

COUNTY OF MILWAUKEE
Behavioral Health Division Administration
INTER-OFFICE COMMUNICATION

DATE: April 29, 2011

TO: Supervisor Peggy West, Chairperson - Health & Human Needs Committee
Supervisor John Thomas, Vice – Chairperson - Finance & Audit

FROM: Geri Lyday, Interim Director, Department of Health and Human Services
Prepared by Paula Lucey, Administrator, Behavioral Health Division

SUBJECT: INFORMATIONAL REPORT FROM THE INTERIM DIRECTOR, DEPARTMENT OF HEALTH AND HUMAN SERVICES, REGARDING THE 2010 BEHAVIORAL HEALTH DIVISION CAPITAL BUDGET PROJECT AND ISSUES REGARDING THE RECENT STATEMENT OF DEFICIENCY

BACKGROUND

On June 3, 2010 BHD received a Statement of Deficiency (SOD) from the State of Wisconsin as a result of a recent State Centers for Medicaid and Medicare Services (CMS) survey. This was BHD's routine four-year survey that encompasses a comprehensive review of the physical plant and its operations. The majority of the citations BHD received were regarding the physical building. BHD was required to respond with an initial plan for corrective action by June 14, 2010 and an immediate corrective action on specified citations by June 25, 2010.

At the July 2010 meetings of the Committees on Health and Human Needs and the Finance and Audit, approved the expenditure authority for \$1,825,890 in 2010 BHD Capital Funds to address all SOD related capital conditions by the final deadline of April 1, 2011. BHD has been providing monthly updates to the County Board since that time.

DISCUSSION

Since the last report in March 2011, a final Statement of Deficiency (SOD) survey was conducted by the State on April 1, 2011. At that time, the State surveyor inspected all of the original citations and requested one additional piece of information from BHD. BHD sent the final documentation, as requested, to the State. On May 3, 2011, we received a final closing letter from the State stating compliance with the Conditions of Participation. A copy is attached.

To date, \$1,173,939, including personnel, equipment, and materials costs has been spent on the SOD repairs. BHD Operations and DAS met in early 2011 to review all \$858,000 of 2010 expenditures to determine what items (including staff time) were allowable under the capital budget. The DAS Capital Finance Manager completed a 2010 fund transfer for \$258,361, which moved all allowable costs from the BHD operating budget to the capital project. The majority of the items were determined NOT to be allowable capital expenses due to the nature of the repairs. Therefore approximately \$600,000 was spent out of the 2010 BHD operating budget. BHD and DAS have not met to review the \$315,000 in 2011 SOD expenses yet. Due to the shift of spending from the Capital project to the BHD operating budget, a minimum of \$1.25 million remains from the original Board approved allocation. BHD recommends using the remaining SOD funds to address the one major outstanding SOD issue.

Although BHD has addressed all of the physical plant citations, there is one initiative related to the original SOD that BHD has only submitted a final plan but has not yet fully implemented. This is sufficient for the State because in the Plan of Correction, BHD had indicated they would submit the plan but complete the project after that time, therefore only significant planning was required. The project is the Dish Room area.

Dish Room, Tray Line and Laundry Facilities

As noted in prior reports, the Dish Room and Laundry facility repairs are a significant project within the SOD citations and the original cost projections of \$200,000 were based on a conceptual plan only. BHD has worked on a plan and is now proposing to consolidate space within the complex to streamline operations. It has been determined by BHD, DAS and DTPW that the best approach is to change the use of the Dish Room at BHD to avoid costly reconstruction and instead move food and tray line operations from the main BHD facility to the Food Service Building. Specifically, the current Dish Room and Tray Line area will change to storage areas thus avoiding the costly renovations and instead meals will be prepared, refrigerated and rethermed at the Food Service Building, and then brought over to the BHD Facility prior to each mealtime.

BHD has worked with our food service professionals and decided to move toward a new way of food delivery within the long-term care units at BHD. To accomplish this, BHD plans to renovate one of the long-term care kitchens as a pilot project by installing a steam table and dishwasher in the unit kitchenette, as well as new cabinets and a small refrigerator for resident use outside of the kitchen. Required additional equipment also includes new dietary carts for transporting the food between buildings and new trays and smallwares. If the pilot project goes well and the State approves of the changes, BHD will move forward with changing all of the long term care units, and possibly the acute care units, to this meal service style. The staff on the pilot unit has met with the dietician and welcomes the proposal. We will have a community meeting to include the clients in the discussion and let them make some selections about the plan. This will be received well by the state surveyors looking for client involvement in the unit decisions.

Preparing and serving food directly on the units offers many advantages. First, in-unit food preparation will help to create a more home-like environment on the long-term care units and could also serve as an occupational therapy tool for clients involved in the setting and cleaning up of the dining areas. Additionally, clients will have some limited choices about their food selection, which is again important for client satisfaction and a home-like environment. Avoiding the use of retherm carts will improve the quality of the food served. This will help address some of the food service complaints received in the past. Moreover, the dietary carts needed to implement the new system are substantially less expensive than the dietary carts and other attendant equipment that are currently being used. There is also cost avoidance as the potential new carts draw more electricity and would require some redesign of the food preparation building.

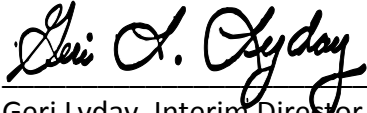
This change will require BHD to purchase new equipment for food service including steam tables, dish washers, small refrigerators, cabinets, dietary carts, and new trays and smallwares. It will also change some processes for food delivery but will help manage food production, improve the home-like environment, increase food quality, streamline food service delivery and avoid significant construction costs within BHD. It is estimated that the cost of the necessary equipment and installation by County staff will be about \$150,000 or about \$25,000 per kitchen on each of the six long-term care units. In addition, some changes and equipment will be needed for the Acute care units but that plan will depend on the success of the pilot steam-table project. BHD estimates that regardless of meal service type, the five Acute units will cost no more than \$150,000 for the necessary Dietary changes. Therefore the total cost for this change would be approximately \$300,000, which would be significantly less than repairing the Dish Room.

BHD has already discussed these changes with the State and gotten tentative, verbal approval. BHD plans to move forward with this initiative by continuing to work with the State to ensure that the move out of the Dish Room will satisfy the citation, installing the pilot steam-table and kitchen modification by June 6, 2011 on one long-term care unit, and continuing to work with DTPW, DAS, BHD clinical staff and A'viands to revise the plans as necessary. If the pilot is successful BHD will move forward on the remaining units.

RECOMMENDATION

BHD plans to move ahead with the \$300,000 in Dietary changes to address the SOD plans submitted and avoid any further citations in the future. BHD will work with DAS capital staff to ensure that the purchases are allowable costs under bond rules. BHD will return to the Board in September 2011 with an updated report regarding this project.

This is an informational report. No action is necessary.



Gerri Lyday, Interim Director
Department of Health and Human Services

cc: County Executive Chris Abele
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