The meeting was called to order at 8:35 A.M.

1. Approval of previous Meeting Minutes

On a motion duly made and seconded, the Committee voted 4-0 to approve the minutes of the June 8, 2016 meeting.

On a motion duly made and seconded, the Committee voted 4-0 to approve the minutes of the June 14, 2016 meeting.

On a motion duly made and seconded, the Committee voted 2-0-2 (Norton and Oberlander abstaining) to approve the minutes of the June 16, 2016 visit to Greenwich Woods.

On a motion duly made and seconded, the Committee voted 3 to 0 (Krumeich absent) to approve the minutes of the June 20, 2016 meeting.

2. Discussion of Nathaniel Witherell Business and Financial Model

Mr. Simon provided the Committee with a preliminary admissions report for fiscal 2016 and stated that Nathaniel Witherell management is working to address the budgeted deficit by increasing occupancy. He explained that the facility has 156 long-term beds (20 private room beds and 136 semi-private room beds), 39 beds reserved for dementia patients, and 46 private room beds for rehabilitative or other short-term stays. Occupancy is budgeted at 92-93% and staffing is planned for these numbers. If the number of beds occupied with private pay patients increases, Nathaniel Witherell’s revenue will increase. In response to a question raised at a prior meeting, Mr. Simon stated that the average length of stay for a long-term patient is 540 days.

On costs, Mr. Simon commented that the increases to the cost of employee health benefits makes it difficult for Nathaniel Witherell to compete with other facilities. He believes the wage rates are comparable.
Mr. Simon reported that Nathaniel Witherell's Medicaid rate was increased (retroactive to 2015) and that this increase will lower the projected deficit for fiscal 2017 to $2.5 million, which includes $425,000 in capital spending and $1.3 million in debt service payments.

Mr. Norton advised Mr. Simon that the Committee's tours of other facilities have highlighted the market changes since Project Renew was approved. The Committee wants to understand Nathaniel Witherell's business model, including marketing, to address these market changes. Mr. Norton further requested that Nathaniel Witherell provide profit and loss statements for each business line.

In discussing Nathaniel Witherell's financial results, Mr. Simon advised the Committee that he plans to ask the BET to eliminate Nathaniel Witherell's special revenue fund status. Ms. Weissler commented that the presentation as a special revenue fund provides taxpayers with easy access to the department's financial operations and that changing its status will create additional work for citizens who want to know more. Mr. Mynarski stated that any such change should be referenced in the Budget Guidelines.

3. Items for Future Committee Meetings

Remedy Partners is confirmed to attend the meeting scheduled for July 18th at 8:30 A.M. in the Mazza Room. In addition to that meeting, there is a meeting scheduled for August 11th at 8:30 A.M.

4. Adjournment

On a motion duly made by Mr. Norton and seconded by Ms. Weissler, the Committee voted 4 to 0 to adjourn the meeting at 10:22 A.M.

Jill Oberlander, Recording Secretary

Arthur D. Norton, Chairman