

COUNTY OF MENARD        )  
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STATE OF ILLINOIS        )

The Menard County Board of Commissioners met on Tuesday, January 10, 2012, at 5:00 p.m. in the Commissioners' Room of the Menard County Courthouse, 102 S. Seventh Street, Petersburg, Illinois. Commissioners Merle Kirby, Barb Kyes, Jeff Fore, Ed Whitcomb and Bob Lott were present. A quorum was present. County Treasurer Jackie Horn, County Clerk Gene Treseler, State's Attorney Ken Baumgarten, Health Department Administrator Alicia Wade and County Coordinator Steve Duncan were other elected officials and department heads in attendance.

Chairperson Kirby called the meeting to order at 5:00 p.m.

Independent Auditor Mike Feriozzi, on invitation from the Board, was in attendance to discuss the Health Department's financial issues. The Board sought Mr. Feriozzi's opinion about the financial position of the Health Department. There has been concern about the Health Department having to rely on the County's general fund and a sizeable line of credit from said fund, in lieu of the lack of timely reimbursements from the State of Illinois and declining revenues related to home health care services.

Mr. Feriozzi provided his opinion that when the Health Department was set-up in the 1960's, it should have been known that it would have to be subsidized by other County resources. Mr. Feriozzi discussed that home health care revenues grew with the Department and acted as a buffer to financially support the Health Department. He pointed out that home health care revenues had been diminishing and was not subsidizing other Health Department programs like it once did in time. Mr. Feriozzi focused on the minimal equity position of the Health Department and informed that he believed the Board of Commissioners, Board of Health and staff should focus on the equity position as they make decisions for the Health Department. Mr. Feriozzi provided his view that the County may have to re-capitalize the Health Department if it wished to sustain it. He advised that, since the revenue stream was hard to predict, the Health Department needed to focus on efficiencies and report to the Board the financial condition on a regular basis.

There was discussion about what had caused a decline in home health care revenues. Ms. Wade informed that a lot of it was due to change in Medicare payment structure and less staff. She informed that according to the Medicare auditor that the Health Department uses, Medicare payments for home health care services had fallen off everywhere. Jan Dedert, Health Department employee, informed that there was also much more competition in the home health care marketplace. It was pointed out that the Menard Convalescent Center's closing had also impacted the need for services.

There was discussion about whether there would be any advantage to combining Sunny Acres Nursing Home with the Health Department. It was pointed out that the nursing skills were different and there was a belief it would not be a good fit.

There was additional discussion about why there was such a drop-off in home health care service revenues. Commissioner Fore asked how many fewer people were working in home health care to see such a dramatic drop in revenues (reported at over a \$100,000 difference by Mr. Feriozzi). Ms. Davis informed there were 4 employees at the beginning of 2011 and there were 2.5 employees at the end of the year. Ms. Davis reiterated that you have to look at changes in the pay-type mix, for example, Medicaid, and what the Health Department gets paid as well.

Mr. Feriozzi made the point that it was difficult to strategize on how to deal with the Health Department due to lack of control over decisions that would be made at the Federal and State levels that would affect the Health Department. Ms. Davis was asked about and informed that there are 48 Illinois counties with a local tax in place to support a Health Department and 48 counties without such a local tax. County Treasurer Horn provided her view that the Board needed to approve any additional spending over the \$100,000 line of credit that had been set-up between the County and Health Department.

### **Executive Session**

There was no executive session held at this meeting.

### **Adjournment**

With no other business coming before the Board, Commissioner Kyes moved to adjourn the meeting at 5:46 p.m. Commissioner Lott seconded the motion. The motion carried unanimously.