

**HEALTH AND HUMAN SERVICES COMMITTEE**

**OF THE**

**SUFFOLK COUNTY LEGISLATURE**

**Minutes**

A regular meeting of the Health and Human Services Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on Thursday, March 19, 2009 at 2:00 p.m.

**MEMBERS PRESENT:**

Legislator Kate Browning, Chairperson  
Legislator Jack Kennedy  
Legislator Tom Barraga  
Legislator Jack Eddington  
Legislator Duwayne Gregory

**ALSO IN ATTENDANCE:**

Legislator Bill Lindsay, Presiding Officer  
George Nolan, Counsel to the Legislature  
Josh Slaughter, Aide to Legislator Browning  
Renee Ortiz, Chief Deputy Clerk  
Diane Dono, Budget Review Office  
Craig Freas, Budget Review Office  
Paul Perillie, Aide to Majority Caucus  
Linda Bay, Aide to Minority Caucus  
Maxvel Rose, Aide to Legislator Gregory  
Marge Acevedo, Aide to Presiding Officer Lindsay  
Janet DeMarzo, Commissioner, SC Department of Social Services  
Linda O'Donohoe, Suffolk County Department of Social Services  
Margaret Bermel, SC Department of Health  
Dennis Brown, County Attorney's Office  
Fred Pollert, County Executive's Office  
Kim Brandeau, County Executive's Office  
Matt Miner, Deputy Commission, SC Department of Health Services  
Lowell Fein, Administrator, John J. Foley Skilled Nursing Facility  
Debra Alloncius, AME  
Mary Finnin  
Other Interested Parties

**MINUTES TAKEN BY:**

Lucia Braaten, Court Stenographer  
Alison Mahoney, Court Stenographer

**MINUTES TRANSCRIBED BY:**

Kim Castiglione, Legislative Secretary

***[THE FOLLOWING WAS TAKEN BY LUCIA BRAATEN-COURT STENOGRAPHER AND  
TRANSCRIBED BY KIM CASTIGLIONE-LEGISLATIVE SECRETARY]***

***[THE MEETING WAS CALLED TO ORDER AT 2:15 P.M.]***

**CHAIRPERSON BROWNING:**

Good afternoon. We will start our Health and Human Services Committee. I apologize for the slight delay. We'll start with the Pledge of Allegiance by Legislator Kennedy.

***(\*Salutation\*)***

Okay. What I'd like to do is we don't have a lot on the agenda, so we would like to do that first. We have a couple of presentations, and we will do the presentations after the agenda.

**TABLED RESOLUTIONS**

Okay. Tabled resolutions. ***2098-08 - To maximize MI-HEAP assistance benefits (Presiding Officer)***. I will make a motion to table; second, Legislator Barraga. All in favor? Opposed? Abstentions? Motion is tabled. ***(Vote: Tabled 5-0-0-0)***.

**INTRODUCTORY RESOLUTIONS**

Introductory Resolutions: ***1133 - Amending the 2009 Adopted Operating Budget to accept and appropriate additional 100% State Aid from the New York State Office of Alcoholism and Substance Abuse Services (NYS OASAS) and to transfer funding from current appropriations to the Long Island Home D/B/A South Oaks (County Executive)***. I'll make a motion to approve and place on the Consent Calendar; second, Legislator Kennedy.

**LEG. KENNEDY:**

Can I just ask on this one real quick?

**CHAIRPERSON BROWNING:**

A question?

**LEG. KENNEDY:**

Yeah. Can anybody tell me -- BRO tell me, is this to fund or create that local resource center that I understand was being created? Does anybody from Health know?

**MS. BERMEL:**

Good afternoon. Margaret Bermel, Health Department. The funding is 100% State funding for a Gambling Prevention and Treatment Program. It's for the Long Island Home, doing business as South Oaks.

**LEG. KENNEDY:**

So it's the gambling prevention there but it's not the resource center -- it was originally marked for another outfit or agency, which subsequently was realigned to this program; is that correct?

**MS. BERMEL:**

It is for the Community Mobilization Program. That's what you're asking?

**LEG. KENNEDY:**

Yes.

**MS. BERMEL:**

Yes, correct. It's an additional \$175,000 for that purpose.

**LEG. KENNEDY:**

Thank you very much.

**MS. BERMEL:**

You're welcome.

**CHAIRPERSON BROWNING:**

Okay. We had a motion and a second. All in favor? Opposed? Abstentions? Okay. Motion carries. **(Vote: Approved 5-0-0-0)**

**1134 - Amending the 2009 Adopted Operating Budget to accept and appropriate additional 100% State Aid from the New York State Office of Alcoholism and Substance Abuse Services (NYS OASAS) for Long Island Gay and Lesbian Youth, Incorporated, and Pederson Krag Center (County Executive).** I guess a motion by Legislator Kennedy; second, Legislator Eddington.

**MR. NOLAN:**

Consent Calendar.

**CHAIRPERSON BROWNING:**

Place on the Consent Calendar. All in favor? Opposed? Abstentions? The motion carries. **(Vote: Approved 5-0-0-0)**

**1191 - Establishing May as "Perinatal Mood Disorders Awareness Month" in Suffolk County (Browning).** I'll make that motion.

**LEG. EDDINGTON:**

Second.

**CHAIRPERSON BROWNING:**

Second, Legislator Eddington. All in favor? Opposed? Abstentions? Okay, motion has carried. **(Vote: Approved 5-0-0-0)**

With that, we shall now go back to our presentations. We will start with Tara Zanni from Servisair. She's the Manager of Servisair for the transportation services and she will update us. I know there were some questions last month about the service, and we'd appreciate an update.

**MS. DEMARZO:**

Good afternoon. At the last meeting there were a number of questions regarding the Medicaid transportation and there were problems highlighted with that contract process and with some of the transitions in the new Medicaid Transportation Prior Authorization System. Since that time, we notified Servisair of the need to cure the problems that were identified, both by providers and within our own system, and there have been ongoing regular conversations and spreadsheets identifying problems and solutions. Chief Deputy Blass has been the lead on them so I'd like him to give us some background -- give you some background on what has happened because we think there's been real progress and that many of the problems have been addressed. Greg, if you could.

**MR. BLASS:**

Sure. Thank you, Janet. Madam Chairman, members of the Committee. Just briefly, we are very pleased to report that the issues that have been addressed have gone a long way to resolution from last meeting of this committee until now. And I can tell you that the repairs on the phone lines and the testing that the phone lines required is all finished. They're in working order now and the average hold time of the contract for a person who calls and is put on hold is now less than five minutes, so that they're complying with the contract in that respect. I'm also glad to report that there is uninterrupted 24/7 phone coverage for Servisair for the transportation requirements. Twenty-four hours a day, seven days a week, is what I mean by 24/7, of course.

As far as the vendors are concerned, such as Mr. Ryan who was here last meeting, and with whom Servisair has been in communication directly, actually Servisair has been meeting with or having conference calls with each vendor to ensure their ability to read the manifests, billing from the billable rosters and having corrections that are necessary to be completed in a timely manner. I will go into some detail later about the grids, which is the system we use to pay transporters, providers. It means grids on a map and has many grids as a provider crosses over, that is computed into that provider's billings. And we'll also get into other aspects of the billing.

But I think that the real discussion that you'd benefit from would be from the General Manager of Servisair, and for that purpose, and with your permission, Madam Chairman, I'll turn it over to Tara Zanni.

**CHAIRPERSON BROWNING:**

Sure. Thank you.

**MS. ZANNI:**

Thank you. Yes, we've addressed the issues with the phones. We had a bad card in our T1 and had some problems with Verizon getting that repaired and that has since been repaired. We've added additional, not only digital lines, but analog lines to back up, so we now have 100 lines coming in. We've addressed -- we specialized our staff so that the clientele and the providers, the medical providers, which they were used to dealing with DSS as having discharge people or dialysis people, and we've signified a line specifically for those areas. We've given the transportation vendors a direct line as well. Any time that they cannot reach an operator, a voicemail is returned as soon as possible with a maximum time of 24 hours, which we normally do not leave the office until they are returned.

The manifest, we have changed the manifest to look like the manifest that the County was providing to the providers, and it included all the information that they were getting. We've also met with a majority of the vendors to let them know that as a non-DSS we do not have the same access to the same State system or the same information from the State system that their local DSS would have. And they should be billing not from the manifest, which could change, but they should be billing from the billable rosters, which is returned back from the State system.

So we've been going over this and meeting with every vendor so that they -- they know what the changes are. And all of that information that they were seeing on the manifest from the County were always on that roster where they were -- should have been billing from.

Servisair has also expanded our hours, our staffing hours, and have brought staff in after hours, on weekends and the one holiday that we had to process outstanding billings that were not done by the County prior to Servisair taking over, and we have been able to process some of the vendors' payments that were not processed back from June of 2008. We've also been able to process their disks, which they submit much quickly, and if there are disc errors, instead of just handing them back the disks and saying there is an error on it, we've been able to pinpoint what those errors are and work with them to get those errors completed so that they can get paid on those trips.

**CHAIRPERSON BROWNING:**

Okay. I do have to say one of the questions I have is because I got a call on the day that it snowed.

**MS. ZANNI:**

Yes.

**CHAIRPERSON BROWNING:**

That they were getting the call about a three-day advanced notice.

**MS. ZANNI:**

Right.

**CHAIRPERSON BROWNING:**

I did call, and I have to say it was less than five minutes. The time was maybe a minute that I waited. However, I did question the person. You know, I spoke like I was somebody that was looking for the transportation.

**MS. ZANNI:**

Sure.

**CHAIRPERSON BROWNING:**

And, you know, I did ask about getting transportation for the next day, and the person did say that well, you know, you have to give three days notice, but because today, the weather, that they were given more notice. That has been cleared up that there is no need for three-day notice?

**MS. ZANNI:**

Yes. That is in our contract, but we are waiving that.

**CHAIRPERSON BROWNING:**

It's in the contract? I thought it wasn't.

**LEG. GREGORY:**

No, it is.

**MS. ZANNI:**

But we are waiving that. And that's where that confusion came from.

**CHAIRPERSON BROWNING:**

Okay. Well, I'm glad to hear that because I know it wasn't something that people wanted to hear about.

**MS. ZANNI:**

I'm sure.

**LEG. GREGORY:**

We've reached an understanding, Madam Chairman, that the three day waiting period for reservations is out of the question now and will not be utilized or exercised as an obligation to the County.

**CHAIRPERSON BROWNING:**

So is there a need to change that contract, amend that contract?

**LEG. GREGORY:**

Hell yes.

**CHAIRPERSON BROWNING:**

Okay. John?

**LEG. KENNEDY:**

Yeah. I have a couple of questions, if I can, Madam Chair, and thank you very much. By the way, thank you very much for being here. I have a couple of questions for you, ma'am, but also I'm going to speak to the Commissioner, Chief Deputy, first, if I can.

I like to try to understand these issues when they come to us from a global as well as an individual. Madam Commissioner assisted me with a request I had from Stony Brook and I need to understand that piece, because clearly that cannot be something that's got a three-day notice to it. But either if

you can now give me some kind of an idea globally or maybe even if you just wanted to jot me an E-mail or a note. How many trips are we talking about in a month, or a week, in a year? Is it ten, is it 1,000, is it 10,000? What -- how do we define this?

**MS. ZANNI:**

We are doing more than 1,000 a day. I would say about fifteen hundred a day.

**LEG. KENNEDY:**

Fifteen hundred a day?

**MS. ZANNI:**

Yes.

**LEG. KENNEDY:**

You average a work week, Monday to Friday? Do you do Saturday or Sunday transports?

**MS. ZANNI:**

We do Saturday and Sunday transports, but they're minimal, so you're talking about fifteen hundred for the five days, and approximately 40 to 50 for the weekends.

**LEG. KENNEDY:**

So, if you had seventy-five hundred a week on average and you are doing 52 weeks, we're doing a lot of trips.

**MS. ZANNI:**

A tremendous amount of trips.

**MR. BLASS:**

Legislator Kennedy, if you'd allow me, maybe for the edification of some members of the Committee it might be helpful, Tara, to just explain the populations that are served by the trips.

**LEG. KENNEDY:**

Absolutely. That would help.

**MS. ZANNI:**

Absolutely. We're servicing Social Security Disability, adult homes, long-term health facilities, dialysis clients, as well as just Medicaid recipients in the general public, day treatment, which is the PROS Program. And since the implementation of the PROS Program, which Suffolk County was one of the first Counties to take on the PROS Program, that day treatment in PROS has grown tremendously, because now we're not only just taking people out of mental illness hospitals and putting them in partial programs and saying after six weeks or six months you're out on your own, we're following them to make sure that they are on the road to success.

**LEG. KENNEDY:**

Why are we doing SSD? Why do we do transports for the Social Security Disabilities side? Those are basically Medicare and/or possibly Medicaid recipients, right?

**MS. DEMARZO:**

It is -- I mean, I don't know exactly. I would assume that there are some crossover, that there are some SSD people on Medicaid. It is not specifically carved out that I know of.

**MS. ZANNI:**

No, it is not. There are the people who have SSD that are on Medicaid.

**LEG. KENNEDY:**

Coincidentally just happen to be on Medicaid as well?

**MS. ZANNI:**

Right, right.

**LEG. KENNEDY:**

Well, Madam Chair, brings up a good point. As we talk about all of this and we talk about this volume, it's important for us to or for me to confirm again, this is 100% cost underwritten by the State or do we have a County component of expense in this function?

**MS. DEMARZO:**

Under the way the Department receives a Medicaid cap payment, this is claimable above the cap, so it's 100% reimbursed. We still pay our basic cap payment and all expenses above that are 100% reimbursed.

**LEG. KENNEDY:**

Now, we had spoken about at the last meeting, we were using some County staff, some of your staff to augment what Servisair is doing, their function. Has that stopped or is that still ongoing?

**MS. DEMARZO:**

What we did for a short period of time was there were individuals that had done the transportation system for a number of years. We had them, which is something maybe that helped smooth it out a little quickly, was we brought them on board to help transition and do some training so that the same standards we were using, which was one of the problems we ran into with CPEP at Stony Brook, was really the verbal transfer of knowledge between our staff and their staff. We had done that for about a week and a half, and now they're not going there on a regular basis. They have been doing some checking with the providers to make sure that the providers are happy, making sure all our client base, both the providers and the recipients, are getting the services they need. So for a short period of time we did have that transition of information.

**LEG. KENNEDY:**

Okay. And let's go to the specific set of circumstances with CPEP now. Again, I appreciate very much your intervention there, but as you know, that was a 45 day delay, wait for an EDP I think it is, emotionally disturbed person. The transport was there for the psychiatric eval, they were on diversion. There had to be a crisscross because that individual wound up having to be transported down to Brunswick. Is that the only type of transport that we have in our system, or do we -- I just want to make sure that this transfer of knowledge, as you said, has been worked out.

**MS. DEMARZO:**

Right. In -- you know, unfortunately sometimes we had to have the mistake before we did the correction, and in this one it was the mistake. We now when you call the line for Servisair there's a special prompt just for hospital discharge. The standard for CPEP -- usually when an individual requires an ambulance we need a doctor's note to say why they can't go by a lesser form of transport, and because of the requirements of the -- or the medical needs of CPEP, we know always that they're going to need an ambulance. So we had just in practice as a County waived that letter requirement. We did -- and Servisair was unaware of that. So they were requesting a letter, which really added to the delay. So that has been clarified. That's in their policies and procedures now that CPEP is a hospital discharge. It will be authorized automatically at the ambulance level.

**LEG. KENNEDY:**

And now if I can shift to you, ma'am. So from a vendor's perspective you are in agreement with what you're hearing here --

**MS. ZANNI:**

Absolutely.

**LEG. KENNEDY:**

-- as far as your understanding of the contract, what it is your expectations are and you have to perform?

**MS. ZANNI:**

Absolutely.

**LEG. KENNEDY:**

Can you do that, ma'am?

**MS. ZANNI:**

Absolutely.

**LEG. KENNEDY:**

Okay. How many folks do you have committed to this function now?

**MS. ZANNI:**

Currently we have ten people committed, plus myself and a manager.

**LEG. KENNEDY:**

Okay. And do those people work basically Monday to Friday, 9-to-5, or do you have them do an overlap?

**MS. ZANNI:**

They are actually working currently seven to six right now, plus some of them on the weekends to get some of the backlog done. But they will be working 7:30 to 4.30, which we have just had the hours approved for 7:30 to 4.30. The County typically was working 8 to 4.

**LEG. KENNEDY:**

Okay. And where is your physical work location, ma'am?

**MS. ZANNI:**

We have an office. The Call Center is located in Hicksville, and we also have a office in Smith -- I'm sorry, in Ronkonkoma on Smithtown Avenue.

**LEG. KENNEDY:**

Okay. All right. I'll yield. Thank you, Madam Chair.

**CHAIRPERSON BROWNING:**

Explain this to me, because I try to understand it. I know that, you know, you see the taxis, they accept Medicaid, and some people take taxis and some people take the ambulettes. What's the difference? Who takes the taxis and who takes ambulettes?

**MS. ZANNI:**

Okay. The difference in service is taxi service is from curb-to-curb and ambulette service is from door-to-door. So the client has to be physically able to walk out of their home and walk to the cab, get dropped off at the curb of their doctor's appointment, and walk into the building by themselves to be eligible for taxi transport. With an ambulette, the ambulette is assisting them out of their door, into the vehicle. In a wheelchair situation they'd be strapping them in or even seat-beltting them into the seat, bringing them up to the doctor's office because they are unable to do that on their own.

**CHAIRPERSON BROWNING:**

But the vendors you're contracted with are not necessarily all ambulettes?

**MS. ZANNI:**

No, they are taxis as well. And we don't contract with them; they are State approved.

**CHAIRPERSON BROWNING:**

Okay. So you also dispatch when there's a need for a taxi.

**MS. ZANNI:**

Yes, absolutely.

**CHAIRPERSON BROWNING:**

Okay. I think I understand it better. Okay. Thank you. Tom.

**LEG. BARRAGA:**

I just want to make sure it's clear in my mind. Last time we had a meeting, and certainly I understand it's one of the responsibilities of the committee when they hear adverse things to bring them up in discussion. It was a very lengthy meeting, and Servisair did not do too well in that meeting. It was pointed out by the Deputy and the Commissioner that every effort would be made to look into this before we met again. I just want to get a sense from the Deputy and the Commissioner, obviously you did a great deal of work here. There's been improvement. Are you now pleased with the performance? That's what I really want to hear as a Legislator, because the ultimate responsibility lies with you.

**MR. BLASS:**

I would say definitely, yes, we have seen them respond to the issues we've raised. In particular, the gap in communication between them and the providers has been bridged. The response time by phone calls, that's where the real issue is of the public dealing with the County, that's been addressed. They're under the average that's required by the contract now. And we're also very pleased to see that in all respects what we pointed out to them they've responded to, and we have a corrective action plan with a lot of categories and timeframes of when they will be ready. Most of those timeframes have been met. There are a couple of things still left undone, but overall we're very pleased, yes.

**LEG. BARRAGA:**

Okay. Is there something prospectively to follow up, in terms of making sure the performance continues to be very positive?

**MR. BLASS:**

There's a provision in the contract that calls for monitoring and that justifies our employees making unannounced visits to the Call Center in Hicksville, plus we are doing our own monitoring from our office to check on how the response times are going. That's more -- not as a scientific a selection process, but still it monitors how they're working, and so far they're doing very well. And we expect that now that the phone lines have been ironed out with Verizon and the personnel issues where they brought more experienced people in to their Hicksville operation to do the Suffolk work that had theretofore been doing the Nassau work, we think that the outlook is very promising and we're going to continue to ride herd on it, no question.

**LEG. BARRAGA:**

Okay. I'm satisfied. If you're happy with the performance, that's the main thing.

**MR. BLASS:**

Thank you.

**MS. ZANNI:**

Thank you.

**LEG. KENNEDY:**

Just one other question.

**CHAIRPERSON BROWNING:**

One last question.

**MS. ZANNI:**

Oh, sure.

**LEG. KENNEDY:**

I'm glad to hear that there's been all this progress, but just one other point that you had mentioned. Ten employees with your unit, with your function, and going seven to six, I had to take my shoes off to count up the number of hours. That's an 11 hour day. Your employees, are you paying them overtime?

**MS. ZANNI:**

Absolutely.

**LEG. KENNEDY:**

Okay. Your employees have any kind of benefits package associated with Servisair?

**MS. ZANNI:**

Yes. We are in compliance with the Living Wage Law.

**LEG. KENNEDY:**

Okay. So that means then we have what, some medical benefits or something along those things?

**MS. ZANNI:**

Medical benefits, holidays, sick time. We have an incentive program, too, right now that the most calls, the most compliments, we're giving them gift certificates, things to that effect.

**LEG. KENNEDY:**

Okay. All right. Thank you very much.

**CHAIRPERSON BROWNING:**

Well, I think that's it. I appreciate you coming down, Tara.

**MS. ZANNI:**

Any time.

**CHAIRPERSON BROWNING:**

We appreciate it. Thank you.

**LEG. BARRAGA:**

Mr. Kennedy is going to put a job resume in.

**LEG. KENNEDY:**

I'll be calling you.

**MR. BLASS:**

We already got it, didn't we?

**LEG. KENNEDY:**

Absolutely.

**MS. ZANNI:**

Thank you.

**CHAIRPERSON BROWNING:**

Thank you. Okay. Now we have Mr. Fein, and I'm not going to say who all is here, to do a report on John J. Foley and the Oversight Management Committee.

I think we might need to get a few more chairs. Cheryl, you know, if we could get as many of those people up here at the table, I'd appreciate it. I'm sorry, Debbie, I called you Cheryl.

**MS. ALLONCIUS:**

That's okay. Should I just add, just as long as you don't call me late for dinner?

**CHAIRPERSON BROWNING:**

Okay. I guess you can begin, and if anyone else wants to come in and sit in, we'd be happy to have them.

**MR. MINER:**

Good afternoon, Madam Chair.

**CHAIRPERSON BROWNING:**

Turn on your mike. If everybody will just make sure that we know who they are, put it on the record.

**MR. MINER:**

Good afternoon, Madam Chair. Matt Miner. I'm Deputy Commissioner of Health. And thank you for allowing the Oversight Committee and our Administrator to come in and present kind of a status report to the Committee.

As you know, Resolution 882 of 2008, adopted in November, established an Oversight Committee for John J. Foley. The committee consists of four individuals, Deputy -- Chief Deputy -- Deputy County Executive Fred Pollert, Presiding Officer Lindsay, myself from Suffolk County Health, and Debbie Alloncius, representing the employees of John J. Foley. The primary charge of the committee is to oversee the facility's management consultant, which is Lowell Fein is our administrator, contracted administrator, and we also have an administrator for the physical and occupational therapy. Also, assist with the implementation of cost-saving measures and revenue enhancing measures. And, finally, to provide updates of our progress to this committee.

The committee generally meets at the Skilled Nursing Facility and is also supported by representatives from the County Executive's Budget Office, health administration, BRO, as well as staff from the Presiding Officer's staff and AME. The committee has been meeting biweekly pursuant to the resolution. The first meeting was held on December eighth and we've had eight meetings thus far, including this afternoon before this meeting.

The primary focus of the committee has been in five key areas. Admissions, census and marketing. The fiscal strength, health -- condition of the facility, the implementation of the HMM consultant report recommendations, staffing of the facility, and labor related items. The purpose of this presentation is to provide a brief overview of each of these items.

First, admissions. John J. Foley operates in a very competitive market environment with proprietary and non-for-profit nursing homes. There are 42 other nursing homes in Suffolk County and each of them are competing to fill approximately 8500 beds. Recent -- in recent years the facility has experienced a decline in census. Last two-and-a-half years, the facility has been averaging in 2007 about 248; in 2008, the census was approximately 238, so we have been unable to consistently retain bed hold.

The committee, along with Mr. Fein and the staff at Foley, have been working very hard to reverse that action. As you know, it is licensed for 264 beds; 252 of those are our regular skilled nursing facility beds and 12 HIV beds. We also have a 60-slot adult day care center. The committee has taken a number of actions to improve the facilities census, as well as Mr. Fein has done an

outstanding job in trying to address many of those issues. I'd like for a second to turn it over to Mr. Fein and have him go into a little bit more detail as to the items he has enacted.

**MR. FEIN:**

Thank you, Mr. Miner. Good afternoon, Ladies and Gentlemen. It's a pleasure to be here. Can you all hear me?

**CHAIRPERSON BROWNING:**

Yup, we hear you fine.

**MR. FEIN:**

Great. I've had the opportunity to meet some of you and look forward to maybe meeting the rest of you after the meeting. From an admissions standpoint, just some systems that were implemented subsequent to my arrival back in August of '08. As an example, John J. Foley, if they got a referral from a hospital, would take in the neighborhood of two to three days to make a decision on whether or not they were going to admit that individual. We've streamlined that process where now it takes two hours. We get the information we need. It gets a very quick but thorough evaluation by finance, by the clinical staff, and, lastly, by myself. We make a decision within an hour or two, and things go very smoothly. That certainly has helped move admissions in the right direction.

Likewise, we've been much more visible at the hospitals over the past six, seven months. And as a result, we're now seeing based on those relationships that we've developed literally going out and meeting with all of the hospitals in Suffolk County, including way out on the East End, ELIH, etcetera, we now see referrals and admissions throughout the County. That's a result of myself, as well as a team, going out and doing that marketing.

Something else that I implemented subsequent to my arrival was we used to take admissions only on a Monday to Friday basis between nine and typically three or four o'clock. The industry standard is you take admissions literally 24/7 if you want to be competitive. You have to work with hospitals, hospitals are looking to get folks out. You have to be there. And since a nursing home is open 24/7, 24 hours a day, seven days a week, just like a hospital, we don't close. Whether it's New Years, Christmas, Easter, it doesn't matter, we're open for business. So that changed fairly quickly after my arrival. We now take residents. It's normal to have new admissions come in Saturday, Sunday.

What we do is we do our homework much better now. So, with our case managers that are in the field, the information we get prior to the resident needing to be admitted, it's much better, it's more accurate, it's more detailed so we have the equipment ready, if that's necessary, or whatever information we need to be able to render excellent care to those folks.

In terms of the number of insurance companies, managed care is a growing part of the long-term care business on a national basis. John J. Foley had two insurance contracts in place, which was a good -- certainly a good foundation to build upon. One was the old Suffolk Health plan, now Neighborhood Health Plan, I believe, and the other was HIP Health Insurance Plan. Subsequent over the past four or five months we have added one additional called TRICARE, which is a military related managed care plan. Based on the process, when you apply to be a contractor provider in a managed care company, the application process itself typically can be four to six months. Working with senior folks at TRICARE, I was able to get them to fast track it and we got that approval in 45 days. So as of October 1 of 2008, we became a TRICARE provider. Unfortunately, we haven't had any referrals from them yet, but we continue to maintain relationships with them, both at TRICARE, as well as with military folks in Washington D.C., and we hope that that pipeline will soon open.

We have five other contracts that are imminent, which are, hopefully, in the next two to four weeks will be completely signed off and finalized. Some of them are very large providers and we're excited about that. Two in particular are Empire Blue Cross/Blue Shield, who also, I understand, is a provider for Suffolk County itself, and that's literally at the tail end of dotting the I's and crossing the

T's, as well as Health Care Partners IPA. They have 65,000 members, predominantly in the Long Island arena, many in Suffolk County.

What has been most fruitful is getting all these folks to come to the building. So when we meet with them, we encourage them and I encourage them, their representatives, to come out to John J. Foley, not just do this on the phone, kick the tires, see what we're about, so we can effectively strut our stuff and give them a tour of the building and give them a clear understanding of the services we provide. That's gone a long way.

Another example is Stony Brook University Medical Center. I was able to encourage some of those senior leadership to come out to John J. Foley back last -- end of September, early October. They had never been to the building in the 15 years give or take that it was there. Quite frankly what -- what was kind of a little sad to me was that their perception of John J. Foley was a very negative one in terms of what they heard from colleagues and people in the community. I'll tell you what these two ladies said when they drove up to the building and came to my office their words exactly, they were blown away by how beautiful the building was. And when we gave them a full tour of the facility, they spent about two hours with us, let's just say as a result of that, we've had a number of new admissions from October through today, literally, from Stony Brook. We have a newfound relationship with them as we now have with many of the other hospitals in Suffolk County.

To give you an idea from a numbers perspective, we had 16 new admissions in January of this year. We had 30 new admissions in February, and we've had 21 new admissions month to date in March. So our relationships that we continue to build really is paying off, is bearing fruit.

Two other points relative to admissions. When people come in your door, you prefer that they be a paying customer, no different than if you owned a Dunkin' Donuts down the street. You prefer that when you give them the coffee they give you the two dollars. Many folks prior to my arrival that had been in and out of John J. Foley were nonpaying customers and it's an industry standard. It's great to be the safety net as the facility is, but we have the same rights as a County facility or a County nursing home as any other nursing home in the County or in the State. Now we have very solid paying customers, we do our homework prior to. That's part of that review process, which takes no more than an hour or two. Everyone understands the questions that need to be asked. I, again, as administrator reserve the right to see each one of them and sign off on it before they come in, literally sign off on it. So that's been very helpful getting folks in and ensuring that they -- that they're a good solid payer.

The other aspect is that our admissions now are about 50-50, what I'll call short-term admissions and long-term. The short-terms are typically managed care or insurance cases, as well as Medicare Part A. We've grown that side of the business tremendously where historically we might have had two, three or four people in the building on Medicare Part A; now we have 15 to 20 on Medicaid Part A. So we've done a great deal of work as a team on the admissions front.

**MR. MINER:**

And just for today, today's census this morning was 239, and Lowell has indicated at our oversight meeting earlier this afternoon that he expects possibly six more admissions, either later today or tomorrow, and two returning from the hospital. So, again, much of that credit goes to Lowell and his team in really working with the hospitals, as well as other areas. I know he's worked out at Pilgrim State. I know Legislator Kennedy had inquired about that. He has made contact out there as well.

**MR. FEIN:**

If I might add, we've also made contact with Angela's House, so we've have had ongoing communication with both. We actually were going to have an admission from Pilgrim State last week, Legislator Kennedy. That gentleman got acutely ill, was sent to the hospital, is back at Pilgrim State, he's getting stabilized. We hope that he'll be here either end of the week or early next week. So I want to thank you on behalf of the team, both for your support and opening those doors.

**MR. MINER:**

The second avenue that the Oversight Committee is focusing on is the finances of Foley. The next few slides will go into a review of 2007 and 2008 fiscal performance, what we see as 2009, and what we understand to date with respect to the potential State budget and the impact it will have on the facility.

John J. Foley's loss from -- operating loss, and this is the revenue it took in associated with operating the facility, not the County subsidy or any one shot revenue sources or expenses. The true operating loss was approximately 12 million dollars in 2007. The Health Department, John J. Foley, and the team here have been working very hard and were able to bring that operating loss down to approximately nine million dollars in 2009. And there were several areas where we were able to kind of turn things around. One is we started to implement very early on, from the Health Department and John J. Foley's side, the recommendations of HMM. Long before the report came out we had been working with them for over a year, a year-and-a-half, and we started implementing many of the changes, including right sizing the staff and making personnel changes, in effect realigning their schedules and bringing that staff down. That saved nearly a million dollars.

Another big area was the introduction of Peter Degere. He now heads up our Physical Therapy and Occupational Therapy Unit. He's been able to turn that remarkably around and it's produced significant revenue in a very short period of time. He's only been with us since September. He is a contracted vendor.

We've also been very aggressive in addressing bad debt, improving our billing procedures, as Lowell had indicated. Past practice we were -- the facility was a little lax in getting the paying customers and making sure that the facility was being paid for the work it was provided. We've turned that around as well and made some other operational improvements and that netted another 1.3, 1.4 million dollars.

So going forward into 2009, again, starting with a base assumption that '09 -- '08 will follow into '09 and we were at a nine million dollar operating loss in '08, we expect for '09 to save in expenditures about \$600,000. We'll get into a little bit more detail on the LPN pool in a minute, but basically the use of per diem LPNs, which this Legislature had approved a few weeks ago, will save this year about \$200,000, and annually thereafter, close to \$400,000. We've renegotiated the drug pricing with Chem Rx, our vendor, which we expect to see another \$150,000 savings and other operational changes will yield another \$250,000.

On the revenue side we expect a further reduction in bad debt through our collection efforts and additional revenue through our PT and OT turnaround. All together that totals up to another million dollars, so we expect to bring the operating loss down from nine million to eight million. And this is, again, before, and I must emphasize, it is before any of the proposed State budget either cuts or revenue changes.

So, looking ahead for 2009, again, we do expect to have an operating loss of eight million dollars. At the same time what we understand that the State budget to be at this point is with IGT and other increased rates, an additional five million dollars -- 5.9 million dollars to the facility. However, at the same time the State is giving us money they're also cutting money to the tune of 5.7. So, at this point our understanding of the State budget is basically it will be neutral to the County and we'll be, you know, 7.8 to eight million dollar operating loss at the end of the year.

The next task of the Oversight Committee was to ensure that the recommendations of the HMM report were reviewed, considered and implemented where appropriate. And that has been done. I believe that the Health Department, John J. Foley, have instituted what we call the controllable expenses or the controllable items within the control of the Health Department or John J. Foley. That is a large part, large factor, in reducing that 12 million dollar loss down to nine million and now again down to eight million.

Some of the examples of the recommendations that were implemented were the adjusted staffing levels, the improved Medicare Part B billing, that brought in about \$400,000 that we previously weren't collecting. The implementation of a new time management system, revamping of the PT and OT, and the use of a collection agency to pursue accounts receivables.

Next, the facility, the Health Department and the committee are all looking at the staffing. Generally, and there are obviously all these exceptions, but the general rule of thumb is that a nursing home would be one full-time equivalent per bed. We have 264 beds, so you would expect to see a staff somewhere in the neighborhood of 264, you know, plus or minus. A few years ago we were far in excess of that, we were up over 340 employees. Essentially, through attrition, through the early retirement incentive that was offered last year, through some transfers within the Health Department, we have been able to bring that number down much more in line with the industry standards. We're down at about 283. And what's important to point out is we've done that without impacting patient care. And, in fact, in some areas patient care has actually improved. And I'd like, again, to turn to Mr. Fein to discuss the enhanced services in PT and OT and the wound care.

**MR. FEIN:**

As Mr. Miner mentioned, particularly from a rehab perspective, I'd be remiss if I really didn't applaud Mr. Degere's efforts, Peter Degere from Degere Physical Therapy, who has done nothing short of an outstanding job working and collaborating with myself, just to take the entire Rehab Department at John J. Foley to a tremendous level, working with the staff, doing a lot of education.

To give you an example, in terms of enhanced care and being efficient, we used to work with a four-page screening tool, so the rehab staff used to spend a few hours doing just a very extensive screening tool, which is very old industry standard. Peter was able to reduce that to one page of all the concrete information. It certainly made the lives of the staff a lot easier, which they were very happy about, and freed them up to do more of what they want to do; they want to do therapy. As a result of some of the other education and changes that Degere Physical Therapy implemented, our residents historically used to get on average 30 minutes a day of physical therapy, or a combination of occupational therapy, speech therapy. You get reimbursed based on the amount of therapy you provide.

Now, that said, you want to ensure that if you provide 30 minutes of therapy, it's appropriate that the person gets 30 minutes. We now average 60 to 90 minutes of therapy per resident with full justification. We see a clientele today no different than the clientele that came to John J. Foley over the past ten years. We're just identifying better, and as a result, providing more services, better services to that clientele, and getting reimbursed the appropriate dollars from Medicare or an insurance company for it.

Physical Therapy, also under Peter's guidance, developed several programs in our adult day healthcare program. We have a daily exercise program that's done and a few other programs. So we've really taken a look at the whole program and taken it, as I said, he revamped it, broadened it's scope, and as a result providing a lot more care.

From a wound care perspective, another example, wound care rounds, that's a team of about four or five different clinical people that will go and review every resident that may have a pressure ulcer or what you might know as a bedsore. The goal, obviously, is to keep that to a bare minimum.

We have an excellent wound care program at John J. Foley and now it's even better than ever. The wound care team used to do rounds on the residents once a month. Again, that's good, but it's not industry standard. Industry standard is once a week. When I first recommended that back in September, I got a lot of looks like, "Oh, my God, how are we going to do this?" I said, "Folks, there's a way, we'll figure it out if we work together as a team," which I'm a very big proponent of. I taught my entire staff that team stands for Together Everyone Achieves More. We collaborated together, we got ourselves organized, we prioritized our days, and now it's become standard

practice back as early as October of '08. Wound care rounds are now done weekly.

We've seen the improvement in our resident care, and at the end of the day that's what it's all about. And the nice part is that the nurses and the dieticians and those involved are even happier about what they're doing and feel that much more proud about their successes.

Another example is our Safety Committee. Our Safety Committee used to meet on a quarterly basis. Well, issues occur on a regular basis. Our Safety Committee now meets weekly and that also was implemented back in October. So they look back now and say, you know, we were really concerned how we'd be able to get this all in and fit it all into our day, and it's a matter of just, again, a change in culture, a change in thinking, which has now become the norm at John J. Foley. Thank you.

**MR. MINER:**

The next major area that the Task Force or the Oversight Committee is focusing on is the labor-related items and that plays into staffing and, obviously, the finances. Back in January, the Office of Labor Relations presented potential or possible contract changes that could help reduce the shortfall. AME, Debbie Alloncius, our rep, is reviewing those and working with the committee to see what, if any, can be implemented. And, again, this is a team approach where we're looking to see where we can improve the finances, the staffing, and bring down the overall cost.

Also, back in January, the Health Department administration, along with the County Executive's Budget Office, presented a comparison of labor costs under the 1199 contract and the AME contract. We found that there's approximately a six million dollar variance between the two. Presently, the Health Department, the County Executive's Budget Office and AME are meeting. We've had a couple of meetings already to go over our numbers, to share the information, to get feedback from AME and we're working through that process. And we will continue to update the committee as that goes forward. There may be some opportunities there.

Other labor-related items is the creation -- one of the key items that came out of the committee thus far is the creation of a temporary pool of employees. Specifically, the LPN per diem pool, which was approved by this Legislature. What we estimate that that will save the facility about \$400,000 a year annually. In a few slides ago we showed a number of 200,000 for '09 because we're implementing it mid-stream. What that is, the LPN pool replaces the use of agency LPNs, and it also replaces the need for overtime for the LPN John J. Foley employee. And, again, the variance between the two, the agency and the overtime was about \$42 an hour, whether it be overtime or an agency nurse. Under the LPN pool we're in a range of \$22 to \$27 an hour. We have hired 12 LPNs already who -- and we've scheduled them into 53 shifts; 33 of those are on the weekends, and that was one of the heavy areas of overtime and agency use, so it's paying dividends. It's very early in its development. Its only been up about a month, but we do -- we do see that as a potential significant cost savings item for the facility.

Mr. Fein, myself, and the health team are also looking at potentially implementing something very similar with the Nurses Aides, the CNAs. We want to get the LPN pool up and running, but there appears to be an opportunity to do something similar with the CNAs. We do not use CNA agency nurses, but there is a significant amount of overtime associated with CNAs that may be able to be reduced or eliminated.

Next we're looking at the differential pay that's provided the employees for working every other weekend. We are reviewing and trying to come with a schedule that will allow us to not have to pay the employee the 4% differential. They would work perhaps Monday to Friday, perhaps Tuesday to Saturday, or Sunday to Thursday. So they would work one weekend day, but under the collective bargaining agreement we would not be required to pay the 4% differential. That would also save several hundred thousand dollars a year.

Another item that we're looking at is the use of inmates from the correctional facility, primarily for

the grounds, strictly for the grounds. There's cigarette butts and, you know, litter, just the flower plantings, doing a spring cleanup. I'm pleased to report today that AME has reviewed that and has signed off on that, has notified Sheriff DeMarco, and we will be working with Sheriff DeMarco and Presiding Officer Lindsay to implement that.

So as a summary, and just looking for the rest of this year and into 2010, you know, our Operating Budget, as I stated earlier, it looks like it's an eight million dollar operating loss right now. It's largely dependent on what is done in Albany with the State budget cuts, and, obviously, we will report back to this group as that becomes clearer. We thought it was important to come today to give you an update where we stand. We've been meeting now for a few months. We have implemented the majority of the cost control items. There are a few other areas that we do see opportunity for, both operational and fiscal improvement, including the implementation of the energy audit report recommendations. That estimated that the facility could see a savings potentially of \$600,000 a year.

The completion of the Subacute Rehabilitation floor, the fifth floor, you may recall we did receive Community Enhancement Grant funding through the Dormitory Authority. We are well under way in implementing the design and renovation of the fifth floor, as well as other improvements to the facility. And we hope to, you know, with our marketing effort and with the revamping of the fifth floor, to be very competitive and really attract even more patients for the short-term rehab.

And also, with the community enhancement money, we will be implementing, hopefully in short order, an electronic medical records system that will also provide for better quality care but should bring down expenses as well.

And, finally, I'd just like to add that DHS Administration, the Commissioner, myself, and our entire team, the Oversight Committee, remain focused on improving the operations at John J. Foley, but, again, there is a significant gap and, you know, we are working to close that. We are working with AME to see how we can bridge the gap.

With that, I would like to thank the members of our Oversight Committee for their help and our support staff, and we'll turn it over to the Chair for any questions that they may have.

**CHAIRPERSON BROWNING:**

Yes, we do, and we'll start with our Presiding Officer.

**P.O. LINDSAY:**

I, too, want to share Matt's praise for this group that has been working since really the beginning of the year. I really feel that we're making progress, and I want to make special mention to Mr. Fein. I just -- I'm not impressed easily, but I think he's just doing a wonderful, wonderful job out there.

Just some footnotes that I don't know whether the Committee noticed or not. In the count, you know, they talked about possibly by tomorrow being up to 247. Two fifty-one is a magic number, because that's the bed hold policy. If you get 251, any patients that you have that leave the facility, they're in the hospital, you get paid for them. You have to hold their bed, but you get paid for them. So that's really a big deal if you get to that point. And that has been -- I know Mr. Fein's -- 252? Two fifty-two, okay, I was off by one.

**MR. FEIN:**

If I may, Presiding Officer.

**P.O. LINDSAY:**

Right.

**MR. FEIN:**

It's 252. It's actually 240 and 12. The 12 beds are HIV beds. When I arrived back in August we

were not -- we didn't have bed hold for those. It's kind of a separate license within a license. So I worked very hard with the team to fill those two beds which had been empty for several months. By mid September, about a month later, we got them filled and we pretty much have been -- we've had bed hold on our HIV side since then.

To give you further information, our HIV beds are reimbursed at \$550 a day. You don't want those beds to not be filled. The other is 240, so the total is 252 and we're close at this point. As of the end of today, I hope that we'll be five away from number, excluding, as you very eloquently put, those in the hospital, of which there are nine as of the moment.

**P.O. LINDSAY:**

The other, again, footnote is, and these guys talk about this all the time, and I'm sure you don't realize some of the significant things that you said that we don't realize, but what is the difference between the Medicare Part A payment and Medicaid?

**MR. FEIN:**

It's a great question. In a nutshell, Medicare Part A the government set up about eight, nine years ago, something called RUGs, not the ones that go on our living room floors, it stands for Resource Utilization Group. There are 44 categories. The top nine of those categories are rehab categories, and under Medicare Part A you get reimbursed if the person has Medicare Part A and they are eligible and meet the criteria for a Medicaid Part A stay, you will get reimbursed based on your RUG level. That's where I referred earlier, as did Mr. Miner, about the work that Mr. Degere has done teaching and educating the staff and screening our new residents much better on admission. So rather than getting 30 minutes a day at \$300 -- 30 minutes of therapy at a rate of \$300 a day, we now get folks at the higher rehab levels which can range between 500 and 750 a day.

I actually will tell you that the very, very top of the 44 is called a category of RUX. It stands for rehab extensive. We had our first rehab extensive gentleman admitted yesterday. What that means is he needs extensive rehab, but he also needs extensive clinical services. And you really have to make sure that they meet the criteria, because you don't want to bill it at a rate, which actually is \$748 a day, which we're very proud to bill, because we're also equally proud to provide the level of services that the gentleman requires. So that really is a significant point that the Presiding Officer brings out. So our Medicare Part A residents are now at a much higher RUG level, which then equates to a much higher reimbursement level.

**P.O. LINDSAY:**

But the point that I was making is Medicare pays at a much higher level than Medicaid.

**MR. FEIN:**

Correct. Our Medicaid rate, which is still one of the best in the State, it's very high, and it's also a reflection of your clientele, is about \$300 a day.

**P.O. LINDSAY:**

But we increased our Medicare Part A people five-fold.

**MR. FEIN:**

Correct.

**P.O. LINDSAY:**

Which is significant. The other thing is, and, you know, here's where I get into trouble with the budget people because I look at things a little bit different. The budget people, both Budget Offices, will say we lost \$9 million there, but it doesn't take into account what's called IGT, Inter-Government Transfers, which we got \$5 million last year to catch up. So I -- you know, it's \$5 million. I deduct that from the nine, and I come up with 4, but nobody agrees with me. Admittedly, it's a one-shot, but -- and we're supposed to get more IGT money this year, but they believe that it's going to be eaten up by reductions in the State funding, so it should be a wash.

The other thing that you didn't mention, which I think is something that got a lot of notoriety in this County, a few months back there was a front-page story in the Long Island Business News about the \$7 million man, the guy that is not in this country legally, that has been out at Foley for seven years.

**MR. MINER:**

Thirteen years.

**P.O. LINDSAY:**

Thirteen years. We haven't been able to collect a dime. As of June?

**MR. FEIN:**

I'm hopeful by July 1.

**P.O. LINDSAY:**

July 1. Mr. Fein found a way to get him as a paying customer, which I think is significant, if for no other reason than public relations value.

**CHAIRPERSON BROWNING:**

Do we get retro on that?

**P.O. LINDSAY:**

No, no, no.

**MR. FEIN:**

Unfortunately not.

**P.O. LINDSAY:**

And that -- I just, again, wanted to congratulate everybody for their work on the Oversight Committee and particularly Dr. Fein for a great job.

**CHAIRPERSON BROWNING:**

When you were talking about the HIV patients, because I believe there's been times where you've actually exceeded 12; correct? Am I correct?

**MR. FEIN:**

Occasionally, occasionally.

**CHAIRPERSON BROWNING:**

Because, you know, being that you get so much more money for HIV patients, would it be beneficial to -- I don't know what it takes to say, okay, we have 12, we're allowed to have 12 HIV, to exceed that number to maybe raise it up to 14 or 15. What does it take to do that? And, you know, obviously, you seem to be staying constant with 12, and maybe you would be able to bring more in and be able to bring more revenue if you were to add two or three more beds.

**MR. FEIN:**

It's kind of a two-part question, Madam Chairwoman. I'll say this. We can exceed 12. There are times we've had folks, 14 or 15, no greater than that, in the building. We're allowed to exceed 12, and my goal is to do that, because what you want effectively is one, you want to be able to provide services to as many Suffolk County constituents that need that service as possible, particularly from an HIV or AIDS perspective. But you also want to have what I call bench strength, so if one of those 12, God forbid, pass away, you have someone in the building that you can move into that bed.

Now, while you can exceed the number 12, you only get reimbursed by the State of New York at that special rate for 12. My concern about increasing the technical number, the certified bed

number, more than 12 is you then get into, again, the issue of bed hold. So with new medications and things that have gone on in the medical community, folks are, thankfully, living a lot longer with that medical malady. I would, as a result, probably say leave the beds at 12, because if you go to 15 or 16 or 18, there's a better chance of losing your bed hold potentially than not. So I'd rather be constant at 12 and have 13 or 14 in the building and be able to put one person, as we did last week, into that bed and maintain that continuity of the bed hold.

**CHAIRPERSON BROWNING:**

Okay.

**MR. FEIN:**

Because you have to be effectively 100% bed hold for the HIV beds. The other beds you have to be 95% bed hold.

**CHAIRWOMAN BROWNING:**

Okay. And as far as TRICARE is concerned, you know, we have some military installations here on Long Island, and TRICARE is not necessarily just for the service member, right? It's also for family members.

**MS. ALLONCIUS:**

Yes.

**CHAIRPERSON BROWNING:**

Have you reached out to the military facilities here, to the commanders, to say, you know, "We're here," and if family members needed to use it, making it accessible or them?

**MR. FEIN:**

I haven't personally. In fact, I have to say that being fairly new to Long Island, I was unaware that there were bases out here.

**CHAIRPERSON BROWNING:**

I can tell you where they are.

**MR. FEIN:**

I appreciate that. But I will say that Congressman Bishop's office has, in fact, done that.

**CHAIRPERSON BROWNING:**

Okay.

**MR. FEIN:**

And I'm in regular contact with a couple of his Aides, both locally and in Washington D.C. I might have mentioned it earlier, I don't remember, that I hope to get a call next week from the Lieutenant Commander who's in charge of the Naval Hospital in Washington D.C., and shortly after that, from one of the heads of Walter Reed. So I know through the Congressman's efforts and his Aides they've been doing a lot of that front-line pushing for us, given those relationships.

**CHAIRPERSON BROWNING:**

We have Fort Hamilton, Fort Totten all the way out in Queens, so you have a lot of Long Island, and I think it would possibly be helpful to reach out to them. You never know, you might be able to get somebody.

**MR. FEIN:**

We certainly will do that.

**CHAIRPERSON BROWNING:**

Tom.

**LEG. BARRAGA:**

Mr. Fein, I want to congratulate you, because based on the presentation, you've been very assertive and very aggressive in terms of making changes at Foley, especially in terms of reducing the expense associated with the facility. I wanted to make a suggestion to you. Even with -- it just seems to me you need more time, you know, for some of the things you want to accomplish to further reduce the deficit to a point where it's manageable. Right now you're still faced with an \$8 million deficit. The one suggestion I would make to you is that, you know, recently at the Federal level they passed this huge Federal stimulus package. I call it the "Mother of All One Shots." And New York State is going to get approximately \$24 billion. I can tell you from experience, when that money hits Albany, the locusts will descend upon the place. By the time it's all over, you will be extremely disappointed to see how some of that money will be spent.

What I would suggest to the Committee and maybe to you is to reach out to Majority members in the Senate and Assembly, Senator Brian Foley, for example, and Englebright or Sweeney in the Assembly, and ask for some of that money. Ask for \$8 million. It's not a lot of money out of 24 billion and it will go out the door, believe me. We can get involved with the nuances in terms of this program or that program, and who's going to give up what, but that money is going to be there and it is going to go out the door in the next two years. And eight million, believe, is not a great deal of money at that level. It's nothing.

Not too many years ago I had one State Senator bring home \$8 million for the Long Island Ducks Stadium here, and another eight million went to the City of New York as an offshoot to the downstate is because \$16 million went to the Albany Airport for Joe Bruno. So we're not talking big bucks. I'm hoping maybe as the administrator or maybe as part of your committee you could reach out to those Majority members, go to Majority members, because it's in their best interest to bring home those dollars, because they'll want a piece of that pie and they will get a piece of it. The question is, will you get your piece of it though them?

**MR. FEIN:**

It's a point well taken, Legislator. Just a couple of pieces of information. John J. Foley, is members of two very key statewide lobbying organizations, one is called as a, NYAHS, New York Association of Homes and Services for the Aging, and the second is CCLC, Continuing Care Leadership Council, which is a subsidiary of the Greater New York Hospital Association.

I'm very active in both of those organizations advocating for John J. Foley and advocating for the industry. There's been some very intense lobbying, just so that the Committee knows, for the past six to eight weeks by those groups in Albany with all the folks that you mentioned. In fact, tomorrow CCLC is having a Long Island powwow, if you will, at the Long Island State Veterans Home, which I'll be attending. They've kind of done it statewide, Upstate, New York City. Now they're coming out to Long Island on this particular issue of the budget, and all of the Long Island Assembly People, State Senators and the like, have been invited.

One important point, and this is very -- it's a sad note, frankly, and it relates to the Governor's thinking. Unfortunately, the stimulus money, as I'm sure you all know, had no restrictions put on it when it left Washington, so we got very excited when President Obama came out with -- the day he announced with a number of other folks from Congress \$787 million directly to be used for hospitals and nursing homes for Medicaid. What he didn't do was put strings on it to the states and say that money must be used to help defray costs for hospitals and nursing homes.

Unfortunately, with all due respect, in the infinite wisdom of our Governor, he's deciding to use almost the majority of this year's \$12 billion of that for education. Education is a very, very important thing. I've got two daughters in high school and college. Nonetheless, there should be a lot more of those dollars used towards Medicaid. My understanding is that's what's going on now in discussions between the State Senate and the State Assembly to push back pretty hard. That said, your point is very well taken, but I just want you to have a comfort level that there is a great deal of

literally daily advocating going on for John J. Foley and the industry.

**LEG. BARRAGA:**

And I agree with your statements. The only thing I ask you to keep in mind, at some point in the State budgetary process, the Majority Leader of the Senate and the Speaker will go to individual members in their conference and say, "Okay, what do you need? What do you need for your District?" All I'm saying is that you have got two Majority members out here, a Majority member in the Senate and you've got a number of Democrats in the Assembly. You want to be on that list, because there's going to be hundreds of millions of dollars in that pot.

**CHAIRPERSON BROWNING:**

Legislator Kennedy.

**LEG. KENNEDY:**

Thank you. Thank you for the presentation. I, like my colleagues, am very impressed, as a matter of fact, with what's been able to be accomplished in a relatively short time, I would say. And, Mr. Fein, you've been very hospitable, both to myself, with my wife when we've come out to visit. I think that you brought a sense of optimism to John J. that was not there. And no matter who I speak to, and I speak to many, many people there, as you know, to an individual, to a person, they have nothing but good things to say about you. That's to your credit, your accessibility, your embracing of the old philosophy MWBA, management by walking around. I think that's the only way that you can operate a facility such as that and do it well.

And, Mr. Miner, credit goes to you, too, for embracing this notion of creating the contracts, which why we never had them, who will know, but the fact that you took that task and have pushed it as aggressively as you have I guess can only, you know, work to our benefit with what we're seeing with this enrollment process and the fact that we're going to have signatures soon.

**MR. MINER:**

With the Oversight Committee it's been very helpful because we have all branches there. We have the Union, we have Health, we have the Legislature and the Executive's Office there, so it's really been a team effort. And with Lowell's, you know, assistance, it's really been -- we've been able to push things through.

**LEG. KENNEDY:**

Two other things, and I guess just a couple of points or questions that I have. One of them actually goes to Fred, and perhaps maybe it's my own pet peeve, where similar to the way the Presiding Officer spoke, I'm just curious, when we look at what's now a pared down \$8 million window, are we still carrying the building note, the cost of the mortgage, as part of what we look at as a loss? Are we still carrying those retiree costs as far as what we look at as part of that delta that's an opening? What makes that eight million, Fred?

**MR. POLLERT:**

The County Nursing Home was set up a number of years ago as an Enterprise Fund, which means that its finances stand alone by itself so that you can completely capture the cost, completely capture the revenues. The costs of the nursing home do include the cost of debt services of roughly two, two-and-a-half million dollars per year. That's a requirement of an Enterprise Fund, just like we charge back the debt service to the Police District; we don't charge back the Community College, but that's because of State Education Law. So, yes, we are capturing all of the costs that it costs to maintain the County Nursing Home; heat, light, power, maintenance, debt service, data processing support, telephone costs. They're all captured in the cost of the Nursing Home.

**LEG. KENNEDY:**

But, Fred, isn't it also true that on the other side of the ledger, as we reflect a \$2.4 million annual cost for construction and building note, that 100% of that cost is recoverable to us so it's a wash?

**MR. POLLERT:**

We can recover the costs and we are attempting to recover the cost, but, obviously, we continue to have an operating shortfall. We have a very good Medicaid rate but to completely cover all the costs we would have to have even a higher rate. One of the difficulties is the State of New York is attempting to bring down the cost of nursing home. They are looking to adjust those rates downwards going forward, including things like the AIDS beds.

**LEG. KENNEDY:**

Yes.

**MR. POLLERT:**

So that is one of the challenges that we face.

**LEG. KENNEDY:**

Actually, I was just going to ask Mr. Fein about that, too, but before we leave that -- so we'll agree to disagree with some of those carrying costs. I understand the concept to the Enterprise Fund. The retiree cost, whether we had an Enterprise Fund or not, we would have as a liability for us going forward, because we'll always have that expense.

**MR. MINER:**

Just if I could just add to what Fred said. The 2.3, 2.4 million dollar debt service, that's part of our rate, so if we didn't have that, our revenue stream would be reduced by a corresponding amount.

**LEG. KENNEDY:**

Again, but the concept is that we have 100% offset either side. Let's go to the approval with AME to have inmates doing some of the grounds work or groundskeeping or things like that. We also take I think it's a half million dollar charge back associated with DPW for a variety of services; is that correct?

**MR. MINER:**

Yeah, a little bit more than a half million, but roughly correct, yes.

**LEG. KENNEDY:**

Okay. Are we going to get to reduce some of that now, now that we have, you know, cost free labor in there?

***[THE FOLLOWING WAS TAKEN BY ALISON MAHONEY-COURT STENOGRAPHER, AND  
TRANSCRIBED BY KIM CASTIGLIONE-LEGISLATIVE SECRETARY]***

**MR. MINER:**

I don't think that will happen. I think what really the inmate usage is for is supplementing and enhancing what Public Works provides. They were providing the core maintenance, capital improvement of a building. What we're looking for for the inmates to do is things like, you know, pick up cigarettes butts, plant spring flowers, maybe cut the grass, keep the litter out of the parking lot, and just enhance the appearance as you drive into the facility so that, you know, it becomes more marketable.

**LEG. KENNEDY:**

And I don't disagree with that at all. I think that's critical when a family is first coming out to see where their loved one might be, that it's good and important that we present a good image. Again, humor me with my, you know, jab if you will, because as we try to go ahead and work towards reducing the costs, there are some expenses that we have, and again, folks could agree or disagree that there's \$500,000 worth of DPW services that are rendered there.

**MR. MINER:**

The committee did review that, the Oversight Committee. We had Don Fahey, who is the head of

Federal and State Aid come in, made a presentation to the committee and provided the analysis of the -- how the 500,000 -- I think it's 530,000, was calculated. So that has been reviewed by the committee.

**LEG. KENNEDY:**

Talk to me a little bit about the energy audit. This has been done already and there are steps that have been suggested to us that we have yet to take?

**MR. MINER:**

It was just presented by an employee of BRO, Joe Schroeder, presented it to the committee I want to say about a month ago. I have reached out to DPW and their engineering team to see, you know, what the next steps are. The report was just finalized. They lay out -- I believe it's about 18 recommendations, each of which have varying cost benefits and we are pursuing those with DPW to see how we can implement those. The approximate cost, the capital cost to implement was about 1.6, 1.7 million dollars. We have earmarked -- we have identified that as a potential federal stimulus project. Legislator Barraga stepped out, but we could look at --

**LEG. BARRAGA:**

I'm here. I stepped back.

**MR. MINER:**

I'm sorry. We did identify that as a potential project under the American Recovery and Reinvestment Act. And even without that, it looks like the return on our investment would be two-and-a-half to three years. We will be following up with DPW and implementing what we can inhouse and the rest with DPW or through a maintenance contract.

**LEG. KENNEDY:**

Okay. Just one other question. This one actually I'm going ask Deborah, Deborah Alloncius. There was some discussion with the differentials, a 4% differential I guess on weekends. Is there a differential that also goes to evening and night shift during the week as well?

**MR. MINER:**

The night shift is nine percent.

**LEG. KENNEDY:**

Nine percent?

**MR. MINER:**

Nine percent, yes. That's under the collective bargaining agreement.

**LEG. KENNEDY:**

All right. I'll yield.

**CHAIRPERSON BROWNING:**

Legislator Gregory.

**MR. MINER:**

Just to the add to that, if you work weekends and nights it's 13 percent.

**CHAIRPERSON BROWNING:**

He might be turning in a job application soon.

**MR. MINER:**

If you are on vacation and you work that weekend shift you are getting the 13 percent differential rate in your vacation pay.

**LEG. GREGORY:**

We get it, you don't like the contract. All right. I just wanted to -- just thank my colleagues, you know, congratulations on the job that you've done. You really turned the place around and with the help of the Oversight Committee and crews, to everyone that's been involved. I'm at a loss of words. I haven't heard anything from Debbie. I wanted to know what your thoughts are in the union?

**MS. ALLONCIUS:**

We are also totally impressed with Mr. Fein's job. He has done what we have been telling you needs to be done. This place would not be in the disaster that it was in two years ago had many of these issues been implemented, and it has been told to you over and over and over again in the several reports that have come out in '94 in the Blue Ribbon Committee Reports. Again, over and over and over again these things that they have implemented have been done.

I'm impressed that we're finally collecting some of the back payments and the fact that Mr. Fein has followed through on the alien who he will be getting the moneys for. And I applaud the fact that they're working very closely with our Medicaid Division to get the applications processed in a quick fashion as well as could be expected a Medicaid application to go through.

The labor issues, again, it's a sticky wicket. We're up against giving, you know, up against a major budget shortfall, so things, you know, we are aware of the wish list that was given to us by Mr. Tempera in January on concerns of giving up benefits on many fronts. And it's very hard to negotiate at a table when you are negotiating at a bigger table. It's not something that we normally would do.

**LEG. GREGORY:**

Do you have any issues with the staffing levels? Because they've significantly decreased over the past few years.

**MS. ALLONCIUS:**

From what we're seeing how the place is functioning, it seems to be okay. Most of it has been through attrition. I think they have done a fine job.

**MR. MINER:**

There's been no layoffs.

**MS. ALLONCIUS:**

Right.

**LEG. GREGORY:**

Okay. And I think there was an issue before with how, as far as budgeting, there were people in Foley that were on the budget that were charged or was that -- no?

**MR. MINER:**

No. There are on occasion we transfer somebody out of Foley or into Foley from another division within the Health Department. In those cases there is a journal voucher done. I believe Presiding Officer Lindsay's Chief of Staff came out and looked at our books on that and I believe was satisfied that our accounting is in order.

**LEG. GREGORY:**

Okay. All right. That's all I have.

**CHAIRPERSON BROWNING:**

Okay. Jack?

**LEG. EDDINGTON:**

Yes. I also want to thank the Committee and I would like to publicly thank our Presiding Officer who really rallied the Legislature to look for an alternative to closing. I admired your leadership and your tenacity and we're here now and I think we've all agreed that we're impressed. Now I want to ask, do you think the County Executive is impressed?

**UNKNOWN AUDIENCE MEMBER:**

No way.

**LEG. EDDINGTON:**

Because that's going to be a very important part of this. You have impressed us. If you are going to make this presentation to the County Executive, dance a little, bring some balloons or something because we need to have him see that given enough time you are going to be able to really do even a more magnificent job.

And then the last thing I would like to say is, I'm a visual person and when Legislator Kennedy talked about using prisoners, I pictured bringing my grandmother there with people with orange jumpsuits saying prisoner. We might want to just look at how we do it, not the same as on the roadways. I think it's a great idea but -- so thank you very much.

**MR. MINER:**

Thank you.

**CHAIRPERSON BROWNING:**

I guess no more questions?

**P.O. LINDSAY:**

Just when you are done.

**CHAIRPERSON BROWNING:**

I do want to let you know, and I'm glad Newsday is still sticking around, because I know people have been reading -- Rick's here. People have been reading, you know, about the closure, the sale, the lease and it really has put a fear. I can tell you as little as a week ago, you know, I spoke with someone whose is still, you know, apprehensive about even considering John J. Foley. I can tell you I have talked to people in my district and said, you know, it's a great place, go there. And I think that there's still a little bit of feeling that, you know, it's going to close or it's going to sell. And I know there's an RFEI out right now that I think does put some fear in people. But I do have to say, Mr. Fein, you are doing a phenomenal job. And again, like Jack said, you know, our Presiding Officer has been a great leader on this issue, too. Like him, I am very passionate about keeping things status quo and I have spoken to many of the employees who live in my district, the people who live there are my constituents, and they don't want to see that change. And I can tell you, the people who work there that live in my district that have spoken to me have told me what a wonderful job you're doing and they're impressed and they love having you there and they want to keep you there.

What makes me angry is that over the years, I'm sorry, I think there's been abuse and corruption and call it what you might. That place has not been run properly. It's an absolute disgrace what's gone on and, you know, you should have been there quite a few years ago. Maybe we wouldn't be, like Debbie said, we wouldn't be where we are today and keep doing what you're doing. Prove that we -- what Bill and what many of us have said here is right, that you can turn it around and make it a better place.

We want to save their jobs, the people who work there, they want their jobs saved. I know that when it comes to the union I will tell you I do believe that there is a need to have open communication with the membership that work in John J. Foley. Talking to them, they want to save their job. They want to stay as County employees. You know, there's that State retirement that their concerned about if it was privatized.

**MS. ALLONCIUS:**

Absolutely.

**CHAIRPERSON BROWNING:**

So, you know, they want to communicate with the union. They want to work with the union. I know they do because they want to save their jobs. I really think that that's an important part of when you have to make some kind of concessions or agreements. Other than that, like I said, I just want to say thank you. You are doing a great job.

**MR. FEIN:**

Madam Chairwoman, thank you very much. I want to thank the entire Committee for this opportunity. Your gracious words are frankly overwhelming. Know that we will continue that. I would be very remiss, though, if I did not myself thank folks like Deputy Commissioner Miner, who has been my backbone since I arrived, as well as Commissioner Chaudhry, Deputy County Executive Pollert, the Presiding Officer, all who I get to work very closely with, all who are a phone call away, as well as several of you up there who I've got the opportunity to interact very directly with, some more direct than others, but again, thank you very much for your kind words.

**CHAIRPERSON BROWNING:**

Thank you. And last but not least.

**P.O. LINDSAY:**

Just the last word. I was out at the facility yesterday. Yesterday was the tenth anniversary of the day-care facility, which is an extension of it, with Dr. Chaudhry. And, you know, this -- I've been out to Foley a lot, and a lot of times with Mr. Fein. If you think that, you know, there's roughly 250 patients at any given time, 260 employees, 60 people in the day-hab, Mr. Fein, as he walks through the hallway, I swear to God, there isn't an employee or a patient that he doesn't know by name.

**CHAIRWOMAN BROWNING:**

Right.

**P.O. LINDSAY:**

And that tells me something. You know, a nursing home is a people facility and you need a manager that's a people person. So I think that in itself tells me something.

**MR. FEIN:**

Thank you, Presiding Officer.

**CHAIRPERSON BROWNING:**

So I hope the door is big enough for you to get through there, but we appreciate everything you have been doing. And with that --

**LEG. EDDINGTON:**

Motion.

**CHAIRPERSON BROWNING:**

I guess motion to adjourn by Legislator Eddington and Legislator Kennedy seconds. We're out of here.

***(THE MEETING WAS ADJOURNED AT 3:39 P.M.)***