

## **City Council Work Session November 28, 2016**

Present were Mayor Grenier, Councilors Remillard, Gentili, Morgan Allain, Higbee, and Theberge; Councilors Otis, Nelson and Rozek were absent

Others present included City Manager Jim Wheeler, City Clerk Elaine Riendeau, OPEIU Shop Steward Lise Barrette, Health & Welfare Director Angela Martin Giroux, Health Dept. RN Kelly Corcoran, Health Dept. Billing Clerk Danielle Warner, Health Dept. RN Doris Fortier, Health Dept. Clerk Helen Poirier, Finance Director Patty Chase, Darrin Allen, Barbara Tetreault *Berlin Daily Sun* and public

### **Future of City Funded Home Health in Berlin**

Mr. Wheeler reported that the Council was presented with data regarding the City's Home Health financial trends. It appears that reimbursements are going down while patient volume is going up. He informed the Council that continuing to fund Home Health going forward would reduce the City's undesignated fund balance by about \$200,000 to cover the fixed costs of improvements that would have to be done this year. That would reduce the UFB to 4.73% of operating expenses which is below the 5% minimum that the DRA prefers. If the Council votes not to continue, the Exit Plan is estimated at \$112,000 over a six month period.

Mayor Grenier stated that this infusion of money in this fiscal year would be to set up Home Health to be successful long term. The Council's position has been not to lose a lot of money every year. If the Council is being asked to make a business decision, it would have to consider the business plan's cost over revenue. It would be good to know what could be expected for Medicare revenues going forward. He added that communities outside of Berlin are using the services and we could ask for some commitment from them.

Councilor Higbee clarified that implementing change at \$200,000 would reduce the fund balance to 4.98% of the operating budget. He asked if the City could recover funds from other communities and Mayor Grenier noted that it would be voluntary. The City can ask for help to fund some of the capital requirements; however asking for an annual amount would likely be met with resistance. If the council decides to fund the \$200,000, it will require a 2/3 majority vote and a public hearing. He encouraged councilors, whether in support or opposed, not to change their vote. Mayor Grenier added that a solid business plan has to be developed. He noted that the hospital, and Coos County Health Services offered to help and they should be contacted. We should also seek charitable donations from the Tillotson Fund.

Councilor Remillard stated that there are other providers in the City that offer home care services. The City's Home Health should be transitioned to them. The Hospital gave up providing the service. The City should come up with a plan to move Home Care as it has gotten bigger than what we do. We should be meeting with organizations that are capable of taking over even if it means offering some financial assistance in the beginning. She added that she does not like going into the unappropriated fund balance when there is no guarantee this will work. Though she did not want anyone to lose their jobs, she said that it is not in the City's best interest to continue with this service.

Councilor Theberge reasoned that he's had experience with the Home Health nurses and found them to be very helpful. They are good nurses. The wages need to be increased to get more quality people into service. The Berlin people want the service. Councilor Gentili stated that he has no experience with the service and he is basing his opinion on the public's comments at the public hearing. The public wants to keep the service. The comments and letters he received were all in favor. He felt that he has to go with what the public has asked him to do. He is not looking at the Health Department as a business but as a service to the public with an obligation to continue.

Councilor Morgan Allain stated that she was also very happy with the service she received and feels that it should continue. Councilor Higbee stated that he approached the question with a business perspective and listened to what the public had to say. His business side asked why the city is still doing this when there are other agencies that provide the service? However after reading letters and hearing people at the public hearing, he reconsidered. He sees the value to the taxpayers and as a representative of the taxpayers, he will support continuing the home health function. He added that he heard from one person who did not support.

Mayor Grenier established that there is the will to keep going. He said that this will be a brutally tough budget and when the taxpayers are facing a tax increase, the Council will hear about it. He added that it is imperative for Home Health to have a business plan, and to be self-supporting. If they cannot get everything together, he warned, don't come back.

Angela Martin Giroux addressed the Council stating that funds are needed to reinvest in technology and training and it was made clear that those needs would have to be requested in the budget. Mayor Grenier stated Home Health has been an informal service to the citizens and it's not been looked at as a business. The service needs to be sustainable.

Councilor Remillard reasoned that she is concerned with the financial situation and the impact on the city budget. The nurses are wonderful and the last thing she wants is to cut jobs; however when we raise taxes by \$1 or more, it will be too late. There were a handful of people who spoke at the public hearing. She added that she has a hard time gambling with the tax dollar. Long term, we should relocate the responsibility to a qualified agency.

Mayor Grenier questioned the anticipated revenues for this year that are estimated at \$574,500 in the current budget and to date, \$87,920.00 has come in. Continuance of the program could be significantly more than \$200,000.00 if the department does not make its revenue projections. Mayor Grenier asked if there are plans for this year and Ms. Giroux responded that the department continues to take on patients. They are changing the way things are done with more efficiencies. Everyone is trying to pitch in to make it work while keeping the budget at the forefront. Mr. Wheeler explained that the systems are not in place that would normally be used to make projections. Simone viewed Home Health as having potential. We will have to have the organizational tools to keep current and the electronic tools to continue.

Mayor Grenier asked what the immediate steps are to go forward. Mr. Wheeler indicated that we would need to collect and evaluate information on emergency medical records (EMR's) and would need to do due diligence on which EMR to use. We would also need a full time clinical supervisor. In order to

recruit nursing in the shortage environment, we will need to make wage adjustments. Mayor Grenier confirmed that we could have these in place for July 1 and that there would be enough experience and data so that there will be a good idea of budget impacts. He added that everyone in the city will pay for this and it is imperative that it works.

Doris Fortier, RN and Kelley Corcoran, RN commented that they will do everything possible to make the program work. Mayor Grenier asked if Councilor Higbee would participate in meetings with other parties and he agreed.

**Other** – there were no “other” agenda items.

#### **Non-Public Session**

Councilor Theberge moved with a second from Councilor Morgan Allain to go into non-public session per RSA 91-A:II (d) Land Matters. So moved, the motion carried unanimously by roll call.

Councilor Higbee moved to come out of non-public session; Councilor Remillard seconded and the motion carried unanimously by roll call.

Councilor Theberge moved to seal the minutes until a potential industrial contact has been contacted as releasing them would render the action taken ineffective; Councilor Remillard seconded and the motion carried.

#### **Adjournment**

Councilor Remillard moved to adjourn; Councilor Theberge seconded and the motion carried. The meeting ended at 7:35 p.m.

Respectfully Submitted,  
Susan Tremblay  
Administrative Assistant