

# RESOLUTION

## Resolution Authorizing Increasing the Daily Private Resident Room Rates at Valley Hi Nursing Home Effective February 1, 2023 and Again July 1, 2023 (61)

**WHEREAS**, it is the goal of the McHenry County Board to operate Valley Hi in such a manner that it is financially sustainable, self-supporting and operates within its revenues without relying on property taxes or other County subsidy; and

**WHEREAS**, , it is an essential business practice to regularly adjust the rates charged for patient care at Valley Hi Nursing Home to be commensurate with the rising costs of providing said services and the market rates, especially in light of the COVID-19 response, inflation, and the national staffing shortage; and

**WHEREAS**, Valley Hi conducted a rate study that shows the daily rates charged currently are below market in the surrounding area which puts private skilled nursing facilities at a competitive disadvantage; and

**WHEREAS**, Valley Hi has not increased its daily room rate for private pay since July 1 2022; and

**WHEREAS**, after consultation with the Valley Hi Administrator, it is recommended that an increase schedule for the daily rates for all private pay resident care levels be established with effective dates of February 1, 2023 and July 1, 2023; and

**WHEREAS**, it is also the recommendation that the daily rates be reviewed again in 2023 and annually thereafter to ensure the County is staying current with the cost of providing said services; and

**WHEREAS**, the Valley Hi Operating Committee and Finance and Audit Committee have reviewed this resolution and rate recommendations.

**NOW, THEREFORE BE IT RESOLVED**, by this County Board of McHenry County, Illinois, that it hereby authorizes that the following daily rates for patient care at Valley Hi Nursing Home be, and are hereby approved as follows:

For all residents **admitted prior to 6-1-2019**:

Care Level	Effective 2-1-2023	Effective 7-1-2023
Skilled I Care	\$305 per day	\$310 per day
Skilled II Care	\$315 per day	\$320 per day
Skilled III Care	\$325 per day	\$330 per day
Suite Option	\$200 additional per day	\$200 additional per day

For all residents **admitted after 6-1-2019**:

Care Level	Effective 2-1-2023	Effective 7-1-2021
Skilled I Care	\$315 per day	\$320 per day
Skilled II Care	\$325 per day	\$330 per day
Skilled III Care	\$335 per day	\$340 per day
Suite Option	\$200 additional per day	\$200 additional per day

**BE IT FURTHER RESOLVED**, by this County Board of McHenry County, Illinois that the Administrator of Valley Hi Nursing Home and County Administration are hereby directed to continue to review the rates on a regular basis and present recommendations to the Valley Hi Operating Committee and the County Board on whether the rates should be adjusted to reflect current costs of services; and

**BE IT FURTHER RESOLVED**, that the County Clerk is hereby requested to distribute a certified copy of this Resolution to the Valley Hi Administrator; the County Auditor; the Deputy County Administrator, the Chief Financial Officer; and the County Administrator.

**BE IT FURTHER RESOLVED**, that the County Clerk is hereby authorized to distribute a certified copy of this Resolution to

**DATED** at Woodstock, Illinois, this 17<sup>th</sup> day of January, A.D., 2023.

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Michael Buehler, Chairman  
McHenry County Board

ATTEST:

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Joseph J. Tirio, County Clerk

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## RESOLUTION

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**SUBJECT:** Resolution Authorizing Increasing the Daily Private Resident Room Rates at Valley Hi Nursing Home Effective February 1, 2023 and Again July 1, 2023 (61)

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**Board / Committee Action Requested:**

The Valley Hi Administrator seeks authorization to increase in the daily private pay resident room rates \$10 per day effective February 1, 2023 and an additional \$10 per day effective July 1, 2023. This increase only affects the residents who are privately paying for their care, approximately 20 residents per day and does not impact any other payer source rates.

**Background and Discussion:**

Valley Hi conducts routine reviews of the private room rate charged to residents to determine if adjustments should be made relevant to the cost of the care, treatment, and services being provided by Valley Hi Nursing Home. A room rate survey has been conducted and has determined that Valley Hi remains at or below the market rate for private pay room rates. The survey also determined that many area providers charge ancillary rates beyond the basic room rate which is not a practice that is currently being followed at Valley Hi. The Valley Hi basic room rate is all inclusive except for resident beauty shop appointments and outings, which are paid for by the residents or their representatives separately.

Based on the review and in light of the ongoing COVID-19 response as well as current inflation, cost increases, and the national shortage of health care workers, a strong recommendation is being made to increase the Valley Hi private pay resident daily rates to remain competitive in the marketplace and to keep pace with the rapidly rising cost of care.

It should be noted that the last private pay resident rate increase was \$5 per day effective July 1, 2022.

**Impact on Human Resources:**

None

**Impact on Budget (Revenue; Expenses, Fringe Benefits):**

The increase will generate approximately \$30,000 more in private pay revenues (based on the County Board approved case mix) for the period of February 1, 2023 through June 30, 2023, and an additional amount of approximately \$36,000 more in private pay revenues for the period of July 1, 2021 through 12-31-2021; however the revenue is based on the resident daily census which is subject to fluctuation based on the Facility's daily case mix and the resident's acuity. The level of care adjustment will generate additional revenue, however it cannot be calculated as it is dependent on the census and resident needs.

**Impact on Capital Expenditures:**

None

**Impact on Physical Space:**

None

**Impact on Other County Departments or Outside Agencies:**

None

**Conformity to Board Ordinances, Policies and Strategic Plan:**

This Resolution is presumed to conform to all Board ordinances and policies.