

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

DATE: February 23, 2011

TO: Peggy West, Chairperson – Health & Human Needs Committee
Johnny Thomas, Vice Chair – Finance & Audit Committee

FROM: Geri Lyday, Interim Director - Department of Health and Human Services

SUBJECT: FROM THE INTERIM DIRECTOR, DEPARTMENT OF HEALTH AND HUMAN SERVICES, SUBMITTING AN INFORMATION REPORT 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 January 2011, BHD Operations has continued to work on pending projects and BHD is on track to meet all the deadlines included in the Plan of Correction. The State has not been to BHD in 2011 to review progress on the pending items. There also have been no significant changes in overall spending. BHD Operations and DAS have met to review all expenditures to determine what items (including staff time) are allowable under the capital budget and the DAS Capital Finance Manager has completed a fund transfer to move costs from the BHD budget to the capital project.

BHD has been working over the last several months for a solution to the issues in the SOD regarding the 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

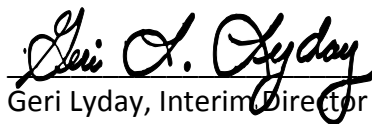
citations and the cost projections of \$200,000 were based on a conceptual plan only. BHD has worked on a plan and is now proposing to consolidate space within the complex to streamline operations. It has been determined by BHD, DAS and DTPW that the best approach is to change the use of the Dish room at BHD to avoid costly reconstruction and instead move food and tray line operations from the main BHD facility to the Food Service Building. This will require BHD to purchase new equipment for food service including dietary carts, combi ovens, blast chillers and new trays and smallwares. It will also change some processes for food delivery. This consolidation will further streamline processes, increase efficiency and monitoring, thereby improving overall quality of dietary services for BHD patients and avoiding significant construction costs. BHD has worked with A'viands to get some preliminary cost estimates. They include all the necessary equipment to make the change and also include estimates for installation costs by County staff. These cost estimates were included in the original Capital Expenditure Requests submitted to address the Statement of Deficiencies.

BHD plans to move forward with this change by working with the State to ensure that the move out of the Dish Room will satisfy the Citation. At the same time BHD plans to work with Procurement to get bids and also work with DTPW, DAS and A'viands to establish a reasonable time frame, plan for installation and make any other necessary changes. BHD anticipates that the cost of this change would be significantly less than repairing the Dish Room and also that the cost can be absorbed within the original allocation from the County Board for the total SOD repairs. BHD plans to return to the Board in the April cycle with final estimates for the change and any necessary fund transfers.

BHD has worked diligently to address immediate SOD Conditions and continues to move forward with the long-term projects to ensure all corrections are completed by the State deadline of April 1, 2011. BHD and DAS will provide the Board with informational reports as work progresses.

RECOMMENDATION

This is an informational report. No action is necessary.


Geri Lyday, Interim Director

Department of Health and Human Services

Cc: Interim County Executive Marvin Pratt
Terrence Cooley, Chief of Staff – County Board
John Ruggini, Interim Fiscal & Budget Administrator
Antionette Thomas-Bailey, Analyst – DAS
Jennifer Collins, Analyst – County Board

Jodi Mapp, Committee Clerk – County Board
Steve Cady, Analyst – County Board
Carol Mueller, Committee Clerk – County Board