasons that we did that is because over the course of the last couple of years we couldn't keep 404 beds filled. Our census was so low it got to the point where last year we ended up losing our disproportionate share. There is a dollar amount which equated to about \$500,000. We would normally get this money from the State as long as we keep our census above 90% throughout the year. Because we had struggled all year to keep beds filled we got below that 90% number, to the point where we lost that money. What we decided to do was to take a look at realistically and ask what the right size of the facility was. Two things were affecting us; 1. We couldn't even keep the census up in the building. We had a 404 bed facility and we were probably running an average of 350-360 filled beds. 2. We couldn't keep staff on hand so we constantly had to turn to agency nursing. We literally couldn't recruit and keep enough staff.

Mr. Spagnolo: Well then I can't understand why you stopped accepting patients.

Mr. DiFrancesco: We are actually not. We are down right now. What is the census today?

Ms. Hessler: The census today is 304.

Mr. Spagnolo: So you are accepting? Well then the newspaper articles are misleading.

Mr. DiFrancesco: No, we are accepting patients but now instead of having those 404 beds on the book it is 308. There may come a time where we get up to 308 beds filled where we do have to turn people away, but that is not going to be a constant. With the level of turnover, every 6 or 8 people you admit, someone else has rehabbed and they go home. There are constantly beds opening up.

The reason we down-sized the facility really was we were struggling to keep beds filled and it was costing us money not to provide service, but to actually go out and find people to fill the beds. That was the reason for the reduction. Again, the layoffs were directly attributed to the closing of the two floors. As far as people receiving services on the floors, we made a strong commitment to the people. If we are going to be in the nursing home rehabilitation business then the quality of care that is going on in that building is going to be top notch. We have made that commitment and are here to uphold that commitment. In regards to the services being provided dollars are not more important than the people out there. Where dollars really come into play is when we weigh the challenge of what the taxpayers of this county should be obliged to pay versus keeping the home open. Like I said, time and time again, this Board is committed to keeping the home open and keeping it as an option for those who have nowhere else to go. We are trying to do everything we can to try and save that facility and I think we are making good gains in that regard.

The bottom line is that the facility cannot continue to cost \$4 or \$6 million over budget year after year. A lot of it had to do with a particular management team that was in place at one point in time. That is what we are trying to overcome. Very shortly we are going to hear a presentation where we are going to hear how much rebuilding was done over the last year and a half and why going forward that should show some real benefits financially. As long as we can get our financial house in order that facility will continue to be part of Dauphin County government and it will continue to be a viable option. We absolutely want to make certain that the quality of care that is being provided is top notch. As you said, a lot of these folks do not have any place else to go. A lot of these people don't have any family. Literally they are there towards the end of their life and we want to make sure that the quality of life is as good as we can make it. Just a couple of points to let you know that as long as we are in this business our hearts are going to be in this business. We are going to make sure we are doing it right. We also have the obligation to make sure we are being smart. For a long time we were not being smart and it was costing the county a lot of money. I guess some of the things that I have seen over the past year and a half I must evaluate. We have a new building but is it a better building than the old building? In some ways the old building was better than the new building. The deck is set and we are going to play the cards as they come. Our

goal is to keep it open. I have had a lot of people call me and compliment the facility in terms of the quality of care that their relatives have received in troubling situations. We want to make sure that the option stays there.

Mr. Spagnolo: Can you clarify the rumor of whether the State is going to send patients to occupy those two vacant floors?

Mr. DiFrancesco: Right now we are looking at a couple of partnerships. None of which includes State Hospital patients. I know that is a rumor that has been out there for a long time. We have a couple potential partnerships with hospice and service providers. Should these relationships come to pass you could probably walk down a floor where this private firm is engaged and it would look very similar to what is going on in the other facility. Whatever we put in there will most likely compliment what is already going on. It will also provide a revenue source to generate and offset some of the facilities cost.

Mr. Spagnolo: I thank you for your time and for giving me some degree of comfort today by what you have said.

Mr. DiFrancesco: Keep watching and keep on us I know this is an important issue for you.

Mr. Haste: Thanks Tony for coming. I am not the oversight out there, Nick is, but I think you know since 1988 off and on I have had a fair amount of dealings with that facility and have somewhat of an emotional connection to it and the residents there. You can bet that from where I sit the quality of care will be the top issue. The management of it is something that we can debate on but the quality of care is what is key to those folks out there. From my perspective you don't have to worry about us not serving the constituency that is out there. I do know it is a safety net. I do know that we have, if not a legal, a moral obligation to look after those folks. You can rest assured.

Mr. Spagnolo: Thank you.

DEPARTMENT DIRECTORS/GUESTS

- A. Ed Balliet, Regional Vice-President; Cathy Otto, Kevin Koval, & Hugh Henessey with Complete HealthCare Resources; Teresa Hessler, Administrator; and Scott Burford, Assistant Administrator of Spring Creek.**

- 1. Spring Creek Update.**

Ms. Otto: Good morning. I am Cathy Otto, Vice President of Long Term Care Services for Complete HealthCare Resources. With me today is Ed Balliet, Regional Vice President assigned to Spring Creek and Kevin Koval who is our Sr. Director of Accounting for CHR and handles Spring Creek.

Mr. Haste and Mr. DiFrancesco: Good morning.

Ms. Otto: We have presented to you a complete summary of the past year's activities at Spring Creek. Briefly we just want to highlight some of the key elements for you. There have been many operational accomplishments by CHR in the Spring Creek facility team this past year. The primary focus has been centering around the development and implementation of some systems that serve as a basic foundation for quality of care at Spring Creek. We have outlined some specific details related to those initiatives under Tab 2 of the handout that you received. Basically we have addressed the concerns in areas of administration, nursing, the fiscal area, personnel, dietary, housekeeping/laundry/maintenance and safety and compliance issues. These are all addressed under the second tab. Ed is going to speak a little bit about administrative concerns that we have identified and addressed.

Mr. Balliet: Thank you. We have addressed several areas in the administrative arena within Spring Creek. The first was looking at all of the documentation regarding contracts and agreements. We found that some of them were not updated. They did not have current language in them and simply needed to be renegotiated. Therefore, completion of compliance documents related to transfer agreements, civil rights, dialysis agreements, medical staff agreements and admissions agreements were all revised and updated. Compliance programs related to the Office of Inspector General exclusion checklist for employees, physicians and vendors were implemented to ensure that there is no one working there or contracting with the facility that is precluded from working in the Medicare or Medicaid arena.

We have also developed a corporate compliance program for the facility in conjunction with the county.

We developed and implemented resident related programs including a new resident handbook, a new grievance procedure and grievance log to track residents and family concerns.

We started a 7 day a week evening activity program. The activity program there was a good program but it lacked evening and weekend activities for the residents that were specific to what residents wanted to do. That has now been boosted.

We also implemented several team building initiatives including, rumor control meetings, mentoring programs and regularly scheduled department manager and staff meetings. With that I will turn it to Cathy to discuss nursing.

Ms. Otto: Under nursing one of the most important things that was initiated was expansion of the 24-hour reporting standard meeting protocol. What this does is it ensures follow-up on any significant changes, events or other issues that occur for a resident or residents during a 24-hour period. So there is immediate notification of physicians, families, transfers to hospital and follow-up on important clinical issues. We did revise the entire quality assurance program and provided ongoing training and follow-up in the facility. We have implemented many clinical systems that needed reinforced in the facility including restraint reduction, which we have seen a reduction in

restraint utilization. We have done an entire bedrail safety review, which is a key focus of the Department of Health at this time. We have put in an expanded fall prevention program, psychotropic medication review program, wound prevention program and we are expanding our restorative nursing program as well. We are working with the dieticians right now for a facility specific at-risk weight monitoring program to ensure that we are adequately preventing weight loss and immediately addressing any significant weight losses that occur.

In looking at our incident and accident reporting making sure we are following up. We have just recently implemented a pain assessment program to try and have good pain control programs in place for long-term care in the end-of-life cases. We have also completed a 100% medical record audit. We followed it once again by staff training so they can audit their medical records to ensure that our documentation is not incomplete. The charts will have everything on them. This was an issue that had been a Department of Health issue in prior years.

Under fiscal I would like to introduce Kevin Koval who is going to talk a little bit about our financials.

Mr. Koval: Thank you. Under our fiscal area we had implementation of strong collection practices, as well as a review of the accounts receivable aging with follow-up. We have reorganized the business office functions to allow for responsible accountability and the automation of available computer software for billing. We have done an accounts receivable review, which identified approximately \$3.9 million of AR (accounts receivable) greater 90 days. Although 100% of this consists of the accounts that are greater than 1 year, with approximately 54% of it related to private accounts. The greater 90 day reflects approximately 60% of a total outstanding AR balance of \$6.3 million. In addition to the research on the old AR we have collected over \$700,000 in old AR balances. When you currently take out the old AR we are achieving roughly 37 days of old AR's outstanding. We implemented effective deposit procedures to receive the money in a timely manner. We also have received an application for assignment of a DMERC number. We instituted an accrual accounting system, which also is reconciled to the county cash system on a regular basis in order to accurately produce financial statements and an operational review.

For Personnel I will throw it back over to Cathy.

Ms. Otto: The first six months of 2005 really served as a transition period from the initial crisis period, which involved dedicated nursing support to resolve the survey issues. That was early in the year carried over from 2004. In February of 2005 we identified a serious concern regarding agency utilization and did present to the Commissioners the various models for possibly down-sizing the facility.

We did select a right-sizing model which was implemented in March and we transitioned into that. We are still completing the final transition through June and the end of July with final reassignment of staff through the bidding process, which takes a period of

time. The last resident on the nursing units was pretty much towards the end of May, but it is taking the bumping and posting procedures several weeks to be completed.

Our agency expense has begun to decrease. We were averaging \$369,000 per month. In June our preliminary is about \$180,000 and we still feel that the number will decrease come July. We are still continuing to address key areas that are problematic for the facility. Call-off issues still require some utilization of agencies. Also because there is still a fairly significant vacancy rate we have difficulty with vacation coverage, which still require at some point agency utilization. We are working on that. We have a recruitment retention committee. We are working with HR within the facility to try and recruit and maintain permanent staff. We also have addressed certain processes within our own facility regarding the hiring process. There is a certain amount of delay related to county systems that you can't avoid. We are looking at ways to address having orientation programs very timely so we don't have to have anybody wait any longer than possible to have an effective start date. We have developed our staffing/scheduling models based on the new census potential of 308 on the final closure of the 2 McBride wings. We are very excited at this point about looking at CCAP's projects grant money for renovation of the units and as you referred to earlier the implementation of clinically provided programs such as Hospice.

There have been some changes in the other areas too. Dietary, for example, Ed I can turn it over to you for that.

Mr. Balliet: One of the first things that was implemented in the facility is a new menu system. The new menu system started with an elder care specific menu that has more food prepared from scratch as opposed to frozen foods. Not only does that enhance the quality of life for the residents but it also has saved an estimated \$130,000 a year in food costs.

We started an inventory review par level development in inventory control system and implemented purchasing efficiencies as well. Through that system we have been able to reduce the use of chemicals by approximately \$25,000 per year. We have seen a drop in raw food of approximately \$83,000 per year.

We also implemented spend down tracking sheets so that the staff understands exactly what they have to spend on a budgetary basis and to track that on a monthly basis.

We implemented several infection control practices and conducted a state certified Servsafe training program for several of the dietary staff.

We implemented a computerized tray ticket system which allows the staff immediately to identify a resident's likes or dislikes, allergies or any other issue that would come to play when their meals are being prepared for delivery. The residents are much happier that they are receiving what they like opposed to having to come up and ask for a change.

The other item that was implemented as well is the food committee. A group of residents from the Resident Council now have a say in the menus served at the facility. They actually meet with the Food Service Director, discuss the items and ask for specific things that they would like to try on the menu. The committee then actually gets to taste the food in advance and determine if they want that item added permanently to the menu. Through a quick review of the Resident Council News we have seen that residents' concerns regarding food have dropped dramatically.

Ms. Otto: When we initially started in early July of last year we had some concerns about the housekeeping policies and procedures in the facility related to general cleanliness and cleanliness of high and low areas. The carpets/flooring, there were some serious issues related to that. We did extensive implementation of procedures and a lot of training related to floor care, carpet cleaning and general cleaning of public areas, which seem to be lacking, mopping and dusting routines. We also did a lot of education and developed procedures related to chemical mixing utilization, which we found that they weren't doing quite as efficiently as they could have been. We were actually not mixing things properly thus it actually wasn't doing any good. Really it was only destroying the finish on the floors, which compounds the problem and utilizes chemicals that you really didn't need.

We also did new trainings to talk about the hazards of those chemicals and how important it is to mix them properly. We developed a Policy and Procedures Manual. Actually in all of the areas we had them bring in all current policy and procedures manuals that had not been reviewed and revised recently that we could determine. We have implemented quality assurance and quality review activities so we can maintain that level of cleanliness.

In the laundry we did some realignment of job assignments that did increase productivity by looking at distribution procedures. We've also developed a Policy and Procedures Manual for the laundry as well. We also established emergency contingency protocol in the event of interruption in utility services and implemented some daily routine schedules so that we are in compliance with safety and infection control standards.

Mr. Balliet: In the maintenance arena we implemented a formal painting and preventative maintenance schedule. The staff had been doing maintenance ad hoc, but we put an actual program in place where all preventative maintenance was added to a schedule to ensure that nothing was missed and to ensure that equipment was operating when needed.

We developed and implemented a work order system to be able to better utilize the staff that were there and to identify which items needed to be addressed immediately.

We developed and implemented several life safety monitors to ensure that there was ongoing compliance with the life safety code regulations. In addition to that we initiated a life safety notebook so that all that documentation is in one area when the Department

of Health comes in for a safety inspection. They can immediately refer to it and ensure that everything is correct.

We implemented the lock-out/tag-out procedure to ensure the safety of the staff as they are working on equipment. Also, we did a great deal of staff education for, not just maintenance staff, but housekeeping, laundry and other departments regarding waste. We found when we arrived at the facility that many of the non-medical waste items were being placed in medical waste bags. Medical waste is very expensive to dispose of. Through the staff education we are estimating a cost savings of \$11,000 in the first year.

In addition we have done several safety and compliance items. A written safety manual was provided to the facility in 2005 and has been adapted. A disaster manual and evacuation plan for the resident relocation has been completed. Electrical safety protocols and procedures were implemented, as well as storage safety protocols and procedures to ensure that not only residents and visitors are safe but also that staff are safe.

Fire safety issues were addressed including: smoke door closures, fire extinguisher preventative maintenance programs and fire drill compliances. Oxygen safety issues related to storage and signage were addressed. General safety concerns related to eye wash stations, safety check lists and safety committee follow-up were also addressed.

In addition some compliance issues were identified dealing with water temperatures on the floors being too hot. Those were addressed and a system was put in place to ensure that they remain at State standards.

Mr. Koval: Looking at the revised 2005 budget. The original budget model projected to transfer to the general fund of \$4.1 million. The new revised budget is projecting a transfer in the general fund of \$5.2 million. Here is the explanation of the projected transfer in 2005.

Approximately \$1.6 million of July transfers were related to 2004 expenses. Year-to-date through July is approximately \$3.7 million. We have roughly \$900,000 of Medicaid pending that will have to be funded by the County. We are estimating approximately another \$1.5 million for the second half of the year, which will give you a total projected county transfer for 2005 of \$7.8 million. The current estimated transfer for 2004 was approximately \$9.7 million.

Ms. Otto: We have identified many operational concerns that we have addressed throughout the year. I looked at the July 2004 to July 2005 year as a year of transition. We did assessments, reviews and we looked at all the systems. We tried to stabilize and put things in place so that we can build a strong foundation for quality that will carry on through the years without just superficial "quick fixes". We have done a lot of training and education and we continue to provide that. With the right-sizing project we feel that we can address the census issues that we've seen in the geographic area, as well as

the inability to retain and recruit licensed staff, which is problematic. We look for the remaining half of 2005 and 2006 to be a year where we can move forward and make some resounding successes at Spring Creek. Any questions?

If you want to take time and read through your book we can meet at a later time if you have questions. That is fine. There is a lot of detail in there.

Mr. DiFrancesco: No, I wanted to first focus on what was going on here, but one of the issues that I need to ask up front regarding the \$900,000 of MA pending is, can you tell me is that getting better or worse in terms of historic trends and the performance of that office? This is money that we are basically waiting for approval from the state to say whether they qualify or they do not qualify.

Ms. Otto: When we originally evaluated the Business Office in July of 2004 there were significant Medical Assistance claims pending. Much of that had been due to the facility not getting a lot of the information from families timely to the County Assistance Office. That has all been cleaned up. Everything we have now has been current. We have processes in place where the information is gathered immediately on admission. We have follow-up calls with families so that we are sure that the County Assistance Office has all of the information. What the problem is currently with the \$900,000 in pending revenue is we have approximately 49 MA "pendings", meaning that the County Assistance Office is having a problem with a back log of work. They apparently had some staffing changes and retirements and have been trying to hire and train new folks in the County Assistance office and we're seeing a back log in many of the counties clear across the state. We monitor MA "pendings" in all of the facilities we manage because this is a concern right now and it has been for the past 6 months to a year. Everything they have from us is current. We had 53 MA "pendings". We just received 4 approvals for people from 2004. They tell us when we meet with them that they are getting their people trained and they hope to be able to expedite and move these forward. At this point in time we feel that most of this will be collectable. It's really due to a lack of staff I think on their part. A lack of trained staff to move through it quickly slowed the process down. Because the county is current on paying their expenses we've got close to a million dollars of revenue that is sitting there that hasn't come in because of that timeliness issue on their part. That is almost like another loan until you get that MA pending money in, but it's not MA pending money that's bad debt. It's just pending because the slowness from the County Assistance Office at this point who at this point are really trying to work with us to resolve the issue. It is a statewide problem unfortunately. Some counties have more of a problem than others, but at this point it is a statewide problem.

Mr. DiFrancesco: I really don't have a lot of public questions to ask. Most of this stuff I have been working with them on. I don't know if you have questions.

Ms. Otto: We are available at any time if you think of something.

Mr. Haste: I have a few follow-ups. If you don't have the answers now you can get them to me. First, I would like to thank Ed for meeting with me yesterday. Sorry you weren't able to meet, Cathy.

A couple things if you could get to me, I knew in the down-sizing we had seen several scenarios where we had made the decision on which was the right size to go. If you could, update the scenario where we are with the revenue that we lost because of not having the patients coupled with the savings that we will see. If you could, just update that for me and give me a timeframe because we have already started to lose some of that revenue. We are slowly starting to get some of that savings back. If you could give me a time frame when we are going to break even or see an increase in the revenue side.

Ms. Otto: Okay.

Mr. Haste: The other question I had was in your billings for this year I noticed February went up substantially. Could you tell me why? Look at your page....is that agency?

Mr. DiFrancesco: That is agency costs.

Mr. Haste: Got it. When I saw agency I was thinking that was your fee.

Ms. Otto: Other than because of call-offs etcetera there is no real reason to explain why February might have been higher. Actually since it is a smaller month you would think it would have been less. If there is more family medical leaves and that they impact because you still have so many vacancies that you still utilize the agency at that point to cover those kind of things. That is where the red flag went up for us especially as it did seem like the agency really was continuing to be that problematic to continue on that course, that kind of an expense, for an entire year would have been devastating to the county.

Mr. Haste: Ed and I talked a little bit about agency and nursing information yesterday. He is going to follow-up and get me the information.

Ms. Otto: Okay.

Mr. Haste: I think everyone knows my frustration and it is because this hasn't turned around as quick as I hoped it would. Again, part of it goes back to some time ago. I am starting to sound like my father because all I talk about are things that happened in the past. I do remember when I came to the county in my first term the situation was not good. We turned it around with staff. We hired our own. We didn't go out and get a consulting firm. It turned around. A lot of what you have improved I am delighted to see because those are the same improvements we had made before. The unfortunate thing is that for some reason they got lost in the last 4 years. It's as if management went to sleep. So I am glad to see that we are coming back. In my mind, again I'm a lay person, I'm trying not to down play this, but I am going to say it this way. A lot of the

improvements that you have made do not seem like rocket science to me. It is common sense. The maintenance schedules, the painting, the dietary, everything you have said is common sense. When we hired you my hope was that we were hiring more than common sense. We were hoping to get the best that there was to offer out there. My challenge to Ed was he is going to take it by the end of this year and prove me wrong. I hope he does. If he does I will sit here and tell you that my frustration went away and I was wrong. But that is my frustration. I thought when we hired a firm we would turn around quicker than we had seen in the past. With the consulting services, with the nurses and things like that you would think we wouldn't see repeat problems of the past. Some of the problems that we had with inspections are nothing new. They are the same problems that happened 15 years ago. They are the same problems. I wouldn't expect to see those. That is my frustration. The improvements that you have made are good. I commend you for those, but again to me, sitting here reading through this in more detail last night, it was common sense. I am looking for more than common sense. I am now awaiting the phase that I am going to see that. That is what I am hoping to get out of this.

Ms. Otto: Okay. My only comment to that is I think it is common sense. Management is being able to think of those ideas. It isn't just that though. Management is taking those common sense ideas and having programs developed and getting them implemented and training that staff. Training is a key component and doing follow-up and reinforcing. I think some of the issues related to survey still go back to, you can train and reinforce, but you also have to retrain and you have to encourage and coach because people don't always learn on the first time around. We didn't have strong systems in place in all areas and I think it did slow us down. I really feel the same way as you, a little frustrated that we couldn't have done it more quickly. However, you can only give so much training and education to staff in total without them being overwhelmed where they can't absorb it any more. You have to back off a little and let them get that program solid before you move on to the next one and keep throwing things at them. That has been a slower process.

The issue with the survey is that I am a firm believer that a consistently staffed building, by your own people, using limited agency, will be your most financially viable facility. I have seen it and we have done it. Agency use is fine. It is nice to have those nurses come, but they are not always a part of your team. They don't always know your systems. They are not always the ones that work here all of the time. Not saying that all of the issues related to the survey are related to them but a system gets weaker when you don't have that same group of people who are constantly there every day and being reinforced. They work together as an integral team. When you have to fill in with folks who aren't part of a team it creates a weakness in your chain. That is what we are trying to overcome. I firmly believe that's the way we need to head. I feel we have really taken some strong steps this year. There have been tough decisions. I can understand your concerns about some of those decisions. We don't take them lightly either. I still feel we are moving in the right direction. I am really looking forward to the end of 2005 moving into 2006.

Mr. Haste: Okay.

Mr. DiFrancesco: One thing I want to add, I think it is unfortunate that we do have to spend so much money on issues that are common sense. I would agree with you, but when we took over this time around little things like daily maintenance and painting were being done on overtime shifts. The fact that management had so completely broken down in the building, and to be honest with you I'm not even quite certain when that breakdown occurred, unfortunately it may have even been in 2 years rather than 4, but the building had broken down so completely that the quality of care was suffering in virtually every aspect of the building, housekeeping, dietary, the entire building had to be restored quickly. Two of the things that really made this contract worthwhile as much as I say unfortunately the financial house hasn't turned around as quickly as I would have liked. I think the quality of care given has turned around very quickly. I think this list is an indication of why this has happened. I am very pleased in that regard. The one thing I believe the company did bring to the table is the fact that they could come in and attack the entire facility in one shot as opposed to just bringing in our own county administrator. It would have been a very time consuming, step-by-step, endeavor. I don't know that one individual would have been capable of attacking everything that needed to be done.

The other piece of it is given CHR's experience in the field the fact that this is their business. There has been a lot of pressure being placed in terms of backlash. Change is not always accepted well. Change may or may not be good, you have to evaluate; but when good change comes there is always going to be a backlash. One of the other things we have been able to overcome has been the fact that the backlash of change is sort of quelled when you have a strong team going in there explaining why it is important and why it needs to take place. Even to this day unfortunately there is still some backlash in terms of the changes taking place. It is a very small voice but it is still ever present and ever pulling back towards the place from which we came.

Obviously I am disappointed that the trend of bleed has not stopped up until this point. I think now with the changes that have been implemented the wounds are all covered and the bleeding has stopped. Now is the time for healing. When the healing takes place that's where we are going to see the cost savings. I think our strategy was such that we wanted to make sure quality of care gets addressed first and I think that was done. Financially again, the taxpayers of Dauphin County should not have to pay for a building that is totally out of control. I think most of those wounds now have been covered and the bleeding is stopping. We are going to see the benefits really from this point going forward. I think the layoffs were the last lines in the down-sizing. Now our expenses should be down to meet those lower revenues from not having that higher population in the building. Unfortunately through the transition period that's your most ineffective stance your expenses stay up as your revenues drop off. We are past that now so a lot has been accomplished in the building. Unfortunately what is easy to see is the financial picture. What is not so easy to see is the day-to-day operations and procedures that have been put into place. This report tends to give those procedures an outline and realistically these accomplishments do point to two issues. One, better

quality of care and two, in the long run better operating efficiencies. Am I happy where we are financially today? No. Do I understand why we are where we are today? Yes. I think as of today we basically have overcome all of the reasons why that building was ineffective and going forward it is time to start producing. We are at that point now where there are no longer any reasons. I'd hate to use the word excuses because that is not the word I am looking for, but there are no longer reasons of the past that should stand in our way. Besides from some small training issues and obviously some contractual issues that we are still trying to resolve for the most part all the problems of the past have been addressed and put to rest. Now it is a matter of every day getting better and making sure that the financial house gets placed in order.

When this board listens to the budget presentation for 2006 that should be, without exception, a rock solid budget presentation. Next year there should be no reason why we should exceed budget short of some natural disaster that creates a problem that we need to overcome. That is my expectation going forward. When you come in to do your budget presentation it should be rock solid. There are no surprises next year. Next year the taxpayers of Dauphin County need to start seeing the benefits of what we have done in the past year and a half. That's where we are. I want to thank you for the presentation.

Mr. Haste: Just another point. I thought of this while Nick was talking. I understand part of what you are dealing with. You think when you get a new facility it would be up to standards and it would be a decent building to deal with, but the one item that you address I'm glad to see. The resident skin tears with the toilet paper dispensers. Before the building opened when I walked through that building I looked at it and said we have a problem. I spoke to the oversight at that time, who had me talk to the Assistant Administrator. I showed them that here we have metal toilet dispensers sticking out at the edge of the toilets. You don't have to be elderly or have a problem to hit your knee. If I had to sit on that I'd hit my knee. It would have been very easy to have those recessed. It is fairly common to see that in those types of facilities. The answer I got from the Assistant Administrator at the time wasn't the answer I was hoping to get. Quite frankly if I wasn't a civilized person I'd of thrown him out the window. For the life of me I could never understand how a facility, supposedly designed by experts, could be this stupid. I am glad to see that at least someone is taking care of it. Again, I had suggested at that time that our own staff just recess those toilet dispensers. It wouldn't have been that tough to do. Then again, those types of things weren't thought of when this building was designed. I understand the difficulties you have with what appears to be a great new building. It looks nice but it isn't quite what it was trumped up to be.

Ms. Otto: This is not unique. I have lived through a couple other new buildings too and it's interesting how it goes.

Mr. Haste: I am a lay person and I saw that one before the building opened.

Ms. Otto: It's no wonder why you are frustrated.

Mr. Haste: Thank you.

SALARY BOARD

A complete set of Salary Board Minutes is on file in the Chief Clerk's Office.

PERSONNEL

Ms. Fisher: Regarding the Personnel Packet we do have an addendum. The addendum includes several requests to fill vacancies. It is my understanding that all of these have been approved by the oversight Commissioner. We also have several new hires. We also have several personnel changes and one employee separation.

Mr. Haste: No other changes to the Personnel Packet?

Ms. Fisher: Correct. It stands as presented.

Mr. Haste: Is there a motion to approve the Personnel Packet as amended?

It was moved by Mr. DiFrancesco and seconded by Mr. Haste to approve the amended Personnel Packet. Motion carries.

PURCHASE ORDERS

Mr. Baratucci: Commissioners there was one add on to the Purchasing Packet. It is on page 15. There were a couple beds for Spring Creek that were approved by the oversight as an add-on. The couple of budget issues were resolved so the packet is there for your approval with the two items that were added on page 15. It is a clean report.

Mr. Haste: Any questions of Randy?

Mr. DiFrancesco: I have none.

Mr. Haste: Is there a motion to approve the Purchase Orders?

It was moved by Mr. DiFrancesco and seconded by Mr. Haste to approve the amended Purchasing Packet. Motion carries.

REPORT FROM BUDGET & FINANCE – MIKE YOHE, BUDGET DIRECTOR

**Report from the Office of Budget & Finance
August 3, 2005**

- **July 15, 2005** transferred **\$2,569,015.55** to the **Payables** account **from the County's Concentration account** for checks issued that week. (Library Tax 2nd quarter payment was included in this payout)
- **July 22, 2005** transferred **\$7,143,299.67** to the **Payables** account **and \$1,928,986.70** to the **Payroll** account **from the County's Concentration account** for checks issued that week.
- **July 29, 2005** transferred **\$1,880,986.08** to the **Payables** account **from the County's Concentration account** for checks issued that week. (RE Transfer Taxes approx. \$1.2M)
- **Total Term Investments – N/A**
- **Balance today in INVEST account \$124,347.88 rate 3.180%**
- **Balance today in Community Banks investment account \$17,000,300.38 rate 3.470%**
(This rate equals today's Fed Funds Rate of 3.250% plus 22 basis points)
- **Balance today in Commerce Bank investment account \$34,000,624.77 rate 3.700%** (This rate equals today's 91-day T-Bill rate of 3.400% plus 30 basis points)
- **Balance today in Sovereign Bank investment account \$17,000,566.54 rate 3.640%** (This rate is fixed through 8/31/05)

\$10M TRAN Line-of-Credit Status at PNC: No activity to date.

Mr. Yohe: I have a little report on our refunding that we did a month ago. It settles today. When Mr. Verdelli was in back in June the reported savings then was \$1,492,079 for the three refundings that we did. Included in this because of the interest rate and the environment at the time we had \$99,951,000 of negative arbitrage. Well, interest rates climbed in the short-term and they were able to reinvest those monies and eliminated that which pushed our savings now as it settles today up about \$100,000. The savings will now be \$1,590,566. That is good news. We got another \$100,000 out of the transaction.

SOLICITOR'S REPORT, WILLIAM TULLY, ESQ., SOLICITOR

Mr. Tully: Only one item to add since the last Solicitor's report we had an extra week period. Item P was not originally on it. It is a contract with West that would be computer access, but a reduction in all of the paper updates. My understanding is that it would either break even or have a savings to the county. It had to be added in that period because of the deadline.

Mr. Haste: What does that program do?

Mr. Tully: It allows computer access to the West system. Right now all we have is the Lexus system. There are two different approaches to legal research. It seems to be the

trend of computer research over paper, but we still must maintain the paper updates to the books. In a way by getting the additional access for computer they give us a savings, which expired on July 31, 2005. It was a question of getting this on and approved today to allow us to receive a savings on the periodical updates that are done every year. That is a costly expense for any library.

Mr. Haste: Okay.

Mr. DiFrancesco: I actually have two issues. Since Chad isn't here I will direct them to you because eventually they will be coming to the Solicitor's as well and I'm not sure what the answer is.

I am assuming right now that the county has policies in place regarding personal use of email or how the email accounts of the county get used and also personal use of cell phones within the county. I am going to be asking staff to look into those policies to make sure that they are in fact there and current. Then secondly they need to be enforced. Over the last month or so 2 separate incidents have been brought to my attention where staff needs to be reminded about the email and cell phone policies. I just want to make sure you are aware that someone may be coming to ask where we are with those policies. I just wanted to give you a heads up.

Mr. Tully: Sounds good.

MATTERS REQUIRING BOARD ACTION

Mr. Haste: Items A through S and on the training packet items 28 through 39 have been added since the Workshop. They are highlighted and it is my understanding that all have been approved by their oversight. Are there any items that need to be voted on separately or discussed? (There were none.) Is there a motion to approve Matters Requiring Board Action items A through S?

It was moved by Mr. DiFrancesco and seconded by Mr. Haste to approve the Matters Requiring Board Action items A through S. Motion carries.

- A. Training Packet
- B. Approval of FY05/06 Per Diem Rates between Children & Youth Agency and:
(per distributed list)
 - 1. Cornell Abraxas Group, Inc.
 - 2. Clear Vision
 - 3. Children's Aid Home Programs of Somerset County, Inc.
 - 4. Children's Home of York
 - 5. Drug & Alcohol Rehabilitative Services, Inc.
 - 6. Glen Mills School
 - 7. Kidspace National Center, Inc.
 - 8. St. Michael's School, Inc.
 - 9. Concern Professional Services for Children, Youth & Families
 - 10. Baptist Children's Service

11. Bethanna
 12. Community Service Foundation
 13. Lancaster County Council of Churches
 14. Lancaster County Youth Intervention Center
 15. YWCA of Greater Harrisburg
 16. Diversified Treatment Alternatives, Inc.
 17. Family Life Services
 18. Laurel Youth Services
 19. Life Management Associates
 20. New Passages
 21. Bruce Schaffer
 22. T. W. Ponessa and Associates
- C. Authorization for the County to accept the flat payment for real estate taxes in the amount of \$3,639.94 from Randy & Cheryl Fackler for parcel #24-083-164.
- D. Real estate tax refunds/exonerations:
1. Refund of 2005 real estate taxes to Red Har, Inc., 1051 Woodridge Drive, Derry Township, parcel #24-056-378, in the amt. of \$5,028.25.
 2. Refund of 2005 real estate taxes to James Fleck, 2426 Derry St., Harrisburg, PA, parcel #13-067-026, in the amt. of \$114.02.
 3. Refund of 2004 real estate taxes to Bryan Zeigler & Angela Rudy, 115 lake Drive, Middletown, PA, Lower Swatara Township, parcel #36-022-054-115-0002, in the amt. of \$256.44.
 4. Refund of 2005 real estate taxes to Jeffrey & Suzanne Williams, 107 Autumnwood Dr., Middletown, PA, Londonderry Township, parcel #34-002-181, in the amt. of \$106.22.
 5. Partial refund of 2002, 2003, & 2004 real estate taxes to Horst Realty, 205 Granite Run Drive, Suite 280, Lancaster, PA 17601, for 395 Briarcrest Dr., parcel #24-029-047, Derry Township; and 905 Governor Road, parcel #24-029-048, in the amt. of \$77,845.64.
- E. Satisfaction Pieces with the following individuals:
1. Lori B. Kriner, 515 Mountain View Road, Middletown, PA.
 2. Charlene Devan, 2113 Green Street, Harrisburg, PA.
- F. Subordination Agreements with the following individuals:
1. Elizabeth L. Stover, 411 Union Street, Middletown, PA
 2. Miguel A. Vega, 3722 Rutherford Road, Harrisburg, PA.
- G. Purchase of Service Agreements for FY05/06 between Children & Youth Agency and:
1. Lancaster County Youth Intervention Center
 2. Children's Choice, Inc.
 3. Diversified Treatment Alternatives, Inc.
 4. Halifax United Methodist Church, Inc.
 5. Alternative Rehabilitation Communities, Inc.
 6. Bethany Home, Inc.
 7. Community Action Commission
 8. Friendship House
 9. Harmony Center, Inc.
 10. Parents Anonymous of Central PA, Inc.
 11. Northern Home for Children t/b/d/a/ Northlink Family Services, Inc.

12. Program for Female Offenders of South Central PA, Inc.
 13. Specialized Treatment Services, Inc.
 14. The Impact Project, Inc.
 15. The Bair Foundation of Pennsylvania, Inc.
 16. Youth Advocate Programs, Inc.
 17. COBYS Family Services, Inc.
 18. YMCA – Northern Dauphin County Branch
 19. Boys and Girls Club of Lancaster, Inc.
 20. Catholic Charities of the Diocese of Harrisburg, PA, Inc.
 21. Laurel Youth Services, Inc.
 22. New Passages, Inc.
 23. LMA Systems Group, Inc.
 24. Clear Vision Residential Treatment Services, Inc.
 25. Drug and Alcohol Rehabilitation Services, Inc.
 26. Bruce Schaffer
 27. Cornell Abraxas, Inc.
- H. Amendment to Purchase of Service Agreements for FY05/06 between Children & Youth Agency and:
1. Concern Professional Services for Children, Youth and Families – Amendment #1
 2. Adelphoi Village, Inc. – Amendment #3
- I. Purchase of Service Agreements FY05/06 between Area Agency on Aging and:
1. United Cerebral Palsy of Central PA
 2. Pinnacle Health Medical Services
- J. Purchase of Service Agreements for FY05/06 between MH/MR and:
1. Philhaven
 2. Catholic Charities
 3. Meadows Psychiatric Center
 4. National Mentor Healthcare, LLC
- K. Human Services Development Fund Grant Agreements between Human Services Director's Office and Puerto Rican Organizing Committee.
- L. Purchase of Service Agreement for FY04/05 between Children & Youth Agency and UHS of Pennsylvania t/d/b/a Clarion Psychiatric Center.
- M. Interim Grant Application as a pass-through for Jump Street and the Pennsylvania Council on the Arts (Human Services Director's Office).
- N. Vending Agreement between Dauphin County Prison and Inmate Telephone, Inc.
- O. Adopt Resolution No. 23-2005 approving the Stormwater Management Plan for the Paxton Street Creek Watershed.
- P. Agreement with Thompson West for the installation of the Westlaw Patron Access Program for the Courts/Law Library.
- Q. Contract between Dauphin County Human Services Director's Office and McKonly & Asbury, CPA not to exceed \$500.

- R. Approval of the FY05/06 Implementation Plan and the FY06/07 Needs-Based Plan for the Dauphin County Children & Youth Services and Juvenile Justice Services.
- S. Approval of a proposal with Parente Randolph, LLC to provide external consultation services for the review of the accuracy of coding of specific MDS assessments for selected residents at Spring Creek.

FORMER BUSINESS

(There was none.)

NEW BUSINESS

(There was none.)

COMMISSIONERS' DISCUSSION & ACTIONS

Mr. DiFrancesco: For clarification purposes, there have been some recent questions publicly regarding the voter purge that Dauphin County currently has underway. I want to state again the procedure for the record today, but to also urge us to do some outreach to make sure that the public is well aware what exactly is happening with this voter purge.

I had some gentlemen in my office yesterday that were very concerned because it was their understanding that when these post cards go out literally folks will be thrown off the rolls prior to the next election. That is not the case. I want to clarify again how this will work. Dauphin County's post cards will hit the mail next week and that starts the clock ticking. The post cards go out and the public has its first opportunity to respond to us by post card telling us that they want to stay on the rolls and continue on our active voter status. For those folks that we do not hear back from those people are not removed from the voter rolls, they are moved to an inactive voter list. It is basically just a way that we will track them as the clock ticks. Going forward from a procedural stand point anybody that is running for office can come in and get a copy of an active voter list and an inactive voter list. That way they can determine how they want to run, what doors they want to knock on and who they want to mail to. Those inactive voters are in fact as much voters as the active list is.

From the time that clock starts ticking when those post cards go out every single person has two federal elections, or four years, in which to vote, submit a registration change of address, change of name, just in some way contact our office through official channels. No one will be purged from the voter rolls short of the end of November 2008. More than likely it won't occur until 2009 when the administrative paperwork is completed. I want to be very clear from a public standpoint no one will be removed from the voter rolls within that four year period and even at the end of that period of time if we have not heard from that person before they are truly purged from the rolls they will get yet another point of contact, a post card. No one is at risk of being thrown off the voter rolls

any time because of a purge within that four year period. It is very important that the community and the public understand that.

The other piece of it is if someone is placed on the inactive voter status when they show up to the precinct to vote they still vote as any other voter would vote. They would still go to the machines. They would not vote by provisional ballot. By virtue of their inactive status they would not be required to vote by provisional ballot. They would vote as anyone else would as long as they present identification. If they are on the inactive list they do have to provide identification. Realistically you should bring identification any time you go to vote.

I just want to be 100% clear. The county will be taking greater steps to make sure that good solid information is being provided out to the public. No one is at risk at being removed from the voter rolls because of the purge. The first step again, is these post cards going out next week. We want to make sure that we are constantly getting that information out there. We don't want anyone to feel like they are at risk. We want to make sure that they have good information. This is going to be a four year process that people will have ample opportunity in many different ways to voice that they want to remain on the active voter rolls. I just wanted to clarify some things that I have been hearing over the past couple days.

Mr. Haste: Just to further drive that home. It is my understanding that once they cast that vote if they are on the inactive they automatically move over to the active voter roll and are no longer on the inactive. You have to be on the inactive roll for four years before you are gone.

Mr. DiFrancesco: Yes, two federal elections.

CORRESPONDENCE

Mr. Haste: We have correspondence listed A through O that will be handled by the staff appropriately.

- A. Notification from DEP indicating they received Dauphin County's Wiconisco Creek Stormwater Management Plan and find it to be consistent with the municipal floodplain management plans, state programs that regulate dams, encroachments and water obstructions, and state and federal flood control programs.
- B. Notification from Pennsy Supply indicating they made application to DEP for a Bureau of Air Quality control for a plan approval to construct, modify or reactivate an air contamination source and/or install an air cleaning device for the Hummelstown Quarry, South Hanover Township, Dauphin County.
- C. Notification from Brinjac Engineering indicating the Washington Board of Supervisors intend to apply for a general NPDES permit for stormwater discharges associated with construction activities for Loyalton Park, Washington Township, Dauphin County.

- D. Notification from Herbert, Rowland & Grubic, Inc., indicating Swatara Township intends to apply to DEP for a water obstruction and encroachment general permit for minor road crossing for the Maintenance Building for composting facility, located in Swatara Township, Dauphin County.
- E. Notification from Act One Consultants, Inc., indicating they intend to submit an application to DEP for a NPDES permit for the White Oak Estates project, a single family detached subdivision located on Mountain Road, Middle Paxton Township, Dauphin County.
- F. Notification from H. Edward Black and Associates, on behalf of the City of Harrisburg, indicating they intend to submit an application to the Dauphin County Conservation District for a NPDES permit for the reconstruction of State Street a part of the Harrisburg Central Business District Improvements program.
- G. Notification from the PA Dept. of Transportation indicating their intent to utilize an approved water obstruction and encroachment permit for proposed activities involving the Wiconisco Creek Bridge in Upper Paxton Township, Dauphin County.
- H. Notification from Glace Associates, Inc., on behalf of Bruce A. Snyder, indicating his intent to apply to DEP for a general NPDES permit for stormwater discharges associated with construction of a 24 single family lot subdivision located at Powell's Valley Road, Wayne Township, Dauphin County.
- I. Notification from the PA American Water Company indicating their intent to submit an application to DEP for renewal of a NPDES permit for the Pennsylvania American Water – Home Water System located in Chester County.
- J. Notification from James R. Holley & Associates, Inc., on behalf of the Custer Homes, Inc., indicating their intent to apply to DEP for a permit for existing well #2 at the Mountindale Apartments, located in Susquehanna Township, Dauphin County.
- K. Notification from Light-Heigel & Associates, Inc., on behalf of the Spring Creek Golf Course, indicating they intend to apply to DEP for a NPDES permit for stormwater discharges associated with construction activities located approximately .39 miles northeast from Homestead Road, Derry Township, Dauphin County.
- L. Notification from Community Banks indicating a merger with PennRock Financial Advisors (Blue Ball National Bank) effective July 1, 2005.
- M. Received a letter from DEP renewing permit #7174SM1C5 for the Steelton Quarry Operation located Steelton Borough and Swatara Township, Dauphin County.
- N. Notification from Glace Associates, Inc., on behalf of Insite Development Company, indicating they intend to apply to DEP for a general NPDES permit associated with construction activities for the demolition of existing facilities located at 1017-1033 McClay Street, Harrisburg, to demolish existing facilities to provide for construction of a Comfort Inn Suites Hotel.
- O. Notification from Glace Associates, Inc., on behalf of Bruce A. Snyder, indicating he intends to apply to DEP for a general NPDES permit associated with construction activities for a 24-single family lot subdivision located on Powell's Valley Road, Wayne Township, Dauphin County.

PUBLIC PARTICIPATION

(There was none.)

ADJOURNMENT

It was moved by Mr. DiFrancesco and seconded by Mr. Haste to adjourn the meeting. Motion carries.

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff

Transcribed by: J. Wolgemuth

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