



**OFFICIAL NOTICE AND AGENDA** of a meeting of the Board or a Committee:

A meeting of the North Central Community Services Program Board will be held at NCHC – Board Room, 1100 Lake View Drive, Wausau WI at 12:00p.m., on Thursday, January 29<sup>th</sup>, 2015.

*(In addition to attendance in person at the location described above, Committee members and the public are invited to attend by telephone conference. Persons wishing to attend the meeting by phone should contact Debbie Osowski at 715-848-4405 by one hour prior to the meeting start time for further instructions.)*

**AGENDA**

1. Call to order
2. Roll call
3. Consent Agenda
  - a. 12/18/14 Finance, Personnel & Property Committee meeting minutes
  - b. 12/18/14 Board meeting minutes
  - c. CEO's report
  - d. December financial statements
4. Chairperson's report: R. Nye
  - a. CEO evaluation report
  - b. Action: approve report and minutes of the 01/13/15 Executive Committee meeting
5. Quality Committee Report: L. Scudiere
  - a. Organizational Quality Dashboard
  - b. Action: approve 2015 Quality Plan
  - c. Action: approve Hospital Utilization Review Plan
  - d. Action: approve report and minutes of the 01/15/15 meeting
6. Financial report: B. Glodowski
7. Finance, Personnel & Property Committee Report: L. Olkowski
  - a. Action: approve report
8. Nursing Home Operations Committee (NHOC) Report: J. Burgener
  - a. Action: approve report and minutes of the 12/12/14 and 01/13/15 meetings
9. Human Services Operations Committee (HSOC) Report: J. Robinson
  - a. Action: approve report and minutes of the 01/21/15 meeting
10. Strategic Planning Process
11. 2015 Operating Plan
12. Future meeting agendas
13. Adjourn

- Action may be taken on any agenda item.
- In the event that any individuals attending this meeting may constitute a quorum of another governmental body, the existence of the quorum shall not constitute a meeting as no action by such body is contemplated.

Signed: /s/Gary Bezucha  
Presiding Officer or His Designee

**COPY OF NOTICE DISTRIBUTED TO:**

Wausau Daily Herald      Antigo Daily Journal  
Tomahawk Leader      Merrill Foto News  
Langlade, Lincoln & Marathon County Clerk Offices  
DATE 01/23/15 TIME 4:00 PM  
VIA: x FAX x MAIL BY: D. Osowski

**THIS NOTICE POSTED AT NORTH CENTRAL HEALTH CARE**

DATE 01-23-15 Time 4:00 PM By D. Osowski  
Anyone attending this meeting who needs some type of special accommodation in order to participate should call Administration at 715-848-4405. For TDD telephone service, call 715-845-4928.

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
FINANCE, PERSONNEL & PROPERTY COMMITTEE MEETING MINUTES**

December 18, 2014

11:00 a.m.

NCHC – Wausau Campus

Present:

X	Ron Nye	X	Jeff Zriny	X	Lee Olkowski
X	Bob Weaver	X	John Robinson		

Also Present: Gary Bezucha, Brenda Glodowski, Darla Opper

The meeting was called to order at 11:00AM, roll call taken, and a quorum noted.

Minutes

**Motion**/second Nye/Zriny to approve the minutes of the 11/20/14 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Expenses:
  - Overall expenses are below budget targets for November.
  - Two areas, health insurance and drugs were over budget. Flu immunizations contributed to the overage in drugs.
  - Year to date expenses are below budget targets.
- Revenues:
  - Census in the hospital averaged 15 patients per day, target is 12.
  - Nursing home averaged 210 patients per day, which is a slight decrease over last month.
  - Medicare census averaged 25 per day, target is 30.
  - Outpatient volume is lower but that is typical this time of year.
- Year to date the organization is showing a gain of \$318,287.
- General ledger is reconciled through October resulting in over \$100,000 increase in revenue.
- Balance sheet accounts will be reconciled next and will be complete for December Financials.
- **Motion**/second Olkowski/Nye to approve the November financial statements. Motion carried.

CFO Report

- General ledger is improving.
- Still working on the CCS (Comprehensive Community Services) billing piece.
- Committee discussed Employee Incentive payout for year ending 2014 – No action taken.

### Rental Rate Review

- A Facility Management Agreement was found to be in place between Marathon County and North Central Health Care until 2020, copy has been sent to Brad Karger.
- Committee will review at a future meeting the overall effect of the rental agreement revenue.

### Financial Targets for 2015

- Direct Expense/Gross Patient Revenue – 55% - 59%
- Days In Accounts Receivable – 55 - 60
- Write-offs – .5% - .6% of Gross Revenue

### Pharmacy Report

- Postponed to January meeting

### Future Agendas

- Rental agreement revenue review
- Pharmacy report

**Motion**/second Weaver/Robinson to adjourn at 12:01 p.m. Motion carried.

*ddo*

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
BOARD MEETING MINUTES**

December 18, 2014

12:00 p.m.

NCHC – Wausau Campus

Present:

X	Jean Burgener	X	Joanne Kelly	X	Holly Matucheski
X	Bill Metter	X	Bill Miller	X	Ron Nye
X	Lee Olkowski	EXC	Dr. Eric Penniman	X	John Robinson
EXC	Greta Rusch	EXC	Laura Scudiere	EXC	Dr. David Tange
X	Bob Weaver	X	Jeff Zriny		

Also Present: Gary Bezucha, Brenda Glodowski, Gretchen Brown, Becky Schultz,  
Toni Simonson, Michael Loy, Paula Hawkins, Debbie Osowski

The meeting was called to order 12:09 p.m. Roll call was taken and a quorum declared.

Consent Agenda

- **Motion** Burgener, 2<sup>nd</sup> Metter, to approve the consent agenda, which includes the 11/20/14 Finance, Personnel & Property Committee minutes, 11/20/14 Board meeting minutes and CEO Report. Motion carried.

Chairperson's Report

- **Motion** Olkowski, 2<sup>nd</sup> Zriny, to approve 2015 committee appointments. Committee members will remain the same from 2014 with the addition of Bill Miller to the Nursing Home Operations Committee. Motion carried.
- Four prospective candidates were interviewed for the Strategic Planning Process at the Dec. 2 meeting of the Executive Committee followed by a lengthy discussion and recommended selection of a consultant at the Dec. 9 meeting.
- Return completed CEO evaluations to Debbie.
- **Motion** Weaver, 2<sup>nd</sup> Kelly to approve the 12/2/14 and 12/9/14 Executive Committee minutes. Motion carried.

Quality Committee Report

- 2014 Organizational Quality Dashboard
  - ✓ All clinical and community impact indicators are exceeding targets.
  - ✓ Employee turnover continues to be a concern; actions to improve the turnover rate are in place.
  - ✓ Even though the percentile rank for the Service indicator has been met, we are concerned with the trending it has taken over the last few months (from 63 to 32) and will be high priority in 2015.
  - ✓ There has been a slight gain in the financial indicators but have not hit our target due to soft revenues; expense management has been superb this year.

- 2014 Quality Review
  - ✓ Quality Committee completed an annual review and identified recommendations for focus areas in quality for 2015
    - Service Outcomes
    - Community impact measures
    - Employee engagement strategies
    - Process improvement methodology
    - Safety
    - Leadership Development
    - Corporate Compliance audit plan
    - 2015 Organizational dashboard measures and targets
- **Motion** Miller, 2<sup>nd</sup> Weaver, to approve the 2015 recommended Quality Dashboard with the addition of another yearly comparison (2013 and 2014). Motion carried.
- **Motion** Robinson, 2<sup>nd</sup> Kelly, to approve the Quality Committee report and minutes of 12/1/14 meeting. Motion carried.

#### Financial Report

- Financial report was distributed today.
- November shows a gain of about \$229,000.
- Includes full reconciliation through October.
- Picked up an additional \$100,000 due to moving from estimates to actual.
- Showing a gain of \$318,000 through November.

#### Finance, Personnel & property Committee Report

- November financials were reviewed.
- 2015 financial targets were discussed.
- Management Agreement between NCHC and the County was forwarded to Brad Karger and will be reviewed with the Governance Task Force.
- Next month committee will review rental agreement revenue and performance of pharmacy services.
- **Motion** Olkowski, 2<sup>nd</sup> Robinson to approve report. Motion carried.

#### Nursing Home Operations Committee (NHOC) Report

- Committee discussed the importance of educating county board members especially since there are 10 new county board members.
- Recognized there is on-going education necessary around the renovation project.
- When providing information to the County Board we will use the philosophy 'Eight Ways to Communicate Your Strategy More Effectively' including:
  - ✓ Wipfli endorsing the financial aspect in regard to Medicare/Medicaid
  - ✓ John Badow sharing information from his visit to two nursing homes who have a marked improvement after their renovation/new facility
  - ✓ Provide endorsements/testimonials from families, residents, staff
  - ✓ Health & Human Service Committee will talk about the project

- ✓ Share a public health perspective emphasizing the importance of a negative pressure room for active TB cases which has been a long term concern in Marathon County
- ✓ Highlight the high level of quality of care provided by NCHC
- ✓ Highlight the specialized Vent Unit at MVCC i.e. one of very few in Wisconsin
- ✓ Availability to access services in northern Wisconsin vs Madison/Milwaukee
- ✓ Quality in patient/resident satisfaction.
- ✓ Protectively placed residents.
- Talking points handout was provided to assist in sharing the message about the importance of the renovations as it relates to the services provided in the community.
  - Contact Gretchen, Jean, or Brenda if any questions about the talking points
  - Connect with Gretchen or JoAnn (848-4490 or 848-4386) after making contacts
- Important to provide education to the county board members so they can make an informed choice.
- Reminder: County Board should vote on project in April. Any absent County Board members will be noted as a 'no' vote.

#### Medical Staff

- **Motion** Metter, 2<sup>nd</sup> Olkowski, to approve Mid-Level Practitioner privileges for clinical Privileges for Maureen A. MacConnell, APNP. Motion carried.
- We have been successful in hiring a psychiatrist, Dr. Brigitte Espinoza. She is completing her residency in psychiatry in the Harvard Medical System in June and anticipate she will join us in July. References have been impeccable.

#### Strategic Planning Consultant

- **Motion** Olkowski, 2<sup>nd</sup> Weaver, to accept the proposal by Schafer Consulting. Executive Committee reviewed and discussed each of the four proposals and felt Schafer Consulting had the expertise in both behavioral health and long term care that we are looking for. Motion carried.
- We will begin working on the process immediately.

#### Future meeting agendas

- Invite Brian Schoeneck, Leading Age, to talk with the Board during the first quarter of 2015.

Note: iPads have been ordered and trainings will be scheduled. It may be helpful to have assistance at meetings when the iPads are first being used. NCHC Minutes and Agendas have been saved to the NCHC website. Moving forward meeting packets will be online also.

**Motion** Miller, 2<sup>nd</sup> Robinson to adjourn at 1:30 p.m. Motion carried.

*Minutes prepared by Debbie Osowski, Executive Assistant*

## CEO Report: January, 2015

- 1. Psychiatry Recruitment:** We are working through the process of application for a J-1 Visa for Dr. Brigitte Espinoza and are confident that the process will be completed in time for her to start her employment in July. We have also signed an additional agreement with Merritt-Hawkins the physician recruitment firm that assisted us in the hiring of Dr Espinoza. We are working on recruitment of another Psychiatrist; hopefully to be placed in 2016.
- 2. Employee Health Care Consortium:** We have received five proposals in response to the RFP that was released late last year. We will be interviewing four of the five companies who submitted proposals. Interviews are scheduled for early February and we are anticipating being able to select a consultant by the first of March.
- 3. Paperless Board Packets:** All board members who will require iPads have received them and everyone has either already received their training or is scheduled for it. We are anticipating going completely to paperless board packets for the February board meeting. We will have technical assistance available at that meeting for those who will need it. Committee members who are not members of the board will be assigned a norcen.org email address and a password so that they can access agendas, packets and minutes from the website. They will not have access to the Good Reader technology.
- 4. Nursing Home Renovation Project:** The Marathon County Board voted on the “Authorizing Resolution” on 1/20/15 and overwhelmingly supported this measure by a vote of 29 to 4 with five members absent. This resolution only required a majority vote and easily had that. This resolution allows us to bid out the project and allows the Marathon County Finance Director to begin the process of working with bond counsel on the preparation of the issue. Once the issue is complete it will need to go before the Marathon County Board again for a final vote on the “issuance” of the bonds. That vote will require a 75% majority. However, if none of the Marathon County supervisors change their vote, that 75% majority is assured.

## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** January 22, 2015  
**RE:** Attached Financials

Enclosed please find a copy of the Preliminary December financial statements for your review. To assist you in your review, the following information is provided.

### **BALANCE SHEET**

Accounts Receivable has been thoroughly reconciled through the end of the end. This area remains very high due to continued work on the billing system. The process continues to be closely monitored. Cash continues to remain adequate for operations. An additional investment was done in December, which increases cash reserves.

### **STATEMENT OF REVENUE AND EXPENSES**

The month of December shows a preliminary gain of \$61,696 compared to a budgeted loss of (\$42,178), resulting in a positive variance of \$103,874.

The hospital averaged just over 13 patients per day, compared to the target of 12 per day. The nursing home census averaged 212 per day, compared to the target of 225. The Medicare census averaged 32 per day, compared to the target of 30. This is a significant improvement over the past several months. Outpatient revenue was low in December which is normal due to the holidays. The Wisconsin Medicaid Cost Reporting (WIMCR) program settled the 2013 programs and sent out the annual settlement payments. The payment received was \$171,000 more than anticipated, resulting in recognition of additional revenue in those outpatient areas impacted.

While overall expenses were just below budget targets for December, they were higher compared to prior months. Other institutions, psychiatry services, legal, drugs and food were all high for December. Recruitment fees were high due to a large payment related to the recent recruitment of a Psychiatrist. The penalty fees for the nursing home survey are also included in December. It is normal for expenses to be up in December as the year end is being closed and all related expenses need to be included.

Please note these are preliminary statements. The final statements will be issued after completion of the annual audit. The preliminary results do show an overall gain of \$379,984.

If you have any questions, please feel free to contact me.



**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET ASSETS  
DECEMBER 2014**

	<u>51.42/.437</u> <u>PROGRAM</u>	NURSING <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-Dec-13</u>
<b>CURRENT ASSETS:</b>				
CASH AND EQUIVALENTS	5,798,695	(15,148)	5,783,548	8,769,450
SHORT-TERM INVESTMENTS	7,872,251		7,872,251	7,234,550
CASH FOR APPROVED CAPITAL PURCHASES	1,016,660	411,090	1,427,750	1,065,450
DONATED FUNDS	183,269		183,269	130,183
<b>ACCOUNTS RECEIVABLE:</b>				
PATIENT (NET)	4,463,552	6,229,862	10,693,414	4,668,243
STATE GRANTS	114,349		114,349	151,581
OTHER	391,081		391,081	274,871
APPROPRIATIONS RECEIVABLE			0	60,470
AMOUNTS RECEIVABLE FROM				
THIRD-PARTY REIMBURSEMENT PROGRAMS	365,000	1,006,000	1,371,000	1,518,400
INVENTORY	16,920	308,903	325,823	331,005
OTHER	<u>30,297</u>	<u>64,904</u>	<u>95,201</u>	<u>85,266</u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>20,252,074</b></u>	<u><b>8,005,611</b></u>	<u><b>28,257,685</b></u>	<u><b>24,289,469</b></u>
<b>CAPITAL ASSETS</b>				
CAPITAL ASSETS	29,327,835	14,282,868	43,610,703	42,642,529
ACCUMULATED DEPRECIATION	<u>(21,797,656)</u>	<u>(10,466,756)</u>	<u>(32,264,412)</u>	<u>(30,794,180)</u>
<b>CAPITAL ASSETS - NET</b>	<u><b>7,530,179</b></u>	<u><b>3,816,112</b></u>	<u><b>11,346,291</b></u>	<u><b>11,848,349</b></u>
<b>OTHER ASSETS - DEFERRED CHARGES</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>RESTRICTED ASSETS - PATIENT TRUST FUNDS</b>	<u><b>15,597</b></u>	<u><b>43,321</b></u>	<u><b>58,918</b></u>	<u><b>352,015</b></u>
<b>TOTAL ASSETS</b>	<u><b>27,797,850</b></u>	<u><b>11,865,044</b></u>	<u><b>39,662,893</b></u>	<u><b>36,489,832</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET ASSETS  
DECEMBER 2014**

	<u>51.42/.437</u> <u>PROGRAM</u>	<u>NURSING</u> <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-Dec-13</u>
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE	3,135,165	0	3,135,165	2,989,689
THIRD PARTY PAYABLE	676,000	0	676,000	416,000
APPROPRIATIONS ADVANCES	0	0	0	0
<b>ACCRUED LIABILITIES:</b>				
SALARIES & RETIREMENT	1,279,112	0	1,279,112	1,928,159
PAYROLL TAXES AND WITHHOLDING	176,425	0	176,425	205,389
COMPENSATED ABSENCES	1,534,254	0	1,534,254	1,478,866
OTHER PAYABLES	2,873,427	0	2,873,427	0
DEFERRED REVENUE - STATE GRANTS	<u>752,266</u>		<u>752,266</u>	<u>847,538</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>10,426,648</u>		<u>10,426,648</u>	<u>7,865,641</u>
PATIENT TRUST FUNDS	<u>15,459</u>	<u>43,240</u>	<u>58,698</u>	<u>351,796</u>
<b>NET ASSETS:</b>				
INVESTED IN CAPITAL ASSETS	7,530,179	3,816,112	11,346,291	11,848,344
UNRESTRICTED	7,562,311	9,888,963	17,451,274	14,462,672
OPERATING INCOME (LOSS)	<u>2,263,253</u>	<u>(1,883,270)</u>	<u>379,983</u>	<u>1,961,378</u>
<b>TOTAL NET ASSETS</b>	<u>17,355,743</u>	<u>11,821,804</u>	<u>29,177,548</u>	<u>28,272,395</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>27,797,850</u>	<u>11,865,044</u>	<u>39,662,893</u>	<u>36,489,832</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 31, 2014**

<b>51.42/.437 PROGRAMS</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$1,654,396</u>	<u>\$1,350,075</u>	<u>\$304,321</u>	<u>\$15,875,002</u>	<u>\$15,978,800</u>	<u>(\$103,798)</u>
<b>OTHER REVENUE</b>						
State Match / Addendum	139,371	130,833	8,538	1,800,871	1,570,000	230,871
State Grant-In-Aid	325,060	325,000	60	3,900,723	3,900,000	723
Other Grants	47,510	83,417	(35,907)	883,309	1,001,000	(117,691)
County Appropriations - Net	594,566	588,525	6,040	7,134,788	7,062,305	72,483
Departmental and Other Revenue	75,995	61,616	14,379	1,181,256	739,393	441,862
State Facility Collection	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Revenue	<u>1,182,502</u>	<u>1,189,392</u>	<u>(6,889)</u>	<u>14,900,947</u>	<u>14,272,698</u>	<u>628,249</u>
<b>TOTAL REVENUE</b>	<b>2,836,899</b>	<b>2,539,467</b>	<b>297,432</b>	<b>30,775,949</b>	<b>30,251,498</b>	<b>524,451</b>
<b>EXPENSES</b>						
Direct expenses	1,882,761	1,836,297	46,463	20,934,548	21,407,681	(473,133)
Indirect Expenses	311,290	348,608	(37,318)	3,665,921	4,092,967	(427,046)
Shared Indirect Expenses	<u>433,831</u>	<u>399,556</u>	<u>34,275</u>	<u>4,097,807</u>	<u>4,855,850</u>	<u>(758,043)</u>
Total Expenses	<u>2,627,882</u>	<u>2,584,462</u>	<u>43,420</u>	<u>28,698,276</u>	<u>30,356,497</u>	<u>(1,658,222)</u>
Operating Income (Loss)	<u>209,017</u>	<u>(44,995)</u>	<u>254,012</u>	<u>2,077,673</u>	<u>(104,999)</u>	<u>2,182,673</u>
<b>Nonoperating Gains(Losses):</b>						
Interest Income	5,296	8,333	(3,037)	70,213	100,000	(29,787)
Donations and Gifts	25,106	0	25,106	100,410	0	100,410
Gain / (Loss) on Disposal of Assets	(353)	417	(770)	14,958	5,000	9,958
Net Assets Designated for Operations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>30,049</u>	<u>8,750</u>	<u>21,299</u>	<u>185,581</u>	<u>105,000</u>	<u>80,581</u>
Income Before Contributed/ (Returned) Capital	<u>\$239,066</u>	<u>(\$36,245)</u>	<u>\$275,311</u>	<u>\$2,263,253</u>	<u>\$0</u>	<u>\$2,263,253</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 31, 2014**

<b>NURSING HOME</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$1,973,326</u>	<u>\$2,221,710</u>	<u>(\$248,385)</u>	<u>\$23,569,047</u>	<u>\$26,318,000</u>	<u>(\$2,748,953)</u>
<b>OTHER REVENUE</b>						
Other Grants	0	0	0	0	0	0
County Appropriations - Net Departmental and Other	141,667	141,667	0	1,700,000	1,700,000	(0)
Departmental and Other Revenue	<u>39,265</u>	<u>13,155</u>	<u>26,110</u>	<u>292,461</u>	<u>157,857</u>	<u>134,604</u>
Total Other Revenue	<u>180,932</u>	<u>154,821</u>	<u>26,110</u>	<u>1,992,461</u>	<u>1,857,857</u>	<u>134,604</u>
<b>TOTAL REVENUE</b>	<b>2,154,257</b>	<b>2,376,531</b>	<b>(222,274)</b>	<b>25,561,508</b>	<b>28,175,858</b>	<b>(2,614,348)</b>
Direct expenses	1,559,816	1,583,427	(23,611)	18,202,608	18,656,626	(454,018)
Indirect Expenses	481,252	488,901	(7,649)	5,572,814	5,750,107	(177,293)
Shared Indirect Expenses	<u>290,490</u>	<u>310,136</u>	<u>(19,646)</u>	<u>3,676,438</u>	<u>3,769,124</u>	<u>(92,686)</u>
Total Expenses	<u>2,331,558</u>	<u>2,382,464</u>	<u>(50,906)</u>	<u>27,451,860</u>	<u>28,175,857</u>	<u>(723,997)</u>
Operating Income (Loss)	<u>(177,301)</u>	<u>(5,933)</u>	<u>(171,368)</u>	<u>(1,890,351)</u>	<u>(0)</u>	<u>(1,890,351)</u>
<b>Nonoperating Gains(Losses):</b>						
Interest Income	0	0	0	0	0	0
Donations and Gifts	(69)	0	(69)	7,081	0	7,081
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>(69)</u>	<u>0</u>	<u>(69)</u>	<u>7,081</u>	<u>0</u>	<u>7,081</u>
Income Before Contributed/ (Returned) Capital	<u>(\$177,370)</u>	<u>(\$5,933)</u>	<u>(\$171,437)</u>	<u>(\$1,883,270)</u>	<u>(\$0)</u>	<u>(\$1,883,270)</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING DECEMBER 31, 2014**

<b>TOTAL</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$3,627,722</u>	<u>\$3,571,785</u>	<u>\$55,937</u>	<u>\$39,444,049</u>	<u>\$42,296,800</u>	<u>(\$2,852,751)</u>
<b>OTHER REVENUE</b>						
State Match / Addendum	139,371	130,833	8,538	1,800,871	1,570,000	230,871
State Grant-In-Aid	325,060	325,000	60	3,900,723	3,900,000	723
Other Grants	47,510	83,417	(35,907)	883,309	1,001,000	(117,691)
County Appropriations - Net	736,232	730,192	6,040	8,834,788	8,762,305	72,483
Departmental and Other Revenue	115,260	74,771	40,489	1,473,717	897,250	576,467
State Facility Collection	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Revenue	<u>1,363,434</u>	<u>1,344,213</u>	<u>19,221</u>	<u>16,893,408</u>	<u>16,130,555</u>	<u>762,853</u>
<b>TOTAL REVENUE</b>	4,991,156	4,915,998	75,158	56,337,458	58,427,355	(2,089,897)
<b>EXPENSES</b>						
Direct expenses	3,442,577	3,419,725	22,852	39,137,156	40,064,307	(927,151)
Indirect Expenses	792,542	837,509	(44,967)	9,238,735	9,843,074	(604,339)
Shared Indirect Expenses	<u>724,321</u>	<u>709,692</u>	<u>14,629</u>	<u>7,774,245</u>	<u>8,624,974</u>	<u>(850,729)</u>
Total Expenses	<u>4,959,440</u>	<u>4,966,926</u>	<u>(7,486)</u>	<u>56,150,136</u>	<u>58,532,355</u>	<u>(2,382,219)</u>
Operating Income (Loss)	<u>31,716</u>	<u>(50,928)</u>	<u>82,643</u>	<u>187,321</u>	<u>(105,000)</u>	<u>292,321</u>
<b>Nonoperating Gains(Losses):</b>						
Interest Income	5,296	8,333	(3,037)	70,213	100,000	(29,787)
Donations and Gifts	25,037	0	25,037	107,491	0	107,491
Gain / (Loss) on Disposal of Assets	(353)	417	(770)	14,958	5,000	9,958
Net Assets Designated for Operations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>29,980</u>	<u>8,750</u>	<u>21,230</u>	<u>192,662</u>	<u>105,000</u>	<u>87,662</u>
Income Before Contributed/ (Returned) Capital	<u>\$61,696</u>	<u>(\$42,178)</u>	<u>\$103,874</u>	<u>\$379,984</u>	<u>\$0</u>	<u>\$379,984</u>

# NCHC-DONATED FUNDS

## Balance Sheet

As of December 31, 2014

### ASSETS

#### Current Assets

##### Checking/Savings

##### CHECKING ACCOUNT

Adult Day Services	5,124.11
Adventure Camp	693.99
AODA Day Services	-754.62
Birth to 3 Program	2,035.00
Clubhouse	56,055.70
Community Services - M/H	654.00
CSP	-492.15
Fishing Without Boundries	1,510.00
General Donated Funds	71,681.70
Housing - DD Services	1,370.47
Langlade HCC	2,980.04
Legacies by the Lake	4,615.36
Lincoln County CSP	-175.00
Marathon Cty Suicide Prev Task	5,798.02
National Suicide Lifeline Stipe	8,055.76
Northern Valley West	1,616.00
Northwoods Alliance	8,752.92
Nursing Home - General Fund	2,353.26
Outpatient Services - Marathon	846.08
Pool	7,042.24
Prevent Suicide Langlade Co.	1,543.55
Suicide Prevention Walk	750.00
United Way	1,262.34
CHECKING ACCOUNT - Other	-50.00

Total CHECKING ACCOUNT 183,268.77

Total Checking/Savings 183,268.77

Total Current Assets 183,268.77

**TOTAL ASSETS 183,268.77**

### LIABILITIES & EQUITY

#### Equity

Opening Bal Equity	123,523.75
Retained Earnings	9,084.28
Net Income	50,660.74
Total Equity	<u>183,268.77</u>

**TOTAL LIABILITIES & EQUITY 183,268.77**

**North Central Health Care  
Budget Revenue/Expense Report**

**FY-2014 AP-12 BUDGET VS ACTUAL - YTD**

**Month Ending December 31, 2014**

<b>ACCOUNT DESCRIPTION</b>	<b>CURRENT MONTH ACTUAL</b>	<b>CURRENT MONTH BUDGET</b>	<b>YTD ACTUAL</b>	<b>YTD BUDGET</b>	<b>DIFFERENCE</b>
<b><u>REVENUE:</u></b>					
TOTAL NET REVENUE	4,991,156	4,915,998	56,337,458	58,427,355	(2,089,897)
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,342,315	2,544,842	27,775,867	29,611,391	(1,835,524)
Fringe Benefits	880,299	1,040,935	10,842,263	12,194,900	(1,352,637)
Departments Supplies	534,514	425,212	5,399,551	5,096,030	303,521
Purchased Services	327,417	261,691	3,413,990	3,124,290	289,700
Utilitites/Maintenance Agreements	335,189	299,136	3,789,561	3,558,742	230,819
Personal Development/Travel	56,208	38,670	389,352	464,050	(74,698)
Other Operating Expenses	163,155	149,488	1,342,961	1,793,852	(450,891)
Insurance	47,095	46,175	592,193	554,100	38,093
Depreciation & Amortization	120,589	119,110	1,431,658	1,635,000	(203,342)
Client Purchased Services	<u>152,659</u>	<u>41,667</u>	<u>1,172,743</u>	<u>500,000</u>	<u>672,743</u>
<b>TOTAL EXPENSES</b>	<b>4,959,440</b>	<b>4,966,926</b>	<b>56,150,137</b>	<b>58,532,355</b>	<b>(2,382,218)</b>
<b>EXCESS REVENUE (EXPENSE)</b>	<b>31,716</b>	<b>(50,928)</b>	<b>187,321</b>	<b>(105,000)</b>	<b>292,321</b>

**North Central Health Care  
Write-Off Summary  
December 2014**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<b>Inpatient:</b>			
Administrative Write-Off	\$5,622	\$26,892	\$2,232
Bad Debt	\$79	\$4,274	\$19,139
<b>Outpatient:</b>			
Administrative Write-Off	\$38,982	\$112,419	\$40,049
Bad Debt	\$605	\$20,291	\$7,220
<b>Nursing Home:</b>			
<b>Daily Services:</b>			
Administrative Write-Off	(\$227)	\$16,755	\$4,027
Bad Debt	(\$134)	\$12,626	\$19,980
<b>Ancillary Services:</b>			
Administrative Write-Off	\$927	\$15,335	\$19,175
Bad Debt	\$0	\$11,128	\$0
<b>Pharmacy:</b>			
Administrative Write-Off	\$0	\$0	\$8,783
Bad Debt	\$0	\$0	\$0
<b>Collection Agency Returns:</b>			
Inpatient	\$0	\$175,299	\$704,782
Outpatient	\$0	\$66,790	\$464,937



**North Central Health Care  
2014 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
<b>January</b>	Nursing Home	6,975	6,984	9	85.55%	85.66%
	Hospital	372	454	82	75.00%	91.53%
<b>February</b>	Nursing Home	6,300	6,201	(99)	85.55%	84.21%
	Hospital	336	370	34	75.00%	82.59%
<b>March</b>	Nursing Home	6,975	6,708	(267)	85.55%	82.28%
	Hospital	372	456	84	75.00%	91.94%
<b>April</b>	Nursing Home	6,750	6,497	(253)	85.55%	82.34%
	Hospital	360	422	62	75.00%	87.92%
<b>May</b>	Nursing Home	6,975	6,838	(137)	93.75%	91.91%
	Hospital	372	471	99	75.00%	94.96%
<b>June</b>	Nursing Home	6,750	6,458	(292)	85.55%	81.85%
	Hospital	360	408	48	75.00%	85.00%
<b>July</b>	Nursing Home	6,975	6,607	(368)	93.75%	88.80%
	Hospital	372	392	20	75.00%	79.03%
<b>August</b>	Nursing Home	6,975	6,561	(414)	93.75%	88.19%
	Hospital	372	378	6	75.00%	76.21%
<b>September</b>	Nursing Home	6,750	6,401	(349)	93.75%	88.90%
	Hospital	360	437	77	75.00%	91.04%
<b>October</b>	Nursing Home	6,975	6,634	(341)	93.75%	89.17%
	Hospital	372	411	39	75.00%	82.86%
<b>November</b>	Nursing Home	6,750	6,327	(423)	93.75%	87.88%
	Hospital	360	452	92	75.00%	94.17%
<b>December</b>	Nursing Home	6,975	6,564	(411)	93.75%	88.23%
	Hospital	372	419	47	75.00%	84.48%

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD  
EXECUTIVE COMMITTEE MEETING MINUTES**

**January 13, 2015**

**10:30 AM**

**NCHC – Wausau Campus**

PRESENT: Ron Nye, Bob Weaver, Laura Scudiere, Lee Olkowski

ALSO PRESENT: Gary Bezucha

AGENDA:

1. The meeting was called to order by Ron Nye at 10:35AM and a quorum was noted.
2. Minutes of 12/2/14 and 12/9/14 meetings: moved for approval by Bob Weaver, seconded by Laura Scudiere and approved unanimously without any changes.
3. CEO Report:
  - a. iPad training has begun and we anticipate that we should be ready to make the change to all digital distribution of materials by February.
  - b. Employee Health Insurance Consortium: Five proposals have been received and have been evaluated by a sub-committee. The leadership committee will receive the report of the sub-committee on Thursday (1/15/15).
  - c. Psychiatry Residency Program Development: Have received commitments for 9 stipends. Have not received commitments from Marshfield Clinic or Ministry Health Care.
  - d. Psychiatry Recruitment: Will continue to contract with Merritt/Hawkins for additional Psychiatrist recruitment.
  - e. CCITC: Discussed the possibility of having member of board from each participating organization on CCITC board.
4. Strategic Plan Update: All data requested by Schafer consulting transmitted to them on Friday. Conference call scheduled with Steve Schafer on Thursday to discuss schedule. Will make full report to board at next meeting.
5. Board Retreat Discussion: Annual board retreat scheduled for 3/26/15 will be used as a planning day to work with consultants from Schafer consulting.

CLOSED SESSION

6. Motion was made at 11:12 AM by Laura Scudiere, to go into closed session pursuant to Section 19.85(1)(c) and (f) Wis. Stats. for the purpose of considering employment and performance evaluation of any public employee over which the governmental body exercises responsibility, and preliminary consideration of specific personnel problems, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such problems, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency, with staff absent from the closed session, second by Lee Olkowski. Motion was approved unanimously in a roll-call vote.

- a. Motion was made at 11:31AM to come out of closed session by Laura Scudiere, seconded by Lee Olkowski and approved unanimously.
- 7. Report from closed session:
  - a. Annual performance review of CEO was discussed including review of feedback from NCHC board, selected county government officials, and NCHC Executive Management Team members.
  - b. CEO was commended for very good performance during 2014.
  - c. Report will be made to entire board by board chairman at next NCHC board meeting.
- 8. Items to be included on agenda for 1/29/15 NCHC board meeting:
  - a. Report out on CEO evaluation under Chairman's report
  - b. 2015 Operating plan for action by the board
  - c. Report on strategic planning process
- 9. Adjourn: Moved for adjournment by Lee Olkowski, seconded by Laura Scudiere and the meeting was adjourned by Ron Nye at 11:34AM .

QUALITY OUTCOME DASHBOARD

DEPARTMENT: NORTH CENTRAL HEALTH CARE

FISCAL YEAR: 2014

PRIMARY OUTCOME GOAL	TARGET (Rating 2)	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	2013
CLINICAL																
Psychiatric Hospital Readmission Rate	10-11%	↓	16.5%	8.3%	3.6%	11.8%	8.8%	8.2%	13.7%	10.5%	9.4%	10.5%	4.4%	11.1%	10.0%	9.80%
Nursing Home Readmission Rate	7-8%	↓	2.9%	3.5%	5.1%	5.9%	3.6%	4.7%	2.6%	4.3%	2.2%	5.3%	4.2%	12.1%	4.8%	8.60%
AODA Relapse Rate	13-15%	↓	0.0%	0.0%	14.6%	28.6%	0.0%	5.6%	7.7%	16.7%	27.4%	9.5%	11.8%	0.9%	10.8%	n/a
NCHC Adverse Event Rate	4.5-4.8	↓	4.9	4.4	3.1	3.7	3.4	2.8	4.5		4.7	5.0	4.0	5.2	4.1	5.0*
PEOPLE																
Employee Turnover Rate	18-20%	↓	33.5%	25.3%	21.6%	20.5%	21.6%	23.5%	22.8%	24.1%	22.9%	24.5%	24.7%	25.5%	25.5%	30.5%
Employee Adverse Event Rate	0.11-0.13	↓	0.13	0.11	0.21	0.11	0.08	0.14	0.20	0.10	0.11	0.07	0.11	0.10	0.11	0.16
SERVICE																
Client/Patient/ Resident Satisfaction Percentile Rank	50 <sup>th</sup> -60 <sup>th</sup>	↑	\	\	53rd	\	\	58th	52nd	53rd	63rd	47th	32nd	57th	59th	n/a
Community Partner Satisfaction Percent Good/Excellent	75-80%	↑	\	\	86%	\	\	58%	\	\	63%	\	\	80%	71%	n/a
COMMUNITY																
Recidivism Rate for OWI	36-40%	↓	29.72%	27.50%	34.04%	31.25%	33.33%	23.68%	34.37%	48.00%	34.00%	31.90%	38.20%	12.0%	31.30%	44.7%
Outpatient Appointment Wait Days	13-14 Days	↓	13.3	11.4	9.1	10.9	7.3	9.4	13.1	19.6	14.5	5.7	6.2	8.3	10.6	16.7
Community Treatment Employment Rate	13-14%	↑	13.2%	13.3%	14.4%	14.6%	14.5%	15.3%	15.5%	17.0%	16.5%	14.1%	19.0%	17.2%	15.4%	n/a
FINANCE																
Direct Expense/Gross Patient Revenue	51-56%	↓	57.9%	59.2%	58.2%	67.2%	60.7%	51.9%	60.7%	62.0%	61.1%	62.3%	56.7%	62.2%	59.7%	55.10%
Days in Account Receivable	48-50 Days	↓	55	55	56	56	57	60	60	60	60	60	62	79	62	52
Days Cash on Hand	60-65 Days	↑	55	55	55	55	55	55	55	55	55	58	58	66	66	55
Monthly Net Patient Service Revenue	\$3,488,233-\$3,571,500	↑	\$3,458,260	\$3,088,346	\$3,385,630	\$3,064,421	\$3,031,598	\$3,365,656	\$3,068,697	\$3,246,154	\$3,089,639	\$3,221,091	3,285,003	3,543,085	\$3,252,435	3,306,765

## NCHC OUTCOME DEFINITIONS

CLINICAL	
<b>Psychiatric Hospital Readmission Rate</b>	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital.
<b>Nursing Home Readmission Rate</b>	Percent of Medicare residents admitted to the Nursing Home that are rehospitalized.
<b>AODA Relapse Rate</b>	Percent for patients admitted to Ambulatory Detoxification or the Behavioral Health hospital for detoxification then readmitted within 30 days of discharge for repeat detoxification.
<b>NCHC Adverse Event Rate</b>	Rate of client/patient/resident occurrences that are considered adverse events per 1000 patient days/visits. Adverse events are occurrences with a high potential for harm, injury or adverse outcome due to human error, process failure or environmental factors.
PEOPLE	
<b>Employee Turnover Rate</b>	Percent of employee terminations (voluntary and involuntary) of the total workforce. Monthly figures represent an annualized rate.
<b>Employee Adverse Event Rate</b>	Rate of employee occurrences with a high potential of harm, injury or adverse outcome due to human error, process failure or environmental factors per 1000 hours worked.
SERVICE	
<b>Client/Patient/Resident Satisfaction Percentile Rank</b>	Comparison rate (to other organizations in the Health Stream database) of the percent of level 9 and 10 responses to the Overall rating question on the survey.
<b>Community Partner Satisfaction Percent Good/Excellent</b>	Percentage of "Good and Excellent" responses to the Overall Satisfaction question on the survey.
COMMUNITY	
<b>Recidivism Rate for OWI</b>	Percentage of AODA clients that have 2 or more OWI convictions.
<b>Outpatient Appointment Wait Days</b>	Number of days from client referral to 1st appointment offered.
<b>Community Treatment Employment Rate</b>	Percentage of Community Treatment clients that are competitively employed (in a position that is open to the general public).
FINANCE	
<b>Direct Expense/Gross Patient Revenue</b>	Percentage of total direct expense compared to gross revenue.
<b>Days in Account Receivable</b>	Average number of days for collection of accounts.
<b>Days Cash on Hand</b>	Number of days the organization can function on available cash.
<b>Monthly Net Patient Service Revenue</b>	Revenue that has been collected.



# North Central Health Care

Person centered. Outcome focused.

## 2015 Quality Plan



*Excellence in Quality*

## Background

This plan is presented in keeping with North Central Health Care's Mission: *servicing the community through accessible, specialized care* and as a critical component of achieving the Organization's Vision *to be the leading provider of a fully integrated continuum of care, delivering quality, innovative services in a fiscally responsible manner.*

Consistent with this Mission and Vision, our goal is to provide care and services that are:

**Safe:** avoiding injuries to our consumers and residents from the care that is intended to help them;

**Effective:** providing services and treatment that incorporate evidence-based, effective practice;

**Consumer/Resident-Centered:** providing care that is respectful, and responsive to individual needs, preferences, and values and ensuring that the individual has the opportunity to participate in decisions regarding treatment whenever possible;

**Timely:** reducing waits and potentially harmful delays;

**Efficient:** avoiding waste, including waste of equipment, supplies, ideas, and energy;

**Equitable:** providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location and/or socioeconomic status.

**Ethical:** adhering to all Corporate and Professional standards of conduct and practice.

Excellence in Quality is achieved when the passion to do the best for those we serve is combined with the deliberate and effective integration of the evidence-based strategies to drive outcomes in all dimensions of Quality: **Service** excellence, **Clinical** effectiveness, **Financial** efficiency, **People** engagement, and **Community** impact. Research demonstrates that top performing (leading) organizations successfully integrate the following evidence-based strategies and supporting structures:

### 🌟 Quality Structure and Culture

Best Practice Outcomes are dependent upon an organizational structure and culture that supports excellence. A culture of excellence is a commitment to excel, a commitment to be excellent. "Excellence" is a way of being and thinking that impacts how people interact with each other and how work is carried out. It requires a willingness to step outside our "comfort zones" and is based on an organization-wide sense of striving rather than settling. Critical components essential to drive excellence include:

- ✓ Shared **Vision and Goals**,
- ✓ Clearly stated and aligned **Values and related behaviors** that support Excellence,
- ✓ Consistent and effective **Communication** processes that align to the Vision and Goals,
- ✓ **Performance systems** that recognize and reward high performance and hold all employees accountable to Competency, Outcome, and Behaviors that support Excellence,
- ✓ Systems and structures that protect the **Safety** of those we serve and all employees, and
- ✓ Processes to ensure compliance with **Ethical** standards of Corporate and Clinical practices.

## 🌟 Alignment and Accountability

Excellence in quality can only be achieved when all levels of the organization share the same goals, effectively measure performance against those goals and consistently perform their work in a way that contributes to those goals. The ***purpose*** of measurement is to:

- ✓ Assess the stability of processes and outcomes to determine whether there is an undesirable degree of variation or a failure to perform at an expected level,
- ✓ Identify problems and opportunities to improve the performance of processes,
- ✓ Assess the outcome of the care provided, and/or
- ✓ Assess whether a new or improved process produces improved outcomes.

Setting clear quality outcome goals provides the focus and clear direction that is necessary for the efficient and effective achievement of those goals. This is achieved through the following:

- ✓ clearly defined Organizational Goals in each of the Quality domains (Service, Clinical, Financial, People, Community),
- ✓ a system for cascading the Organizational Goals to clearly defined and measurable goals pertaining to the individual functional responsibility at all levels of the organization,
- ✓ the incorporation of comparative data to effectively assess current performance, and
- ✓ a performance system that holds individuals accountable to the achievement of these goals.

## 🌟 Leadership Development

The outcomes of any organization are the direct reflection of the performance capabilities of the individuals that work within the organization. Strong leadership is essential to successfully improving performance capability. High performing organizations all share in common an ongoing commitment to leadership development that builds the competency of their leader in critical skills that drive quality performance. Critical skills include:

- ✓ effective goal setting and action planning techniques to drive quality outcomes,
- ✓ integration performance/process improvement methods to drive improved outcomes,
- ✓ the effective use of statistical analysis to ensure effective measurement of outcome,
- ✓ coaching employees to performance excellence,
- ✓ engaging employees through team-based leadership, reward and recognition, and
- ✓ mobilizing strategies to create a culture of Excellence.

## 🌟 Employee Engagement

An "engaged employee" is one who is fully involved in, and enthusiastic about their work, and thus will act in a way that furthers their organization's interests. Engaged employees contribute positively to the work environment, identify themselves a part of the solution when challenges arise, and promote positive



quality outcomes. Actively disengaged employees erode an organization's outcomes while breaking the spirits of colleagues in the process.

- In organizations with best-practice outcomes, the ratio of engaged to actively disengaged employees is 9.57:1.
- In average organizations, the ratio of engaged to actively disengaged employees is 1.83:1.  
Gallup Inc., 2011 published works

Creating an environment that contributes to employee engagement is heavily dependent on integrating strategies that support:

- ✓ clear and consistent communication of goals, priorities and direction of the Organization,
- ✓ reward and recognition systems that effectively recognize positive contributions,
- ✓ a strong relationship between the employees and their immediate supervisor, and
- ✓ a team-based environment that places emphasis and value on employee involvement.

### 🌀 System and Process Improvement

Through system and process improvement, we seek to learn what causes things to happen and then use this knowledge to reduce variation and remove activities that have no value to the process and/or have the potential of producing error ultimately improving outcomes. Realizing improvements within the organization works best with a structured approach that enables a team of 3 - 8 people involved in, and knowledgeable about, the process to focus on a problem and generate solutions utilizing a standardized methodology. This standardized methodology should incorporate the use of data to ensure that decisions are not made on assumptions and/or guesswork. The effective integration of System and Process Improvement should include the following steps:

- ✓ the use of statistical process control and evidence-based PI methodology,
- ✓ identification of key processes for ongoing assessment and improvement,
- ✓ benchmarking with best-practice organizations to explore additional opportunities for improvement and the integration of evidence-based practices and processes.

#### **Our Process Improvement Model:**

Once the performance of a selected process has been measured and analyzed (see Alignment and Accountability section above), an informed decision can be made regarding the need for improvement. The model utilized at North Central Health Care is called Plan-Do-Check-Act (PDCA).

**Plan** - The first step involves identifying preliminary opportunities for improvement. At this point the focus is to analyze data to identify concerns and to determine anticipated outcomes. Ideas for improving processes are identified. Tools utilized in this step of the process include root cause analysis, process flow-charting, cause and effect diagramming, Pareto analysis, run charting and statistical data.

**Do** - This step involves using the proposed solution, and if it proves successful, as determined through measuring and assessing, implementing the solution usually on a trial basis as a new part of the process.

**Check** - At this stage, data is again collected to compare the results of the new process with those of the previous one.

**Act** - This stage involves making the changes necessary to ensure that the new process is integrated into the functional areas impacted.

## Scope

This Plan covers all Services and Programs provided by North Central Health Care including mental health, addiction, skilled nursing, developmental disability, water therapy and adult protective services for Langlade, Lincoln and Marathon Counties with locations in Wausau, Merrill, Antigo and Tomahawk.

Program	Services
Mental Health	<ul style="list-style-type: none"> <li>• Case Management</li> <li>• Community Treatment (Comprehensive Community Services &amp; Community Support Program)</li> <li>• Community Corner Clubhouse</li> <li>• Emergency/Crisis Care</li> <li>• Outpatient</li> <li>• Inpatient</li> <li>• Residential</li> <li>• Vocational</li> </ul>
Developmental Disabilities	<ul style="list-style-type: none"> <li>• Adult Day Services</li> <li>• Birth to 3</li> <li>• Children’s Long Term Support</li> <li>• Family Support</li> <li>• Pre-Vocational</li> <li>• Vocational</li> <li>• Residential</li> <li>• Transportation</li> </ul>
Skilled Nursing Care	<ul style="list-style-type: none"> <li>• Post-Acute Rehabilitation</li> <li>• Ventilator Care</li> <li>• Dementia Care</li> <li>• Long Term Care</li> <li>• Respite Care</li> </ul>
Addiction	<ul style="list-style-type: none"> <li>• Case Management</li> <li>• Comprehensive Community Services</li> <li>• Day Treatment</li> <li>• Driving With Care</li> <li>• Emergency/Crisis Care</li> <li>• Family Support</li> <li>• Inpatient Detoxification</li> <li>• Outpatient</li> <li>• OWI Assessment</li> <li>• Prevention</li> <li>• Joint Community Substance Abuse</li> </ul>
Crisis	<ul style="list-style-type: none"> <li>• Crisis Hotline</li> <li>• Crisis Stabilization</li> <li>• Mobile Crisis Care</li> <li>• Youth Crisis Care</li> </ul>
Adult Protective	<ul style="list-style-type: none"> <li>• Elder At Risk Program</li> <li>• Adult Protective Services</li> </ul>
Aquatic	<ul style="list-style-type: none"> <li>• Physical Therapy</li> <li>• Water Exercise</li> </ul>

## Roles and Responsibilities

The following is the outline of the Structure for Quality oversight:

**Board of Directors** : Is ultimately responsible for the quality of care and services provided by all North Central Health Care Programs and Services (see Scope section above for complete listing). –See Board Quality Policy in **Attachment A** of the Plan.

1. Has delegated oversight responsibility to the **Board Quality Sub-Committee**.
2. Is responsible to provide the resources and support systems for Quality.
3. Reviews and stays current with Quality and Safety information.
4. Approves the Quality Plan.
5. Annually evaluates the effectiveness of the Quality process and outcomes.

**Board Quality Committee**: Is responsible to the Board of Directors to assess the Quality process and outcomes in order to recommend actions related to these.

1. Monitors the Quality measures and outcomes within individual programs/services, as well as, overall organizational outcomes.
2. Monitors the Quality process to insure that progress on integration of the evidence-based strategies described in the **Background** section of this Plan are effectively deployed to drive best-practice outcomes.
3. Insures the Board of Directors is well-informed about the Quality at North Central Health Care.

**Quality Improvement Committee**: Is the staff Committee with representation from all programs/services that is responsible to integrate the evidence-based strategies to achieve the desired Outcomes defined in this Plan:

1. Is responsible for implementing systems for effective measurement and reporting of Quality outcomes,
2. Monitors outcomes and related improvement actions to insure continuous improvement is obtained,
3. Leads the integration of activities designed to develop a culture of excellence.
4. Reviews and monitors the activities and outcomes of the following sub-teams and recommends actions to ensure quality outcomes and continuous improvement:

❖ **Service Line Quality Improvement Committees**: The Human Services Operations and Nursing Home Quality Committees are responsible to monitor the outcomes and improvement activities specific to the Service Line assigned to ensure quality, safety, and continuous improvement. This is accomplished through the following activities:

- ✓ Monitors program/department-specific Outcome Dashboards for progress in achieving Outcome targets,

❖ **Leadership Development Team**: Is responsible to develop and monitor a Leadership Development process that empowers and equips leaders to achieve the outcome goals of the organization. This is accomplished through the following activities:

- ✓ Identifies the core leadership competencies of the Organization,

- ✓ Defines the leadership development process,
- ✓ Provides Recommendations and Plans to the Senior Team on leadership development activities based on needs and outcome assessments, and
- ✓ Plans and leads regularly scheduled Leadership Development sessions that support the goals of the Organization.

❖ **Accountability and Improvement Team:** Is responsible to develop and monitor the systems and structures to effectively measure and report performance. Is responsible to develop and monitor a standardized methodology that incorporates the use of data to ensure that outcomes are continuously improved. This is accomplished through the following activities:

- ✓ Designs an Outcome dashboard/report card for use at the organizational and department level,
- ✓ Researches and provides leaders with information on comparative databases for benchmarking performance,
- ✓ Assesses departmental measures to ensure effective alignment of Outcome goals and provides coaching to leaders as needed and/or requested, and
- ✓ Develops and provides expertise on measurement to the Organization.
- ✓ Advances the organization's use of statistical process control and evidence-based PI methodology,
- ✓ Coaches/develops leaders in utilizing process improvement methodology,
- ✓ Identifies key cross-functional processes that have high impact on the quality of care/services provided, assessing each process performance level and implementing improvement steps to insure best practice, and
- ✓ Benchmarks with best-practice organizations to explore additional opportunities for improvement.

❖ **Employee Engagement Team:** Is responsible to develop and monitor an environment that contributes to employee engagement in achieving best-practice outcomes. This is accomplished through the following activities:

- ✓ Develops a system for clear and consistent communication of goals, priorities and direction of the Organization,
- ✓ Develops reward and recognition systems that effectively recognize positive contributions,
- ✓ Works with the Leadership Development Team to integrate the leadership practices that provide for strong relationships between the employees and their immediate supervisor,
- ✓ Establishes strategies to ensure that a team-based environment that places emphasis and value on employee involvement is consistently utilized, and
- ✓ Reviews and analyzes the findings from the Employee Engagement survey to identify and address other opportunities for improvement.

❖ **Safety Committee:** Is the staff Committee with representation from all services/programs at North Central Health Care, Infection Control, and Quality professionals that is responsible to monitor and improve Safety at North Central Health Care. This is accomplished through the following activities:

- ✓ Monitors the integration of the Safety and Security Management, Life Safety Management, Emergency Management, Hazardous Materials and Wasted Management, Medical Equipment Management, and Utility Management Plans.
- ✓ Identifies, monitors, assesses, and controls critical hazards/potential hazards including, but not limited to, medication administration safety, infection prevention, fall prevention, resident/client identification, suicide risk management, and injury prevention,

- ✓ Provides a channel of communication between employees and management regarding Safety concerns,
- ✓ Conducts inspection to identify potential safety issues, and
- ✓ Monitors Safety policies, procedures, plans, and programs.

❖ **Infection Control Committees:** The Inpatient and Outpatient Service Line Infection Control Committees are responsible to monitor the integration of the Infection Control and Prevention Plan and the outcomes and improvement activities specific to the Service Line assigned to ensure quality, safety, and continuous improvement. This is accomplished through the following activities:

- ✓ Assesses all programs and services for level of risk and integrates appropriate surveillance and prevention practices,
- ✓ Monitors department/program-specific infection surveillance data to identify potential trends,
- ✓ Initiates actions to address any trends, and
- ✓ Reviews infection prevention practices to ensure the integration of evidence-based strategies that control and prevent infection.

❖ **Corporate Compliance and Ethics Committee:** The staff Committee responsible to monitor the activities and practices of NCHC to ensure compliance with all appropriate ethical and legal business standards through adherence to the Corporate Compliance Plan. Compliance will be ensured through the following activities:

- ✓ Analyzes data from various sources including, but not limited to, financial reports, incident reports, patient surveys, audits, and employee or patient complaints,
- ✓ Establishes the structure and education to support effective compliance and reporting,
- ✓ Investigates and resolves problems related to standards, compliance, and certification,
- ✓ Disseminates all relevant findings to program services, administration, licensing agencies when necessary, and the Board of Directors.

## 2015 Action Plan

Based on review of the effectiveness of Quality processes and outcomes in 2014, the following actions will be taken:

1. **Focus on Service Outcomes:** The advancement of evidence-based practices to improve patient, client, resident, and community partner satisfaction. Practices such as Rounding to identify opportunities for improvement, key phrases at key times, and specific improvement steps based on program-specific survey results will be integrated.
2. Continued advancement of Community impact measures including, but not limited to, access measures in specific programs.
3. Continued development of employee engagement strategies including, but not limited to, staff development, team-based decision making, and specific improvement steps based on program-specific survey results will be integrated.
4. **Process Improvement:** Continued advancement of the integration of process improvement methodology to ensure sustainable improvements in Outcomes. The introduction of statistical process control for key measurements will be integrated to allow for advanced process analysis and improvement. Key cross-functional process improvement projects will include:
  - a. Transition care processes: the process of patient, client, and resident transitioning between programs and coordination with other care providers,
  - b. Medication administration
  - c. Treatment/Care Planning
5. **Safety Focus:** Continued assessment and enhancement of our Environment of Care and Emergency Management process to ensure consistency in practice.
6. Continued advancement of the Leadership Development processes to ensure leadership consistency and capacity for sustainable results.
7. Full integration of the Corporate Compliance audit plan that has been developed.
8. **Outcomes:** recommended organization dashboard measures and targets below.

PRIMARY OUTCOME GOAL	TARGET (Rating 2)	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>CLINICAL</b>															
Nursing Home Readmission Rate	5-7%	↓													
Psychiatric Hospital Readmission Rate	9-11%	↓													
AODA Relapse Rate	18-21%	↓													
NCHC Adverse Event Rate	3.8-4.0	↓													
<b>PEOPLE</b>															
Injury Claims	50-60	↓													
Employee Turnover Rate	20-23%	↓													
<b>SERVICE</b>															
Client/Patient/ Resident Satisfaction Percentile Rank	58-66 Percentile	↑													
Community Partner Satisfaction Percent Good/Excellent	75-80%	↑													
<b>COMMUNITY</b>															
Community Employment Rate	15.8-18%	↑													
NCHC Access Measure	90-95%	↑													
Recidivism Rate for OWI	27-32%	↓													
<b>FINANCE</b>															
Direct Expense/Gross Patient Revenue	55-59%	↓													
Days in Account Receivable	55-60	↓													
Monthly Net Patient Service Revenue	.5-.6%	↑													

KEY: ↑ Higher rates are positive  
↓ Lower rates are positive

### NCHC OUTCOME DEFINITIONS

<b>CLINICAL</b>	
<b>Nursing Home Readmission Rate</b>	Percent of Nursing Home Medicare residents rehospitalized within 30 days of admission to the Nursing Home.
<b>Psychiatric Hospital Readmission Rate</b>	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital.
<b>AODA Relapse Rate</b>	Percent for patients admitted to Ambulatory Detoxification or the Behavioral Health hospital for detoxification then readmitted within 30 days of discharge for repeat detoxification.
<b>NCHC Adverse Event Rate</b>	Rate of client/patient/resident occurrences that are considered adverse events per 1000 patient days/visits. Adverse events are occurrences with a high potential for harm, injury or adverse outcome due to human error, process failure or environmental factors.
<b>PEOPLE</b>	
<b>Injury Claims</b>	The number of employee injuries with associated worker's compensation claims.
<b>Employee Turnover Rate</b>	Percent of employee terminations (voluntary and involuntary) of the total workforce. Monthly figures represent an annualized rate.
<b>SERVICE</b>	
<b>Client/Patient/Resident Satisfaction Percentile Rank</b>	Comparison rate (to other organizations in the Health Stream database) of the percent of level 9 and 10 responses to the Overall rating question on the survey.
<b>Community Partner Satisfaction Percent Good/Excellent</b>	Percentage of "Good and Excellent" responses to the Overall Satisfaction question on the survey.
<b>COMMUNITY</b>	
<b>Community Employment Rate</b>	Percent of Community Treatment, Prevocational, and Community Corner Clubhouse clients receiving vocational support/services who are employed.
<b>NCHC Access Measure</b>	% of clients obtaining services within the Best Practice timeframes in NCHC programs.
<b>Recidivism Rate for OWI</b>	Percentage of AODA clients who receive treatment at NCHC that have 2 or more OWI convictions.
<b>FINANCE</b>	
<b>Direct Expense/Gross Patient Revenue</b>	Percentage of total direct expense compared to gross revenue.
<b>Days in Account Receivable</b>	Average number of days for collection of accounts.
<b>Monthly Net Patient Service Revenue</b>	Revenue that has been collected.

Program/Department-Specific Outcomes: All departments and programs defined in the Scope of Service of this Plan, as well as, supporting departments will be expected to establish, measure, and report on outcome measurements that support the NCHC Organizational Dashboard above. The Accountability and Improvement Team and Executive Team will review the appropriateness of all measures.

### **Reporting:**

The following reporting on the 2015 Action Plan will be provided to the Board of Directors through the Quality Committee:

**Process:** Staff will provide a status report on a quarterly basis. This status report will include progress on each of the action items, barriers encountered, and recommended next step.

**Outcomes:** Progress on Outcomes in all five dimensions of Quality (Service, Clinical, Financial, Community, and People) will be provided. Reports will include Organizational and Department/Program-specific data. Key action steps taken utilizing the PDCA model will also be provided. The Board will be kept informed of all Outcome measures not progressing toward the targeted outcome.





North Central Health Care

Person centered. Outcome focused.

**HOSPITAL  
UTILIZATION REVIEW  
PLAN**

# **NORTH CENTRAL HEALTH CARE PSYCHIATRIC HOSPITAL UTILIZATION REVIEW PLAN**

## **SUBJECT: UTILIZATION REVIEW PLAN**

**PURPOSE:** The Utilization Review Plan of North Central Health Care (NCHC) is developed by the Utilization Review Committee to identify trends of under-utilization, over-utilization or lack of continuity between services, and approved for implementation by the Medical Staff, Administration, and the Governing Body. The plan has several purposes:

1. To assure maximum allocation of hospital inpatient services, resources, and optimal patient care regardless of the patient's financial status.
2. To assist in the maintenance of high quality cost effective patient care.
3. To monitor and evaluate the medical necessity and appropriateness of inpatient services and level of care provided.
4. To identify potential utilization-related problems by an ongoing review process for the appropriateness and medical necessary of admissions or continued stays.
5. To monitor that discharge planning is initiated upon admission and is appropriate to the needs of the patient.
6. To support appropriate treatment and discharge decisions are made in response to the identified care required by the patient, regardless of recommendations made by an external agency.
7. To make recommendations to appropriate administration and/or the Medical Director to eliminate inefficient or unnecessary utilization of services.

**AUTHORITY:** The development and implementation of the Utilization Review Program has been authorized by the Governing Board and approved by the Medical Staff Bylaws.

**MISSION:** The NCHC programs serve patients who have psychiatric or substance abuse illnesses and whose adaptive functioning is moderately to severely impaired. These patients require continuous nursing supervision for response to treatment and can be expected to benefit from an active treatment designed to improve their adaptive functioning, to prepare the patient for placement in a less restrictive level of care, and/or to prevent further deterioration.

**SCOPE OF SERVICE:** The Utilization Review Committee of NCHC is a standing Committee of the Hospital with oversight by the Governing Board. Oversight of

Utilization Review is one of the functions provided by the Quality Committee. A summary of the Utilization Review Committee is provided to the Quality Committee on a quarterly basis. The Committee reviews services provided to patients by NCHC medical and professional staff. This includes, but is not limited to, the medical necessity of admissions, duration of continued stay, professional services provided, including medications, discharge planning, and the efficient use of personnel and facilities in order to promote maximum treatment benefit. All admissions are reviewed in accordance with federal and state regulations governing utilization review for Medicare and Medicaid beneficiaries.

**CONFLICT OF INTEREST:** No member of the Utilization Review Committee participates in the review of a case in which he/she has been directly responsible for the care of the patient.

**CONFIDENTIALITY:** The proceedings of the Utilization Review Committee and documents are protected under the Wisconsin Peer Review Statutes, 146.37 and 146.38 to assure confidentiality, that patient references will be only a medical record number, and physician references will be only an assigned confidential code number. The Utilization Review Committee follows all HIPAA requirements.

**MEMBERSHIP:** The Membership of the Utilization Review Committee consists of the following members:

- Medical Director - Chairperson
- Director of Behavioral Health Services – Lead  
CEO
- Senior Executive of Human Service Operations
- Senior Executive of Quality and Compliance
- Registered Nurses
- Social Workers/Case Managers
- Director of Information Services
- Director of Patient Account

The Committee reports to the Quality Committee, Medical Staff, Administration, and the Board of Directors.

**FREQUENCY OF MEETINGS:** The Utilization Review Committee meetings are held quarterly with the date/time determined by the Chairperson. Additional meetings may be called at the discretion of the Chairperson.

**RECORDS AND REPORTS:** The following reports are kept:

1. Minutes of each meeting are prepared after each meeting, distributed, reviewed at the next meeting, and approved by the Committee. Minutes will include the names of committee members present, date and duration of the meeting, a summary of review of admissions, continued stays, number of avoidable bed days, cases discussed (identified by patient number), any focused reviews, and the recommendations of reviews/actions of the Committee.
2. Quarterly Utilization Review minutes are reviewed at the next meeting of the Quality Committee.

**CHAIRPERSON:** The Chairperson is a member of the medical staff and is responsible for signing the meeting minutes of the Utilization Review Committee. The Chair also reports back to the Medical Staff Committee.

**UTILIZATION REVIEW COORDINATOR:** The Director of Behavioral Health Services acts as the Utilization Review Coordinator and is responsible for supervising the screening activities performed by the Utilization Review staff, which includes the social work staff and nursing staff.

### **UTILIZATION REVIEW ASSESSMENT BY THE UTILIZATION REVIEW COORDINATOR:**

The process of measuring and assessing the use of professional care, services, procedures and facilities including the medical necessity and appropriateness of:

- Necessity of admission
- Level of care
- Appropriate utilization of resources
- Continued stay/multiple encounters
- Discharge/post hospital care referrals
- Readmissions
- Evaluation of specific cases, patterns, and trends indicating over-utilization
- Excessive resource use
- Intervention to prevent or resolve utilization problems adversely affecting the balance between quality and minimized risk in care delivery.
- Performance improvement team activities to improve systems and processes associated with inefficient or inappropriate delivery of care and services.

### **CASE MANAGEMENT/DISCHARGE PLANNING ACTIVITIES:**

- Screens patients from time of admission for potential discharge and aftercare needs.
- Assesses the patient's ability to participate after discharge in activities of daily living and maintenance of functional status, and the family's ability to provide assistance

- Develops a post discharge plan that will support the gains made during hospitalization that can be adjusted as appropriate.
- Arranges for post discharge follow-up and continuity of care as needed.

**DENIALS:** All psychiatric hospital denials will be reviewed by the Utilization Review Committee. Patient accounts will notify the Director of Behavioral Health Services. Denials will be monitored for trends and feedback will be provided to medical staff based on outcomes.

**EVALUATION OF THE UTILIZATION REVIEW PROGRAM:** The Hospital Utilization Review Program must be reviewed annually and updated, or modified as necessary, based upon ongoing evaluation of the utilization review and quality improvement activities. The evaluation of the Utilization Review Program and its effectiveness in allocating resources must be documented and the results reported to the Quality Committee, Medical Staff, Administration, and the Governing Board.

## **North Central Health Care**

### **Utilization Review Plan**

**Date:**

**Approved By:**

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**Gary Bezucha, CEO**

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**Ron Nye, Chair,  
Board of Directors**

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**Dr. Gabriel Ticho, Medical Director**

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
QUALITY COMMITTEE MEETING MINUTES**

**January 15, 2015, 10:30 a.m.**

**NCHC – Wausau Campus**

Present: Darren Bienvenue, Holly Matucheski, Dr. Eric Penniman, Bill Miller

Excused: Laura Scudiere, Jean Burgener

Also present: Gary Bezucha, Becky Schultz, Gretchen Brown, Michael Loy, Toni Simonson, Dr. Gabriel Ticho, Dianna Schlicher

The meeting was called to order at 10:38 a.m.; roll call was noted and a quorum declared. Moments of excellence were shared.

Minutes

- **Motion**/second by Miller/Bienvenue to approve the minutes of the December 1, 2014, meeting. Motion carried.

Outcome Data/Safety

- **Motion**/Second by Matucheski/Bienvenue to approve the Outcome Data and Safety information as presented. Motion carried. Staff was commended on the readmission rates and quality metrics.
- Discussion was held on how safety data compares to national level/benchmarks.

Closed Session

- **Motion**/second by Bienvenue/Miller to adjourn into Closed Session, pursuant to Section 19.85(1)(c) and (f) Wis. Stats. for the purpose of considering employment and performance evaluation of any public employee over which the governmental body exercises responsibility, and preliminary consideration of specific personnel problems, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such problems, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency and to allow staff to remain. Motion carried and moved into closed session at 10:56 a.m. Roll Call taken, Yes=4, No=0.
- **Motion**/second by Miller/Bienvenue to approve the closed session minutes of December 1, 2014.
- **Motion**/second by Miller/Bienvenue to come out of closed session. Motion carried.
- No announcements from closed session.

2015 Quality Plan Update

- A revised 2015 Quality Plan was presented with recommendations from the December 1, 2014, meeting included.
- Discussed employee turn-over and community client employment measurements rate target revisions.
- **Motion**/second by Matucheski/Bienvenue to approve the 2015 Quality Plan.

#### Hospital Utilization Review Plan

- This is a requirement of all hospitals.
- The Committee will be provided regular reports on utilization review.
- The Plan helps to ensure continuity of care, medical necessity and appropriate length of stays.
- A Hospital Utilization Review Team will review cases/information and make recommendations.
  
- **Motion**/second by Bienvenue/Miller to approve the Hospital Utilization Review Plan. Motion carried.

#### Joint Commission Education

- Joint Commission accreditation will take place after June 1, 2015.
- Once accredited, NCHC can apply for “deemed” status with the Centers for Medicare & Medicaid Services (CMS) whereby scheduled state surveys would no longer occur because the Joint Commission survey process would replace the CMS survey. Deemed status does not apply to nursing home.
- NCHC is applying for accreditation in behavioral health programs.
- Leadership and the Board of Directors need to demonstrate that they are ensuring quality care that meets professional standards/safety at NCHC. Specific initiatives and reports that ensure these were reviewed.

#### Future Agenda Items

Human Resources will provide information outlining the validation of staff competency.  
Report on compliance auditing.

- **Motion**/second by Miller/Matucheski to adjourn at 11:58 a.m. Motion carried.

*dls*

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
NURSING HOME OPERATIONS COMMITTEE MEETING MINUTES**

**December 12, 2014**

**8:00AM**

**NCHC – Wausau Campus**

Present: X Jean Burgener X Lee Olkowski X Bill Metter  
X John Robinson X John Bandow

Also Present: Brenda Glodowski Gary Bezucha Gretchen Brown  
Terry Kaiser JoAnn Pemble Bob Weaver

The meeting was called to order to 8:00 a.m.

Minutes

- **Motion/**second, Bandow/ Metter to approve minutes of the November 14, 2014 meeting. Motion carried.

Financial Report

- Discussion will be included in FY14 Budget Performance Review by Gretchen.

Master facilities update

- Gretchen and Terry presented to the County Finance and Executive Committees.
- Because there are 10 new members on the Board, they will change their presentation from “what” we are doing to “why” we are doing it.
- Next presentation will be for Health and Human Services on Thursday, December 18, 2014.
- Terry Kaiser and Brenda along with Michael Lotter and the Samuels Group met with Kristi Kordus. They were able to outline exactly what Kristi was looking for. The Samuels Group was also able to provide the additional information she needed.
- Planning is down to picking out doorknobs and toilets and doing some fine tuning.
- Funding looks like it will be sufficient with a contingency of 3.5%.
- The contingency includes the cost for a Construction Manager. The next step will be to put out an RFP for a Construction Manager so one will be onboard when construction starts.
- Discussed who should and how to communicate why we are doing a renovation.
- John Bandow noted that Dodge County’s nursing home was at 98% Medicaid in 1996. With their new facility, they are down to 82%. Their tax levy was \$5 million and now they have no tax levy. The new facility has allowed them to pull in revenues from other sources. Sauk County also has a new facility and is at 64% Medicaid. The results Dodge and Sauk Counties are having reflect what Wipfli said in their financial modeling data.
- Suggestions how to communicate why we are doing a renovation:
  - Provide an educational session to the County Board at the meeting on January 15.
  - Have 1:1 conversations with Board members. John Bandow will share the financial results of the Dodge and Sauk County renovations with the 10 new County Board members individually.
  - John Bandow will also present this information at the HHS meeting on December 18.
  - Provide testimonials from nursing home residents, families of residents, and staff.
  - Utilize every opportunity to give a presentation and/or to do another presentation to reinforce what was already presented.



- Offer nursing home tours.
- Provide standard talking points for all NHOC members to use along with pictures of some of the areas in the nursing home that show the need for renovation.
- Include in talking points and presentation:
  - ✓ If the private versus public sector questions arise: The private sector will not take many of the residents that MVCC does. If there were no place for these residents, Marathon County would have to send them out of county for services, which would be more expensive than caring for them here.
  - ✓ The County is only accessing the funds for the renovation; they are not paying for it. Only 30% will come from increased tax levy.
  - ✓ If we don't invest in the renovation, we will spend as much, if not more, to maintain what we have due to the age and inefficiencies of many of our mechanical systems.
  - ✓ Nursing home addresses the needs of the community and fulfills the county's responsibility.
  - ✓ Financially is a good investment in order to minimize capital outlay for maintenance.
  - ✓ Quality: CMS Casper reports demonstrate we exceed benchmarks and outcome measures show we are in good standing with State and Federal guidelines.
  - ✓ A renovation to a more contemporary facility will allow us to capture revenues from other sources.
- Handout with talking points and pictures will be ready next week for the HSS meeting on Thursday.
- Timeline:
  - Presentation at HSS Committee on December 18.
  - Educational session at County Board informational meeting on January 15.
  - Vote at January 20 County Board meeting. Authorizing resolution requires a 50% vote, which will trigger the bidding process.
  - Final vote by the County Board will be around April.

#### Review FY14 Budget Performance

- Gretchen presented a review of FY14 budget performance (see attached PowerPoint presentation).
- Dip in vent census in 1<sup>st</sup> quarter 2014 was due to an increase in beds at the vent facility in Chippewa Falls from 24 to 36, which allowed them to draw from an area we were also drawing from. Our vent unit has all 27 beds full today.
- Many vent referrals also require dialysis, which we cannot provide here because regulations require that vent patients receive dialysis at a hospital-based dialysis unit. Wausau's dialysis units are free-standing.
- The long-term care units have the most vacant beds. One reason is that our VA referrals that were typically long-term are now more VA hospice patients, which have a shorter length of stay. The second reason is the opening of a new assisted living and CBRF that is able to provide long-term care services.
- CMI declined in the first part of the year due to clerical activity, not because of a decrease in census. The average CMI in the industry is 1.0. We have responded to this shift and now have processes in place to monitor CMI more closely.

- Since the implementation of Navi Health, length of stay has declined and they have denied many referrals from the hospitals.
- Nursing home census is currently 215 with 33 Medicare.
- Brenda reviewed nursing home financial activity from January through October 2014 (see attached).
  - Areas of expense and revenue were broken down to show a better picture of variances in the 2014 budget.
  - Deficits in the Pharmacy revenues are due to struggles with the interface from Pharmacy to our general ledger system and a decrease in the volume of prescriptions being filled. Current revenues are estimated. Once we are reconciled with the system, it is anticipated the deficit will not be as much as what is shown now. We are in the process of analyzing prescriptions being filled and the mix of patient versus employee prescriptions.
  - The variance revenue for ancillary services is due to decreased volume in our Medicare A therapy services.
  - A nursing home census breakdown for 2014 was also provided (see attached).

#### FY15 Performance Improvement Action Plan

- Gretchen reviewed the performance action plan for 2015 and action items for daily services, ancillary/rehab variances, and compliance to State and Federal regulations (see attached).
- Have evaluated our laundry/housekeeping services and looked at other contracted services for these areas. Our services are currently performing better than benchmarks provided by the other contracted services.
- Sodexo did an overview audit of Food Services. A detailed report will be sent. They were very impressed with the competency levels of the Food Service staff, the product they delivered, and how they work collaboratively with other disciplines. Recommendations were for automated systems for inventory control, waste management, and process control.
- As due diligence to evaluate cost and service, we are in the process of interviewing other therapy providers. A decision will be made by March.
- Moving forward, reporting will be in a format that will be more helpful to this committee.
- Gretchen is now giving 100% of her time to the nursing home as Toni Simonson has assumed leadership of Behavioral Health Services.
  
- Jean will be unable to attend the NHOC meeting scheduled for January 9, 2015. All agreed to rescheduled the meeting to Tuesday, January 13, 2015.

**Motion/second, Olkowski/Bandow to adjourn. Motion carried.**

*jhp*

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
NURSING HOME OPERATIONS COMMITTEE MEETING MINUTES**

**January 13, 2015**

**8:00AM**

**NCHC – Wausau Campus**

Present: X Jean Burgener X Lee Olkowski X Bill Metter  
X John Robinson X John Bandow X Bill Miller

Also Present: Brenda Glodowski Gary Bezucha Gretchen Brown  
Terry Kaiser JoAnn Pemble Becky Schultz

The meeting was called to order to 8:00 a.m.

Minutes

- **Motion**/second, Metter/ Bandow to approve minutes of the December 12, 2014 meeting. Motion carried.

Welcome

- Welcome extended to Bill Miller as a new member of this committee.

Financial Report

- An updated reconciliation of all revenues resulted in an additional \$50,000.
- Through the reconciliation process it was discovered that some revenues appropriated to the nursing home were actually Pharmacy revenues. Those revenues were shifted to the Pharmacy. While the bottom line was not affected, it does show a gain for the Pharmacy and a loss for the nursing home.
- A consultant will be coming in January to review our RUG process and provide staff training.

Master Facility Plan Update

- The plan itself is complete. Currently working on the finishes, carpeting, etc.
- We are waiting for the report from the data company on what we will need to get the necessary cabling in the walls. Once IT receives and reviews their report, it will be given to the architects to include in the plan. It is anticipated that the report will be ready for IT to review this week.
- Approximately \$200,000 of the \$550,000 contracted for the architect and project manager has been paid out thus far.

Talking Points for County Board

- Information on the background and purpose for the nursing home renovation will be presented to the County Board at their meeting on Thursday, January 15.
- Timeline: The County Board will be voting on an authorizing resolution on Jan. 20, which requires a majority vote and, if passed, will allow the bidding process to begin. Once the bids are received, they will vote on an issuance resolution, which requires a three-quarters vote, and sets the cap for what can be borrowed over the next two years. This vote will occur in March or April.
- For the County Board presentation, Larry Lester will speak, Gretchen will review the history and progression of the renovation plans, and the Samuels Group will provide a comparison of the plans. John Robinson will close the presentation with a summary of key points.

- The presentation will also be shared with any County Board member who does not attend the meeting.
- Important to note that the County Board approved the project last fall. The process we are following now is to approve financing.
- Gretchen and Gary will provide a list of the new County Board members and any others they feel may need additional information.
- Discussed and reviewed talking points for the presentation and for 1:1 conversations with County Board members, specifically the 10 new members. Talking points to include:
  - The \$13.5 million renovation is the leanest and most efficient way to go forward given the other options that were considered.
  - Clarification on the various clinical terms used such as Post-Acute Care, Long-Term Care and what it means to be covered under Medicare A or B.
  - Education on what is happening in Medicare and how it benefits what we do at MVCC.
  - Reimbursement rates of Medicare, Medicaid, private pay, and vent unit; compare with percent of occupancy.
  - What other county nursing homes in Wisconsin are doing as they have made the same decisions we are and how it has benefited them and allowed them to reduce tax levies.
  - Project is not being done specifically for the Medicare population. Marathon County has a statutory obligation to provide for the protectively place residents of the county. The current reimbursement for that population is Medicaid, which does not cover the total cost to care for them. Therefore, we have to look at how to create a viable entity to provide those services, which can be offset by Medicare and Vent Unit reimbursement.
  - Project also addresses the structural and safety needs of an aging facility, enhances quality of care, and allows us to attract a favorable payer mix to help subsidize MA. The County has a role and obligation they have to meet and this is the most cost effective way to do it.
- Can the MVCC renovation be linked with the pool project? The pool project is on a different timeline. However, there is a link in that each does enhance the other as far as services provided.
- Reviewed why it is necessary to upgrade the facility to capture Medicare and Private Pay revenues.
- Much of the fix for Medicare appears to be on the acute care (hospital/physician) side, which would put the greater burden on the hospitals to transfer patients to Post-Acute care due to the cost being less. MVCC is positioned to support our hospitals because we can accept the higher acuity levels here.
- Noted that it was the increase in MVCC's Medicare revenue that lowered the tax levy required from Marathon County.

#### Future Agenda Items

- Presentations on current trends/changes in what is happening in the Medicare world.

**Motion**/second, Bandow/ Robinson to adjourn. Motion carried. Meeting adjourned at 9:05am.

*jhp*

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
HUMAN SERVICES OPERATIONS COMMITTEE  
MEETING MINUTES**

**January 21, 2015**

**8:00 a.m.**

**NCHC – Wausau Campus**

Present:

X	Nancy Bergstrom	X By phone	Holly Matucheski	X	Greta Rusch
X	Linda Haney	EXC	Scott Parks	X	Lee Shipway
X	Joanne Kelly	EXC	John Robinson		

Also Present: Toni Simonson, Brenda Glodowski, Becky Schultz, Gary Bezucha, Aekta Dassow, Carrie Paisar, Debbie Osowski

The meeting was called to order, roll call was noted and a quorum declared.

Consent Agenda

- **Motion** Bergstrom, 2<sup>nd</sup> Shipway to approve the consent agenda, which includes the minutes of the 11/6/14 meeting and the financial reports. Motion carried.

Human Services Report

Additional updates to the Human Services report were noted:

- Air quality concerns (high chlorine levels) were expressed by Aquatic Services staff. Maintenance worked on the air handling system in the pool followed by air quality testing by outside consultants. Tests indicated low levels of chlorine and air quality is very good in the pool. Routine testing will continue.
- A team reviewed all policies for Behavioral Health and Ambulatory Detox which resulted in improved processes and a reduction in the number of policies overall.
- A review of clients transferred to other facilities was conducted to determine whether we could be providing services rather than transferring the individuals. Communication will continue with Winnebago and Mendota and processes monitored.
- Clubhouse lease has been signed and the renovation process has started.
- The identified action plan in Crisis is in progress. We have been working with community partners identifying expectations, gaps, and how to improve working relationships.
- Presentation was given by Aekta Dassow, Outpatient Services Director, on the Adult ADHD 12-week program. The program was not able to begin in December due to delays with installing the IVA test on our computers. A pilot program will begin January 26 with our current population and will then be marketed to the community in about a month.
- Evidence showed that the collaborative and regional approach in the Birth to Three program has resulted, for the first time, to be 100% compliant across the tri-county region with the State of Wisconsin.

Psychiatry Update

- We have been successful in the recruitment of a psychiatrist, Dr. Brigitte Espinoza, who is completing her residency in Harvard Health System, Boston. We anticipate she will begin at NCHC in July.

- We continue to work with Merritt Hawkins in recruiting an additional psychiatrist.
- Commitments have been received from four entities (NCHC, Bridge Clinic, Wood and Portage Counties) as it relates to establishing a Psychiatry Residency Program and we continue to explore working relationships with the VA, Marshfield Clinic and Ministry Health.
  - The goal is to submit the application as a training site by the end of this year.

#### Aquatic Update

- Anticipate a final report from the two consulting firms in the next few weeks.
- Final project should be wrapped up by the end of the year with construction to begin in 2016.
- Information on the project has been well received by most of the major Foundations. Requests for financial support of the project have not yet occurred.

#### Counseling in the Schools

- Aekta Dassow and Carrie Paisar, Psychotherapist, provided an update on the Counseling in Schools program.
- Conversations about this program are occurring in more schools in the Merrill and Tomahawk areas.
- Feedback from the schools has been positive; school personnel are receptive and accommodating.

#### Future Meeting Agendas

**Motion** Haney; 2<sup>nd</sup> Bergstrom to adjourn at 9:16 a.m. Motion carried.

*dko*



February 2015

## **North Central Health Care Board of Directors Preliminary Planning Conference Call Agenda**

Strategic Planning overview: Gary, Neil, Steve

- Internal Assessment overview (what we're doing now)
- External Assessment overview
- Key elements of the Strategic Plan and Management Action Plan ("MAP") used for implementation

Brief Update: Steve, Neil

- Collected & initial review of 30 data files
- Additional data discussion and additional requests
- Board planning retreat discussed / scheduled
- Preliminary discussion regarding financials and planning concepts
- Draft internal assessment survey

### **Open Discussion: NCHC Future State – These are very early, exploratory areas for general input:**

- Larger?
- Expand some services outside the primary market?
- Increase private payor mix?
- Divest / consolidate some services?
- More entrepreneurial planning – e.g.:
  - Behavioral health case management / utilization review business?
  - Telepsychiatry consult / assessment service?
  - Telemedicine geriatric consult / assessment service?
  - Sub specialty programs – e.g.:
    - Women's substance abuse residential treatment?
    - Eating disorder program?
    - Clinical specialty, like Affective Disorder treatment?
  - Partner with major healthcare system to provide integrated behavioral healthcare?
- Increase service delivery efficiency, reduce costs?
- A manager of services as well as a provider – contract management of other programs?
- Other ideas!



# North Central Health Care

Person centered. Outcome focused.

## OPERATIONAL PLAN FOR 2015

- I. Quality and Care Delivery:**
  - a. Complete JCAHO survey process by June, 2015
  - b. Implement AODA Residential program by the end of the second quarter
  - c. Psychiatry Access:
    - i. Integrate Dr Brigitte Espinoza into staff in third quarter
    - ii. Recruit an additional Psychiatrist by the end of the year
    - iii. Complete milestones for 2015 for development of Psychiatry Residency program with Medical College of Wisconsin:
      - 1. Letters of agreement with all partners signed
      - 2. Program Director hired
      - 3. Rotation sites identified
      - 4. Program application submitted
  - d. Explore collaborative opportunities for the delivery of In Patient Behavioral Health Services with a report delivered to the board by the end of the second quarter
  - e. Implementation of key cross-functional process improvement projects outlined in the Quality Plan.
- II. Financial:**
  - a. Reduce A/R to 55 by the end of the year
  - b. Improve Out Patient payer mix by 10-15% compared to 2014 by the end of the year
- III. Human Resources:**
  - a. Apply for inclusion on the Modern Healthcare list of 100 best places to work and achieve improved engagement scores targeted at the 80-85% agreement average across all categories
  - b. Reduce employee turn-over from 25/5% to 23/0% by the end of the second quarter.
  - c. Achieve an increase in employee partnership targeted at 73.3 to 78.8 mean organizational partnership score by the end of the year.
- IV. Physical Plant:**
  - a. Have a definitive plan for replacement of the current aquatic facility completed and approved by the end of the year.
  - b. Complete scheduled phases of Nursing Home renovation project by the end of the year.
- V. Strategic Planning:** Complete an organization-wide strategic planning process by the end of the second quarter.
- VI. Customer Service:**
  - a. Achieve an increase in overall organizational customer service score of between the 55<sup>th</sup> and 68<sup>th</sup> percentile on the Healthstream database by the end of the year.



## **VII. Information Technology:**

2014 Outstanding items that need to come to conclusion:

- Remaining Clinical Issues from testing and go live
- PPS and WHA reporting for 4<sup>th</sup> quarter, along with implementation for NCHC to generate the files
- Final approval of the G/L interface, currently dealing with any new items as they surface
- Billing, EDI, and Cash application issues, currently dealing with any new items as they surface
- Reconfiguration of the CCS billing, for new MA regulations, needs to be completed
- Decision regarding Support coverage with Netsmart – PAMS contract decision
- CCD generation for client's
- Hospital gap decisions finalized

2015 New projects needed:

- Hospital gap form development
- Program Specific implementation of unused design and processes
- 270/271 implementation
- Upgrade Executable
- ICS-10/DSM-5 implementation
- Meaningful Use 2 implementation
- MicroMedix implementation
- OrderConnect implementation (replacement of DrFirst)
- Myhealthpointe patient portal implementation
- Possible implementation of CareConnect