

TOWN OF GREENWICH  
BOARD OF ESTIMATE AND TAXATION  
NATHANIEL WITHERELL STRATEGIC PLANNING COMMITTEE

MINUTES –Nathaniel Witherell Board Room

Tuesday, April 12, 2016

Committee: Arthur Norton, Elizabeth K. Krumeich, Jill Oberlander, Nancy Weissler

Others: Peter Mynarski, Comptroller; Chris Alexander, Nathaniel Witherell,  
Director of Financial Operation

Lynn Bausch, Deputy Administrator and Director of Nursing gave the Committee a tour of Nathaniel Witherell (TNW) immediately prior to the meeting. Board Member Leslie Tarkington attended the tour.

The meeting was called to order at 9:41 A.M.

**1. Discussion of the April 6, 2016 minutes**

The Committee engaged in a discussion of the Minutes of the April 6, 2016 meeting. Ms. Oberlander offered to prepare drafts of Committee minutes for future meetings. The Committee agreed to defer consideration of the April 6<sup>th</sup> meeting minutes until the April 20<sup>th</sup> meeting.

**2. Discussion of Financial Models**

Mr. Alexander was asked whether he could run a financial model to predict profitability based on the Medicare Resource Utilization Group (RUG) codes presented at the last meeting. He responded that he would inquire, noting that the physical therapy service provider's billing does not track the specific RUG rates exactly but rather compress the diagnostic categories into seven groups.

Mr. Alexander will compile the fixed and variable costs associated with short-term care and long-term care and will compare the total cost by category to possible revenue streams. He will include the data for nursing staff in the analysis. A goal is to determine what the cost drivers are, as well as whether there are areas where expenses or business lines can be managed more effectively.

On revenue, Mr. Alexander explained that TNW generally runs a deficit on each day of service provided to patients covered by Medicaid or commercial insurance. This is true even though TNW's Medicaid reimbursement rate is higher than other Connecticut facilities due to TNW's location in Fairfield County and the inclusion of reimbursement for costs related to Project Renew. TNW generally makes a profit on each day of service provided to each private pay resident. The private pay daily rate is a baseline; physical therapy, medication, oxygen, etc. are all charged separately.

Mr. Alexander distributed a draft "dashboard" document capturing cost and revenue actuals vs. budget.

Ms. Weissler asked whether there is benchmark data from other facilities detailing the cost of providing services and their revenue/reimbursements, referring to the analysis performed as part of Stamford's decision to transfer ownership of Smith House. Mr. Alexander will review the analysis and report back to the Committee.

### **3. Items for Future Committee Meetings**

Mr. Norton informed Nathaniel Witherell Board Chair, Larry Simon, of his intention to propose to the BET Audit Committee an audit of Nathaniel Witherell .

Ms. Krumeich will request the Law Department to provide a briefing on the legal issues related to Nathaniel Witherell's real property and any deed restrictions as well as limitations on the Town relating to a change in The Nathaniel Witherell's ownership structure.

Ms. Weissler asked that Nathaniel Witherell provide its future capital maintenance requirements for the next 10 years.

### **4. Future Committee Meeting Schedule**

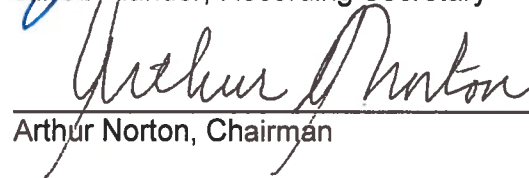
The next meeting of this Committee is scheduled for Wednesday, April 20<sup>th</sup> at 8:30 a.m. in the Parks & Recreation Conference Room, 2<sup>nd</sup> Floor - Town Hall. A subsequent meeting was tentatively scheduled for Monday, April 25<sup>th</sup> at 8:30 a.m.

### **5. Adjournment**

On a motion by Ms. Oberlander, seconded by Ms. Weissler, the Committee voted 4 to 0 to adjourn the meeting at 10:33 A.M.



Jill Oberlander, Recording Secretary



Arthur Norton, Chairman