MINUTES of the Special Meeting of the Board of Estimate and Taxation held on Monday, March 18, 2019, in the Town Hall Meeting Room, Greenwich, CT.

Jill Oberlander, BET Chair, called the meeting to order at 5:38 P.M., after which the members pledged allegiance to the flag.

Board members in attendance:

Jill K. Oberlander, Chair
Jeffrey S. Ramer, Vice Chairman
Elizabeth K. Krumeich, Clerk
William Drake
Andreas Duus III
Karen Fassuliotis
Debra Hess
Michael S. Mason
Leslie Moriarty
Leslie L. Tarkington
Anthony Turner
David Weisbod

Staff: Al Cava, Director, Labor Relations; Peter Mynarski, Comptroller; Howard Richman, Tax Collector

TNW: Allen Brown, Executive Director, The Nathaniel Witherell (TNW); Laurence B. Simon, Chairman, TNW Board of Directors; Suzanne Hogan, Member, Board; Nisha Hurst, Member, Board; Richard W. Kaplan, Member, Board; Joan Merrill, Member, Board; Edward Omondi, Director of Nursing, TNW; Nirmal Patel, MD, MPH, Member, Board; Elizabeth Siderides, M.D., TNW Board

Other: Darrin Hull, Senior Vice President Consulting Practice, Health Dimensions Group (HDG); Colin Higgins, Business Development Manager, Marketing, HDG; Stephanie Cyrus, Senior Financial Consultant, HDG; Kathy Karr, Manager, Consulting Services, HDG

Ms. Oberlander welcomed BET Members and attendees to a Special Meeting of the BET and the Board of The Nathaniel Witherell. The Chair noted that this meeting is a Public Meeting, but not a Public Hearing and, therefore, BET members and TNW Board members would be the only attendees who have an opportunity to speak during the meeting.

The Chair introduced The Nathaniel Witherell (TNW) Board members and Mr. Norton who has chaired the BET's Nathaniel Witherell Strategic Planning Committee (TNW SP Committee) since 2015. Ms. Oberlander commented that during a meeting of the TNW SP Committee earlier in the day, Mr. Thomas Marien of PKF O'Connor Davies, an accounting and advisory firm, chosen
through an RFP process, presented *The Financial Statements and Supplemental Information* which constituted, in part, a Review of the financial statements of TNW, which comprise the statements of financial position as of June 30, 2018 and 2017. The Health Dimension Group, a consulting group analyzing the operations and finances of TNW, would present its executive summary during this meeting. The Chair referred the audience to the full Final Reports of both consultants and a copy of the evening's slide presentation of HDG's Executive Summary that are being posted on the Town's website.

Mr. Darrin Hull, SVP, HDG Consulting Practice, introduced HDG as a full-service healthcare and management organization and owners, operators and managers of skilled nursing facilities. HDG had previously provided consulting to the Town of Greenwich for TNW in 2004, 2010 and 2011. Mr. Hull introduced the Project team specialists who prepared the strategic analysis of TNW financials (Stephanie Cyrus), marketing (Colin Higgins) and operations (Kathy Karr) to present their findings of opportunities and structural options for TNW's future.

The Presentation began with a review of the dynamics of TNW's capacity challenges and an explanation of the demographics of current and future market-demand for skilled nursing facilities, their competitive alternatives and anticipated changes to Medicare and Medicaid reimbursement practices. Mr. Higgins, defined TNW's catchment area and the Resource Utilization Groups (RUGs) for its current Medicare patient billing which focuses on physical, occupational and speech therapy, whereas Medicare was changing its payment system to a Patient-Drive Payment Model (PDPM) which focuses on nursing care. Mr. Higgins made numerous marketing recommendations including initiating programs to increase TNW's services from orthopedic rehabilitation to various medical services (e.g., medical management) and positioning the new services during relationship-building outreach to current referral sources.

Ms. Karr provided Operations' recommendations formulated from comparison of 4-star and 5-star staffing models and their costs locally, regionally in the Northeast and nationally. The recommendations included adjusting staffing levels to increase efficiency, reduce overtime and shift differential costs; adjusting overtime and non-productive hours (e.g., vacation, sick pay) to a paid time off (PTO) policy; seeking economies through changes to new employee wage and benefit packages; and, updating Business Office processes and procedures.

Ms. Cyrus presented the financial aspect of the presentation which included proposed business models for TNW in a 5-year scenario to compare assumptions of staffing, benefits and revenue expectations:

- Maintain TNW as is while seeking greater efficiencies in operations
- Sell or Lease to a 501(c) (3) not-for-profit corporation
- Sell or Lease to a for-profit operator

In summation, HDG recommended further exploration of the scenario of selling/leasing to a 501(c)(3) while continuing to make operational improvements.

Following the presenters' remarks, members of TNW Board of Directors noted that TNW enjoyed high referral market share from local hospitals and believed that its reputation for quality nursing care could attract referrals of clinically-complex patients. Operations suggestions for best practices to improve cost-control and revenue reporting were offered. TNW Board Chairman requested specific recommendations for staff ratios to clarify the Centers for Medicare and Medicaid Services (CMS) 4-star and 5-star rating scheduling models. Further comparison of the three proposed business models' capital and operating costs were discussed and referenced to the consultant's two Reports.

*BET Special Meeting Minutes March 18, 2019 – Approved*
Adjournment

Upon a motion by Ms. Fassuliotis, seconded by Mr. Duus, the Board voted 12-0-0 to adjourn the meeting at 7:15 P.M. Motion carried.

The next Regular Meeting of the Board of Estimate and Taxation is on Monday, March 25, 2019, at 6:30 P.M. in the Town Hall Meeting Room.

Respectfully submitted,

Catherine Sidor, Recording Secretary

Elizabeth K. Krumreich, Clerk of the Board

Jill K. Oberlander, Chair