

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 – Wausau Board Room, 1100 Lake View Drive, Wausau, WI, at 12:00 p.m., on Thursday, May 28th, 2015.

AGENDA

1. Call to order
2. Roll call
3. Consent Agenda
 - a. 4/30/15 Finance, Personnel & Property Committee meeting minutes
 - b. 4/30/15 Board meeting minutes
 - c. CEO's report
4. Chairperson's report: R. Nye
 - a. Action: approve report and minutes of the 5/22/15 Executive Committee meeting
5. Quality Committee Report: L. Scudiere
 - a. Organizational Quality Dashboard
 - b. Action: approve report of 5/21/15
6. Financial report: B. Glodowski
7. Finance, Personnel & Property Committee: L. Olkowski
 - a. Action: approve April financials
 - b. Action: approve 2016 capital projects for submission to Marathon County CIP (Capital Improvement Program)
 - c. Action: proposal for contractual nursing assistant recruitment/retention compensation strategy
 - d. Action: approve report
8. Nursing Home Operations Committee (NHOC) Report: J. Burgener
 - a. Action: approve report of 5/22/15
9. Joint Commission Accreditation education
10. Mental health services to the criminal justice system discussion
11. Nursing home renovation update
12. Joint County Contract
 - a. Action: approve and send to three counties for approval
13. Nursing Home Management Agreement and North Central Health Care Campus Maintenance and Use Agreement
 - a. Action: approve and refer to Marathon County Health & Human Services Committee
14. Future meeting agendas
15. 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 05/22/15 TIME 4:00 PM
VIA: FAX MAIL BY: D. Osowski

THIS NOTICE POSTED AT NORTH CENTRAL HEALTH CARE
DATE 05/22/15 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**

April 30, 2015

11:00 a.m.

NCHC – Antigo Campus

Present:

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

Also Present: Gary Bezucha, Brenda Glodowski, Michael Loy, Debbie Osowski

Guest: Gary Olsen

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

Minutes

Motion/second, Nye/Zriny to approve the minutes of the 2/26/15 and 3/26/15 Finance, Personnel & Property Committee meetings. Motion carried.

Financials

- Expenses:
 - Expenses for March are below targets.
 - Salary and benefit expenses are under budget; however a number of vacant positions are being filled.
 - Health insurance is doing well.
 - Direct Expense to gross is within target
 - Write-offs are below target
- Revenues:
 - March showed a gain for the month of about \$29,000
 - Hospital census averaged 14 patients per day compared to a target of 13; nursing home census averaged 213 patients per day which is at target; Medicare census is exceeding target of 26 with an average just over 28; Outpatient is currently below target but are seeing improvements.
 - Revenue is below budget targets but improving. Documentation must be completed and updated before charges are generated. We are working with clinicians on timeliness of charting and have seen improvements in March and anticipate additional improvements in April.
 - Cash is doing well. Back payments for the Comprehensive Community Services (CCS) program have been received which will show positively in April.
 - Through March the organization shows an overall gain of over \$630,000.
- **Motion**/second, Zriny/Nye to approve the February and March financial statements. Motion carried.

CFO Report

- Distributed a snapshot of the overall budget by month for informational purposes. Fluctuation in days of month affects revenues i.e. 30 days vs 31 days; M-F days by month varies; some expenses vary i.e. utilities.
- Budget process will be added as a regular agenda item beginning in May and until the Board approves the budget in October. A calendar of the budget process will be provided. Counties receive monthly updates.

Accounts Receivable Update

- Accounts Receivable Action Plan was reviewed.
- CCS billing is caught up; \$1.4 million has been received from that program so far.
- Medicaid Biller position is being added which will provide relief to the other billing reps to focus on aging.
- Temporary staff is assisting with the cash application process.
- Currently have 25 open issues with our vendor regarding the billing process; down from 37 in February. Continue weekly calls to work through issues.
- Developing a workable report for managing aging accounts.
- Days in Accounts Receivable decreased four days.
- Nursing home billing should be caught up soon after recent turnover.
- Exploring moving to bi-monthly billing for some programs later in the year.
- May consider a benefit enrollment position in the future.

Review 2014 Year End Fund Balance Summary

- Fund Balance Policy was distributed and reviewed.
- Fund Balance Review as of December 31, 2014 was distributed and reviewed. All Counties received this report at the end of March.

Future Agendas


- Education on Fund Balances

Motion/second, Nye/Weaver to adjourn. Motion carried. Meeting adjourned at 11:45 a.m.

dko

North Central Health Care
2016 Budget By Month

	51.42 Program				Nursing Home				TOTAL:			
	Budgeted Revenue	Budgeted Expense	Excess Revenue (Expense)	YTD	Budgeted Revenue	Budgeted Expense	Excess Revenue (Expense)	YTD	Budgeted Revenue	Budgeted Expense	Excess Revenue (Expense)	YTD
January	\$2,723,385	\$2,684,265	\$39,120	\$39,120	\$2,218,181	\$2,200,332	\$17,849	\$17,849	\$4,941,566	\$4,884,597	\$56,969	\$56,969
February	\$2,593,602	\$2,499,365	\$94,217	\$133,337	\$2,086,365	\$2,063,281	\$23,104	\$40,953	\$4,679,967	\$4,562,646	\$117,321	\$174,290
March	\$2,723,385	\$2,723,786	(\$401)	\$132,936	\$2,218,181	\$2,229,796	(\$11,615)	\$29,338	\$4,941,566	\$4,953,582	(\$12,016)	\$162,274
April	\$2,701,088	\$2,646,386	\$54,692	\$187,628	\$2,174,241	\$2,171,352	\$2,889	\$32,227	\$4,875,329	\$4,817,748	\$57,581	\$219,855
May	\$2,629,046	\$2,710,564	(\$81,518)	\$108,110	\$2,218,181	\$2,219,018	(\$837)	\$31,390	\$4,847,227	\$4,929,582	(\$82,355)	\$137,500
June	\$2,701,088	\$2,643,641	\$57,447	\$163,557	\$2,174,241	\$2,169,107	\$5,134	\$36,524	\$4,875,329	\$4,812,748	\$62,581	\$200,081
July	\$2,735,552	\$2,742,350	(\$6,798)	\$156,759	\$2,218,181	\$2,221,322	(\$3,141)	\$33,383	\$4,953,733	\$4,963,672	(\$9,939)	\$190,142
August	\$2,704,105	\$2,745,105	(\$41,000)	\$115,759	\$2,218,181	\$2,223,567	(\$5,386)	\$27,997	\$4,922,286	\$4,968,672	(\$46,386)	\$143,756
September	\$2,681,808	\$2,680,479	\$1,329	\$117,088	\$2,174,241	\$2,176,257	(\$2,016)	\$25,981	\$4,856,049	\$4,856,736	(\$687)	\$143,069
October	\$2,735,552	\$2,749,512	(\$13,960)	\$103,128	\$2,218,181	\$2,227,159	(\$8,978)	\$17,003	\$4,953,733	\$4,976,671	(\$22,938)	\$120,131
November	\$2,650,359	\$2,683,785	(\$33,426)	\$69,702	\$2,174,241	\$2,178,951	(\$4,710)	\$12,293	\$4,824,600	\$4,862,736	(\$38,136)	\$61,995
December	\$2,672,664	\$2,742,367	(\$69,703)	\$0	\$2,218,181	\$2,230,478	(\$12,297)	\$0	\$4,890,845	\$4,972,845	(\$82,000)	\$0
Totals	\$32,251,635	\$32,251,635	\$0		\$26,310,600	\$26,310,600	\$0		\$58,562,235	\$58,562,235	\$0	

Name of Policy:		 North Central Health Care Person centered. Outcome focused.
FUND BALANCE		
Policy #:		
Primary Approving Body:	Committee Approvals:	

I. Policy Statement

It is the policy of North Central Health Care to monitor the fund balances of each county on a regular basis and report the activity to each County's Finance Director.

II. Purpose

To maintain stable fund balances and to secure viability of the continued growth and future of the Tri-County System.

III. Definitions

Net Position – Represents each County's share of ownership in the organization.

Operational Surplus – Excess revenue over expenses from operations.

Operational Deficit – Excess expense over revenues from operations.

Invested Cash Reserves – Cash that has been invested, such as certificates of deposit.

Operating Cash- Cash in the general checking account used for operations such as payroll and accounts payable.

IV. General Procedure

1. The Unrestricted Fund Balance for each county will be monitored with a minimum and maximum target applied to review adequacy of the balance. The minimum target is 20% of operating expenses and the maximum is 35% of operating expenses.
2. In addition to the targeted Fund Balance, each County's Fund Balance will include a risk reserve of \$250,000.00.
3. Invested Cash Reserves will be applied to each county based on the County's overall net position within the organization. Targeted Days of Invested Cash On Hand is 90 days of operational expense.
4. At the end of the fiscal year, the operational surplus or deficit for each county is applied to the Fund Balance. This is outlined in the annual audit report.
5. At the completion of the annual audit, the NCHC CFO will provide and review a Fund Balance Report with each County's Finance Director. The County Finance Directors will report to their County Finance Committees.

6. The overall target in Unrestricted Fund Balance should be the higher of the maximum target of operating expenses or 90 Days Invested Cash On Hand.
7. If the balance of the Unrestricted Fund Balance exceeds the overall target for two consecutive years, the North Central Health Care CEO and CFO will meet with the County Finance Director to review options for potential utilization of excess reserves. A plan for utilization will be reported back to NCHC Finance Committee.
8. For planning purposes, the NCHC CFO will provide the County Finance Directors the fund balance analysis by March 31st following the finalization of the audit. If any of the fund balances exceed the designated targets and the Finance Director of that county opts to utilize a portion of the excess reserves, the Finance Director should notify NCHC by June 30th.

V. Program-Specific Requirements:

None

References:

North Central Health Care
Fund Balance Review
As of December 31, 2014

	Marathon	Langlade	Lincoln	Total
Total Operating Expenses-2014	\$50,114,066	\$3,291,296	\$3,117,388	\$56,522,750
General Fund Balance Target -Minimum (20% of operating expense)	\$10,022,813	\$658,259	\$623,478	\$11,304,550
General Fund Balance Target-Maximum (35% of operating expenses)	\$17,539,923	\$1,151,954	\$1,091,086	\$19,782,963
Risk Reserve Fund	\$250,000	\$250,000	\$250,000	
Total Fund Balance-Minimum Target	\$10,272,813	\$908,259	\$873,478	\$12,054,550
Total Fund Balance-Maximum Target	\$17,789,923	\$1,401,954	\$1,341,086	\$20,532,963
General Fund Balance-Unrestricted at 12/31/14	\$16,332,432	\$1,306,101	\$1,733,367	\$19,371,900
General Fund Balance-Contributed Capital at 12/31/14	\$10,006,615	\$123,750	\$180,000	\$10,310,365
Total Net Position at 12/31/2014	\$26,339,047	\$1,429,851	\$1,913,367	\$29,682,265
Unrestricted Fund Balance-Above (Below) Minimum Target	\$6,059,619	\$397,842	\$859,889	\$7,317,350
Unrestricted Fund Balance-Above (Below) Maximum Target	(\$1,457,491)	(\$95,853)	\$392,281	(\$1,161,063)
County Percent of Total Net Position	88.74%	4.82%	6.45%	100.00%
Share of Invested Cash Reserves (based Net Position %)	\$8,252,508	\$447,999	\$599,493	\$9,300,000
Days Invested Cash on Hand	60	50	70	60
Targeted Days Invested Cash on Hand	90	90	90	90
Required Invested Cash to meet Target	\$12,356,893	\$811,552	\$768,671	\$13,937,116
Share of Invested Cash Reserves Above (Below) Target	(\$4,104,385)	(\$363,554)	(\$169,178)	(\$4,637,116)

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

April 30, 2015

12:00 p.m.

NCHC – Antigo Campus

Present:

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

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

Guests: Gary Olsen, Kim Van Hoof, Gail Marshall, JoAnn Leonard

The meeting was called to order 12:04 p.m. Roll call was taken and a quorum declared.

Consent Agenda

- **Motion** Zriny, 2nd Metter to approve the 2/26/15 and 3/26/15 Finance, Personnel & Property committee minutes, and the 2/25/15, 3/26/15 and 4/1/15 Board meeting minutes. Motion carried.
- **Motion** Zriny, 2nd Metter the CEO report. Motion carried.

Chairperson's Report

- **Motion** Scudiere, 2nd Burgener to approve the 2/5/15, 3/10/15, 3/31/15 and 4/14/15 Executive Committee minutes.

Quality Committee Report

- Organizational Quality Dashboard was reviewed.
 - Nursing Homes and hospitals have changed the way they are calculating the readmission rate, therefore, we will be aligning our measures the same. With the new method of calculation we are meeting target and significantly below the state
 - There was an error in the calculation for AODA Relapse Rate – should be 19% (Dashboard will be corrected)
- **Motion** Scudiere, 2nd Zriny to approve the Quality Report. Motion carried.

Financial Report

- Small gain just under \$29,000; \$630,000 gain YTD (through March)
- Both nursing home and 51.42 program are showing gains through March
- Revenue is on target with census in the nursing home and hospital
- Cash has increased
- First quarter is wrapping up on a positive note

Finance, Personnel & Property Committee Report

- February financials were reviewed at the March meeting but not approved as a quorum was not present.
- March financials were reviewed. Noted that both the hospital and nursing home are ahead of budget for the first quarter.
- Identified that there seems to be a lack of understanding in terminology i.e. funds, reserves, etc. Committee requested discussion at the next meeting to clarify terminology.
- Budget process will be starting in May
- **Motion** Kelly, 2nd Penniman to approve the February and March financial reports. Motion carried.

Nursing Home Operations Committee (NHOC) Report

- North Central Health Care has entered into an affiliation agreement with Aspirus which means:
 - after interviewing all nursing homes in the area, Aspirus chose NCHC as one of four (4) nursing homes to enter into an affiliation agreement with. Several criteria in the selection process were based on quality and programming advancement.
- Our Northwinds Vent Unit is also important as it relates to the nursing home operations as there is not another unit like this in the area.
- The committee continues to educate themselves on the impact of changes in Medicare, the Affordable Care Act, etc.
- **Motion** Burgener, 2nd Metter to approve the committee report and the minutes of the march 13, 2015 meeting minutes. Motion carried.

Medical Staff

- **Motion** Penniman, 2nd Scudiere to approve the following appointment of courtesy privileges for:
 - John D. Franzen, M.D.and for the reappointments of Mid-Level Practitioner privileges for:
 - Shae Ellefson-Wheeler, PA-C, Locum Tenens
 - Jennifer L. Svencer, PA-C, Locum Tenens
 - Debra J. Sanfilippo, PA-C, Locum Tenens
 - Ellen C. Barker, APNP
 - Debra Knapp, APNP

Motion carried.

Mental health services to the criminal justice system

- The County Executive Committee created a task force to discuss mental health services to the criminal justice system. The current system does not provide adequate services and we can do a better job including providing a better understanding of the mental health and alcohol and drug abuse services we provide.
- Bridge Clinic currently provides 16 hours/week. These services are different from the services at NCHC.

- A workgroup was formed as soon as NCHC had been approached about the dissatisfaction. Identified significant misunderstanding of the services NCHC is providing, the requirements and scope of services from our crisis workers.
- We are partners with the county and law enforcement and will work with each other to find a solution.

Nursing home renovation update

- The project was approved in January.
- Marathon County Board approval of the funding resolution requires 75% majority but the vote was delayed due to the misinformation that was distributed prior to the meeting.
- Clarification of the misinformation was provided (attached PowerPoint presentation).
- Talking Points for Nursing Home Renovation was also distributed (attached).
- A presentation will be provided to the Marathon County Board to correct and clarify the information.
- All Board Members are encouraged to talk to their county board representatives and community members and provide these indisputable facts.
- A projection was completed indicating that eventual subsidy would be required by Marathon County and would grow substantially as the payer mix shifted more toward Medicaid if upgrades are not done. Simply maintaining the building would be very costly.

Aquatic Therapy

- Project is in the beginning phase.
- Marathon County Health & Human Services Committee is recommending the project to the Marathon County Board.
- A Fund Raising Committee has received \$700,000 in commitments of donated funds.
- We continue to educate how unique and valuable the pool is to the community and the large number of providers who refer their patients for Aquatic Therapy.

Employee Healthcare Consortium update

- Fact sheet was distributed (attached).
- Exploring joint purchasing and shared risk.
- Financial prospects look good.
- Next steps include forming an entity to submit an RFP.

Future meeting agendas

- Mental health services to the criminal justice system

Motion Metter, 2nd Penniman to adjourn at 2:03 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant

CEO Report: May, 2015

- 1. JCAHO Accreditation:** We are in the final stages of preparation for our upcoming JCAHO Accreditation survey. This will be an unannounced survey and we have indicated readiness any time after June 1. At this point we feel that we are as prepared as we can be for this survey. One particular departure for a JCAHO survey from our usual state surveys is that there is high likelihood that board members will be requested to be involved in the process. We are providing education at the May board meeting and will be doing so again at the June meeting. (Even though we have determined readiness after June 1, we do not anticipate the survey will take place until July.)
- 2. Psychiatry Residency Program:** At this time we believe we have gained commitments on all of the stipends that we need. We are still working on recruitment of a part-time training director. We plan to have our final application completed and submitted by the end of September and anticipate undergoing a survey before the end of 2015.
- 3. Collaboration with Wood County:** We have been having regular discussions with representatives from the Wood County Human Services Department regarding collaboration on provision of in-patient Psychiatric services. We are exploring the potential for development of adolescent services and shared medical services. Norwood Hospital (operated by Wood County Human Services) will be losing its psychiatric services currently provided by the Marshfield Clinic before the end of the year. In anticipation, they have had to restrict their census to 12. As a result, we anticipate that we will receive more deferrals to our inpatient program in the coming months.
- 4. Just Like Us:** I am very happy to report that the first annual “Just Like Us” event last Friday night was a tremendous success. It was very well attended. The people who attended indicated they were quite pleased with the event including the speaker and the dinner and the event raised over \$14,000 for the Foundation. We are already working on next year’s event. Thank you to all of the board members who attended the event. Your support is greatly appreciated.

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

May 22, 2015

10:30 AM

NCHC – Wausau Campus

Present: Ron Nye, Bob Weaver, Laura Scudiere (via telephone), Lee Olkowski

Also present: Gary Bezucha

AGENDA:

1. The meeting was called to order by Ron Nye at 10:31 AM and a quorum was noted.
2. Minutes of 4/14/15 meeting: moved for approval by Lee Olkowski, seconded by Bob Weaver and approved unanimously without changes.
3. CEO Report: covered by agenda items
4. Update on nursing home renovation project: Reviewed actions taken recently by Marathon County board. Discussion around issues of trust between NCHC board and Marathon County board. M/S/P to request a meeting between the executive committee of the NCHC board and the executive committee of the Marathon County board for the purpose of soliciting input from the Marathon County board on issues of concern to them regarding NCHC and the services provided by NCHC.
5. Update on mental health services to jails:
 - a. Gary shared a plan that was presented to the Marathon County Sheriff's Department and the Sheriff's independent panel on mental health services to the jail. Elements of the plan included full-time presence of a forensically trained therapist, 4 hours per week availability of a psychiatrist via tele psychiatry, assessment of all jail inmates presenting with mental health and/or substance abuse problems, development of a crisis plan for all inmates with documented mental health issues, assistance with training of jail staff in dealing with inmates with mental health issues, and development of a discharge planning process for inmates with mental health and substance abuse issues. The plan is being treated as a pilot program and will be funded out of the NCHC innovation fund in 2015. If the plan is successful, the cost of continuance will be determined and offered to all three counties if funding is available.
6. Review of Joint County Contract, Nursing Home Operating Agreement and Use Agreement with Marathon County: Joint County Contract and Nursing Home Management Agreement reviewed and no changes suggested.
7. Items to be included on agenda for 5/28/15 board meeting:
 - a. Capital budget request to be included on 2016 Marathon CIP plan for approval and referral to Marathon County Health and Human Services Committee
 - b. Revised Joint County Contract: for action to approve and refer to all three sponsor counties for approval

- c. Nursing Home Management Agreement and NCHC Campus Facilities Maintenance and Use Agreement: for action to approve and refer to Marathon County Health and Human Services Committee
8. Moved for adjournment by Laura Scudiere and seconded by Bob Weaver; meeting adjourned by Ron Nye at 11:45 AM

QUALITY OUTCOME DASHBOARD

DEPARTMENT: NORTH CENTRAL HEALTH CARE

FISCAL YEAR: 2015

PRIMARY OUTCOME GOAL	TARGET (Rating 2)	↑ ↓	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	2014
CLINICAL																
Nursing Home Readmission Rate	5-7%	↓	24.2%	13.8%	9.1%	11.1%									15.3%	4.8%
Psychiatric Hospital Readmission Rate	9-11%	↓	11.0%	9.3%	12.7%	7.1%									10.0%	10.0%
AODA Relapse Rate	18-21%	↓	17.9%	25.0%	26.7%	15.4%									19.8%	10.8%
NCHC Adverse Event Rate	3.8-4.0	↓	3.5	4.1	4.3	4.0									4.0	4.1
PEOPLE																
Injury Claims*	50-60	↓	24	18	24	24									24	n/a
Employee Turnover Rate*	20-23%	↓	21.0%	20.2%	18.4%	19.4%									19.4%	25.5%
SERVICE																
Client/Patient/ Resident Satisfaction Percentile Rank	58-66 Percentile	↑	66th	70th	39th	41st									51st	59th
Community Partner Satisfaction Percent Good/Excellent	75-80%	↑	\	68%	\										68%	71%
COMMUNITY																
Community Employment Rate	15.8-18%	↑	27.2%	25.2%	22.9%	24.7%									25.0%	n/a
NCHC Access Measure	90-95%	↑	98%	98%	91%	83%									87%	n/a
Recidivism Rate for OWI	27-32%	↓	31.37%	26.32%	24.40%	36.60%									30.50%	31.30%
FINANCE																
Direct Expense/Gross Patient Revenue	55-59%	↓	61%	51%	59%	62%									58%	59.7%
Days in Account Receivable	55-60	↓	80	79	75	72									72	79
Write-Off Percent of Gross Revenue	.5-.6%	↓	0.18%	0.27%	0.32%	0.16%									0.24%	n/a

KEY: ↑ Higher rates are positive

↓ Lower rates are positive

* Monthly Rates are Annualized

NCHC OUTCOME DEFINITIONS

CLINICAL	
Nursing Home Readmission Rate	Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions.
Psychiatric Hospital Readmission Rate	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital.
AODA Relapse Rate	Percent for patients admitted to Ambulatory Detoxification or the Behavioral Health hospital for detoxification then readmitted within 30 days of discharge for repeat detoxification.
NCHC Adverse Event Rate	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	
Injury Claims	The number of employee injuries with associated worker's compensation claims. Monthly figures represent an annualized rate.
Employee Turnover Rate	Percent of employee terminations (voluntary and involuntary) of the total workforce. Monthly figures represent an annualized rate.
SERVICE	
Client/Patient/Resident Satisfaction Percentile Rank	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.
Community Partner Satisfaction Percent Good/Excellent	Percentage of "Good and Excellent" responses to the Overall Satisfaction question on the survey.
COMMUNITY	
Community Employment Rate	Percent of Community Treatment, Prevocational, and Community Corner Clubhouse clients receiving vocational support/services who are employed.
NCHC Access Measure	<p>% of clients obtaining services within the Best Practice timeframes in NCHC programs.</p> <ul style="list-style-type: none"> • Adult Day Services - within 2 weeks of receiving required enrollment documents • Aquatic Services - within 2 weeks of refferal or client phone requests • Birth to 3 - within 45 days of referral • Community Corner Clubhouse - within 2 weeks • Community Treatment - within 60 days of referral



North Central Health Care

Person centered. Outcome focused.

MEMO

TO: North Central Health Care Finance Committee
FROM: Brenda Glodowski
DATE: May 18, 2015
RE: Attached Financials

Attached please find a copy of the April Financial Statements for your review. To assist you in your review, the following information is provided.

BALANCE SHEET

Accounts Receivable continues to see improvement as the overall total in Accounts Receivable decreased again in April. Cash saw an increase as Accounts Receivable continues to improve.

STATEMENT OF REVENUE AND EXPENSES

The month of April shows a gain of \$107,200 compared to a budget gain of \$57,582 resulting in a positive variance of \$49,618. The hospital census averaged just over 13 patients per day compared to the target of 13. The nursing home census averaged 205 per day which is below the target of 213. The Medicare census averaged 26 per day which is the target. Outpatient areas overall were below budget targets for April.

Overall expenses for April were below budget targets. This offsets the revenue shortfall. Salaries continue to be below budget targets but this gap continues to narrow as vacant positions are being filled. Benefits exceeded budget targets for April, mainly due to health insurance. Drugs were high in April due to an extra invoice day. Rehab Services exceeded budget expenses, while revenues were below targets. This is due to the transition of the rehab contract.

Through April, the overall organization shows a gain of \$737,344 compared to the targeted gain of \$219,855. Both programs continue to show a gain. The Human Services Program shows a gain of \$664,987 and the Nursing Home shows a gain of \$72,358.

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

**North Central Health Care
Accounts Receivable Action Plan
February, 2015**

Purpose: Accounts Receivable has escalated to days in Accounts Receivable being at 80 days. The action plan is to bring the days in accounts receivable down to 55-60 days, which will meet the 2015 outcome target for the organization. Accounts receivable has increased significantly with the implementation of the new billing system, Tier. While the billing system is still being worked on to function as needed, the action plan will serve as a guide to stay on task with working through the processes and achieving the desired results.

Action Item	Action	Target Completion Date	Completion Date/Status Update
<p>The accounts with non- applied cash increased to \$2.8 million as of 12/31/14, and include several hundred individual client accounts.</p>	<p>A temporary staff is working entirely on applying cash for the balances as of 12/31/14. The cash application staff position will work on cash application for payments from January forward. This process will be caught up and will remain current once caught up. While there will be an amount of non-applied cash on a regular basis due to prepayment of some services, the dollar amount this will be is significantly less than the current amount.</p>	<p>April 30, 2015</p>	<p>As of March 19: Additional problem has been detected with void/reissues of charges. A support case is filed for this; it is supposed to be corrected by March 31. It has been detected that internal staff were making corrections to the unapplied balances. This has been stopped and only specific staff will be doing this.</p> <p>As of April 23: An additional temp staff started 04/21 to work on CCS Cash application. Current temp still working on 2014 cash, most of what can be done is done. There is still some non-applied nursing home. This can't be applied until a</p>

			<p>problem in the system is fixed. Netsmart indicates they continue to work on this.</p> <p>As of May 18: Temp staff is hired to work on CCS payments. There is still a significant amount of non-applied cash. This continues to be worked on.</p>
<p>As of February 2015, there are 37 billing support cases open with Netsmart that need to be corrected to be able to continue with multiple billing functions.</p>	<p>Are working on an agreement with Netsmart to complete these open cases. In addition, the agreement should include that any other items that occur related to resolving the open cases also need immediate attention and correction. An additional agreement will be put in place for future support cases. The timing of closing the cases will be part of the agreement and will be closely monitored.</p>	<p>March 31, 2015</p>	<p>On March 19 status call, the number of open cases will be updated.</p> <p>As of April 23: Still approx. 25 open issues with Netsmart. Continue to work with vendor.</p> <p>As of May 18: There 20 open cases. Net Smart has been contacted again for status report, still waiting for the response.</p>
<p>Comprehensive Community Services have not been billed since July, 2014, due to the system not working to enable billing of these services.</p>	<p>Continue testing the file and working with the vendor to correct. Sample bills are submitted to Forward Health for payment to see if the system is working. Once the test bills work through the entire system, billing will be sent every week until all billing is current.</p>	<p>March 31, 2015</p>	<p>As of March 19: A \$400,000 EOB has come in. They check should be here by Monday, March 23. All of September, October, November and December billing has been sent. July and August billing are being done manually and will be completed by March 31.</p> <p>As of April 23: Billing is current. Approx. \$1,000,000 of payments have been received. Working to apply payments to accounts.</p>

<p>The client detail aging that is in the Tier system is very long (approx. 8,000 pages) so is not a usable aging. It also does not group the outstanding balances by client in a user friendly format. (The summary aging by payer is being used to analyze the aging)</p>	<p>Work with internal staff (data analyst) to develop aging reports by provider that will accurately reflect the open balances.</p>	<p>March 31,2015</p>	<p>As of March 19: A report has been developed, using Langlade County charges. It is being tested.</p> <p>As of April 23: Have reviewed another program (Aquatic) to try and set up internal reports to be able to work from while vendor works on the system aging.</p> <p>As of May 18: There are still struggles with the vendor that are continued to be worked on.</p>
<p>Potential errors on the aging have been discovered. It appears that nursing home clients who have a MA liability payment do not drop off the aging once the payment is made. This results in balances being left on the aging after being paid.</p>	<p>Review the aging on individual clients to be sure the balances have been paid, and to understand the trail of how the process is flowing. This will then provide information on how to resolve the problem. Review additional self pay plans to see if this situation is occurring in other areas. A support case has been filed with the vendor to also review.</p>	<p>March 31,2015</p>	<p>During the March 12 status call, Net Smart indicated this was corrected and the report should be run again. When the report was run, the errors still appeared, so this will be discussed again on the March 19 call.</p> <p>As of April 23: Continue to work with NetSmart.</p> <p>As of May 18: Continue to work with NetSmart.</p>

<p>Review all plans with balances over 150 days. Review why they are not paid and take action to bill.</p>	<p>Develop internal reports by plan by client to review which clients have balances. Submit billings on these clients and plan.</p>	<p>May 31, 2015</p>	
<p>Review all aging by client by plan for accuracy.</p>	<p>Once support cases are cleaned up, and all billing is out, review the balances at that point by client t review for accuracy. This is another check to be sure the aging information has been corrected.</p>	<p>June 30, 2015</p>	<p>As of March 19: The aging for Langlade County services is being reviewed.</p> <p>As of April 23: The aging for Aquatic has been reviewed.</p>
<p>Continue to monitor the days in A/R every month. Each month the days in A/R should decrease. The target is for days in A/R to reach target levels.</p>	<p>Review and report days in A/R each month.</p>	<p>Monthly.</p> <p>Days in A/R to be between 55 and 60 by year 4th quarter, 2015.</p>	<p>The days in A/R as of the end of February decreased by 1 day.</p> <p>The days in A/R as of the end of March have decreased by another 4 days.</p> <p>Are adding a staff to do Medicaid billing.</p> <p>The days in A/R as of the end of April decreased another 3 days.</p>

<p>Review of processes in place to monitor efficiency and outcomes of processes.</p>	<p>Monitor processes to be sure they are meeting outcomes of billing and collections on a timely basis, and that days in A/R are maintained at targeted levels.</p>	<p>4th Quarter, 2015 Ongoing</p>	<p>As of April 23: The goal is to work with several programs (O/P, Birth to Three, Psych, and Day Treat) to move to billing every two weeks. Working with programs on timeliness of documentation so this can occur.</p>
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**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET ASSETS
APRIL 2015**

	<u>51.42/.437</u> <u>PROGRAM</u>	NURSING <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>30-Apr-14</u>
CURRENT ASSETS:				
CASH AND EQUIVALENTS	7,589,995	(38,539)	7,551,456	7,244,054
SHORT-TERM INVESTMENTS	7,092,791		7,092,791	6,617,097
CASH FOR APPROVED CAPITAL PURCHASES	1,772,729	434,481	2,207,210	1,682,903
DONATED FUNDS	202,862		202,862	127,476
ACCOUNTS RECEIVABLE:				
PATIENT (NET)	3,835,459	3,855,138	7,690,598	5,471,629
STATE GRANTS	1,137,872		1,137,872	1,081,930
OTHER	203,780		203,780	368,375
APPROPRIATIONS RECEIVABLE	56,039		56,039	733,473
AMOUNTS RECEIVABLE FROM				
THIRD-PARTY REIMBURSEMENT PROGRAMS	400,333	143,014	543,347	679,547
INVENTORY	16,920	256,902	273,822	331,005
OTHER	<u>399,331</u>	<u>64,904</u>	<u>464,235</u>	<u>613,358</u>
TOTAL CURRENT ASSETS	<u>22,708,110</u>	<u>4,715,900</u>	<u>27,424,010</u>	<u>24,950,847</u>
CAPITAL ASSETS				
CAPITAL ASSETS	29,984,270	14,655,077	44,639,347	42,716,138
ACCUMULATED DEPRECIATION	<u>(22,223,498)</u>	<u>(10,703,824)</u>	<u>(32,927,322)</u>	<u>(31,338,627)</u>
CAPITAL ASSETS - NET	<u>7,760,772</u>	<u>3,951,254</u>	<u>11,712,025</u>	<u>11,377,511</u>
OTHER ASSETS - DEFERRED CHARGES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
RESTRICTED ASSETS - PATIENT TRUST FUNDS	<u>17,516</u>	<u>39,335</u>	<u>56,851</u>	<u>277,506</u>
TOTAL ASSETS	<u>30,486,397</u>	<u>8,706,489</u>	<u>39,192,885</u>	<u>36,605,863</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET ASSETS
APRIL 2015**

	<u>51.42/.437</u> <u>PROGRAM</u>	<u>NURSING</u> <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>30-Apr-14</u>
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	3,117,229	0	3,117,229	3,407,793
THIRD PARTY PAYABLE	335,000	0	335,000	516,000
APPROPRIATIONS ADVANCES	1,383,445	0	1,383,445	45,704
ACCRUED LIABILITIES:				
SALARIES & RETIREMENT	1,807,740	0	1,807,740	1,910,181
PAYROLL TAXES AND WITHHOLDING	186,947	0	186,947	200,323
COMPENSATED ABSENCES	1,625,115	0	1,625,115	1,625,326
OTHER PAYABLES	72,806	0	72,806	74,611
DEFERRED REVENUE - STATE GRANTS	<u>188,489</u>		<u>188,489</u>	<u>188,214</u>
TOTAL CURRENT LIABILITIES	<u>8,716,771</u>		<u>8,716,771</u>	<u>7,968,152</u>
PATIENT TRUST FUNDS	<u>17,250</u>	<u>39,254</u>	<u>56,503</u>	<u>277,286</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS	7,760,772	3,951,254	11,712,025	11,377,511
UNRESTRICTED	13,326,618	4,643,623	17,970,241	17,109,408
OPERATING INCOME(LOSS)	<u>664,987</u>	<u>72,358</u>	<u>737,345</u>	<u>(126,496)</u>
TOTAL NET ASSETS	<u>21,752,376</u>	<u>8,667,235</u>	<u>30,419,612</u>	<u>28,360,424</u>
TOTAL LIABILITIES AND NET ASSETS	<u>30,486,397</u>	<u>8,706,489</u>	<u>39,192,885</u>	<u>36,605,863</u>

North Central Health Care Budget Revenue/Expense Report

Month Ending April 30, 2015

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<u>REVENUE:</u>					
TOTAL NET REVENUE	4,812,979	4,867,830	18,979,379	19,408,429	(429,050)
<u>EXPENSES:</u>					
Salaries and Wages	2,223,200	2,385,378	8,999,632	9,449,510	(449,878)
Fringe Benefits	989,412	971,018	3,481,623	3,846,655	(365,032)
Departments Supplies	450,686	431,133	1,850,616	1,724,533	126,083
Purchased Services	348,989	273,725	1,210,546	1,135,900	74,647
Utilitites/Maintenance Agreements	278,002	307,644	1,192,577	1,266,577	(74,000)
Personal Development/Travel	32,883	40,350	112,719	161,400	(48,681)
Other Operating Expenses	98,421	172,988	422,509	691,953	(269,444)
Insurance	41,598	48,258	167,323	193,033	(25,711)
Depreciation & Amortization	140,598	137,250	579,084	549,012	30,072
Client Purchased Services	<u>110,007</u>	<u>50,000</u>	<u>264,050</u>	<u>200,000</u>	<u>64,050</u>
TOTAL EXPENSES	4,713,797	4,817,745	18,280,679	19,218,574	(937,894)
EXCESS REVENUE (EXPENSE)	99,181	50,082	698,699	189,855	508,843

NCHC-DONATED FUNDS
Balance Sheet
As of April 30, 2015

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	78,125.35
Community Services - M/H	1,510.12
CSP	-492.15
Fishing Without Boundries	1,510.00
General Donated Funds	71,300.37
Housing - DD Services	1,370.47
Langlade HCC	3,034.78
Legacies by the Lake	
Music in Memory	3,702.65
Legacies by the Lake - Other	4,297.35
Total Legacies by the Lake	<u>8,000.00</u>

Lincoln County CSP	-175.00
Marathon Cty Suicide Prev Task	5,798.02
National Suicide Lifeline Stipe	1,926.37
Northern Valley West	1,816.00
Northwoods Alliance	8,752.92
Nursing Home - General Fund	3,330.07
Outpatient Services - Marathon	101.08
Pool	7,287.02
Prevent Suicide Langlade Co.	1,543.55
Suicide Prevention Walk	750.00
United Way	274.60

Total CHECKING ACCOUNT 202,862.05

Total Checking/Savings 202,862.05

Accounts Receivable

Accounts Receivable	<u>16.00</u>
Total Accounts Receivable	<u>16.00</u>

Total Current Assets 202,878.05

TOTAL ASSETS 202,878.05

LIABILITIES & EQUITY

Equity

Opening Bal Equity	123,523.75
Retained Earnings	59,745.02
Net Income	19,609.28
Total Equity	<u>202,878.05</u>

TOTAL LIABILITIES & EQUITY 202,878.05

**NORTH CENTRAL HEALTH CARE
REPORT ON AVAILABILITY OF FUNDS
April 30, 2015**

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT
Abby Bank	365 Days	05/03/2015	0.55%	\$500,000
CoVantage Credit Union	365 Days	05/28/2015	0.55%	\$500,000
Abby Bank	365 Days	05/30/2015	0.55%	\$500,000
BMO Harris	395 Days	07/26/2015	0.30%	\$500,000
Abby Bank	365 Days	07/05/2015	0.55%	\$500,000
Abby Bank	365 Days	07/19/2015	0.55%	\$500,000
People's State Bank	365 Days	08/21/2015	0.45%	\$500,000
Abby Bank	365 Days	08/29/2015	0.45%	\$500,000
CoVantage Credit Union	456 Days	10/01/2015	0.65%	\$500,000
People's State Bank	365 Days	10/30/2015	0.50%	\$500,000
Abby Bank	365 Days	10/29/2015	0.55%	\$500,000
River Valley Bank	365 Days	12/27/2014	0.50%	\$500,000
CoVantage Credit Union	365 Days	12/28/2015	0.599%	\$300,000
Abby Bank	365 Days	12/30/2015	0.55%	\$500,000
Abby Bank	730 Days	02/25/2017	0.80%	\$500,000
People's State Bank	365 Days	02/28/2016	0.45%	\$250,000
Abby Bank	365 Days	03/15/2016	0.65%	\$400,000
BMO Harris	395 Days	05/28/2016	0.30%	\$500,000
People's State Bank	365 Days	04/29/2016	0.50%	\$350,000
People's State Bank	365 Days	04/30/2016	0.50%	\$500,000
TOTAL FUNDS AVAILABLE				\$9,300,000
WEIGHTED AVERAGE	392.74 Days		0.524% INTEREST	

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING APRIL 30, 2015**

	CURRENT MONTH <u>ACTUAL</u>	CURRENT MONTH <u>BUDGET</u>	CURRENT MONTH <u>VARIANCE</u>	YTD <u>ACTUAL</u>	YTD <u>BUDGET</u>	YTD <u>VARIANCE</u>
51.42/.437 PROGRAMS						
REVENUE						
Net Patient Service Revenue	<u>\$1,364,062</u>	<u>\$1,450,128</u>	<u>(\$86,066)</u>	<u>\$5,424,513</u>	<u>\$5,737,621</u>	<u>(\$313,108)</u>
OTHER REVENUE						
State Match / Addendum	325,060	325,120	(59)	1,300,241	1,300,479	(238)
Grant Revenue	193,840	183,990	9,851	722,592	735,958	(13,366)
County Appropriations - Net	594,566	588,525	6,041	2,378,265	2,354,102	24,163
Departmental and Other Revenue						
Departmental and Other Revenue	<u>149,469</u>	<u>145,825</u>	<u>3,644</u>	<u>533,986</u>	<u>583,300</u>	<u>(49,315)</u>
Total Other Revenue	<u>1,262,936</u>	<u>1,243,460</u>	<u>19,476</u>	<u>4,935,083</u>	<u>4,973,839</u>	<u>(38,755)</u>
TOTAL REVENUE	2,626,998	2,693,588	(66,590)	10,359,596	10,711,460	(351,863)
EXPENSES						
Direct Expenses	1,931,308	1,878,133	53,175	7,159,145	7,453,730	(294,585)
Indirect Expenses	<u>586,595</u>	<u>768,263</u>	<u>(181,668)</u>	<u>2,572,794</u>	<u>3,100,103</u>	<u>(527,309)</u>
Total Expenses	<u>2,517,903</u>	<u>2,646,396</u>	<u>(128,493)</u>	<u>9,731,939</u>	<u>10,553,833</u>	<u>(821,893)</u>
Operating Income (Loss)	<u>109,095</u>	<u>47,192</u>	<u>61,903</u>	<u>627,657</u>	<u>157,627</u>	<u>470,030</u>
Nonoperating Gains (Losses):						
Interest Income	5,579	7,500	(1,921)	23,333	30,000	(6,667)
Donations and Gifts	1,924	0	1,924	13,997	0	13,997
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>7,502</u>	<u>7,500</u>	<u>2</u>	<u>37,330</u>	<u>30,000</u>	<u>7,330</u>
Operating Income / (Loss)	<u>\$116,597</u>	<u>\$54,692</u>	<u>\$61,906</u>	<u>\$664,987</u>	<u>\$187,627</u>	<u>\$477,360</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING APRIL 30, 2015**

NURSING HOME	CURRENT MONTH <u>ACTUAL</u>	CURRENT MONTH <u>BUDGET</u>	CURRENT MONTH <u>VARIANCE</u>	YTD <u>ACTUAL</u>	YTD <u>BUDGET</u>	YTD <u>VARIANCE</u>
REVENUE						
Net Patient Service Revenue	<u>\$1,996,213</u>	<u>\$1,997,741</u>	<u>(\$1,528)</u>	<u>\$7,901,612</u>	<u>\$7,990,969</u>	<u>(\$89,358)</u>
OTHER REVENUE						
County Appropriations - Net	141,666	141,667	(1)	566,665	566,667	(2)
Departmental and Other Revenue	<u>48,102</u>	<u>34,833</u>	<u>13,269</u>	<u>151,506</u>	<u>139,333</u>	<u>12,173</u>
Total Other Revenue	<u>189,768</u>	<u>176,500</u>	<u>13,268</u>	<u>718,171</u>	<u>706,000</u>	<u>12,172</u>
TOTAL REVENUE	2,185,980	2,174,241	11,739	8,619,783	8,696,969	(77,186)
EXPENSES						
Direct Expenses	1,580,842	1,545,153	35,688	6,230,939	6,137,898	93,041
Indirect Expenses	<u>615,053</u>	<u>626,199</u>	<u>(11,146)</u>	<u>2,317,801</u>	<u>2,526,843</u>	<u>(209,042)</u>
Total Expenses	<u>2,195,894</u>	<u>2,171,352</u>	<u>24,542</u>	<u>8,548,740</u>	<u>8,664,741</u>	<u>(116,000)</u>
Operating Income (Loss)	<u>(9,915)</u>	<u>2,889</u>	<u>(12,803)</u>	<u>71,042</u>	<u>32,228</u>	<u>38,814</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	516	0	516	1,315	0	1,315
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>516</u>	<u>0</u>	<u>516</u>	<u>1,315</u>	<u>0</u>	<u>1,315</u>
Operating Income / (Loss)	<u>(\$9,398)</u>	<u>\$2,889</u>	<u>(\$12,288)</u>	<u>\$72,358</u>	<u>\$32,228</u>	<u>\$40,129</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING APRIL 30, 2015**

TOTAL	<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>
REVENUE						
Net Patient Service Revenue	<u>\$3,360,275</u>	<u>\$3,447,869</u>	<u>(\$87,594)</u>	<u>\$13,326,124</u>	<u>\$13,728,590</u>	<u>(\$402,466)</u>
OTHER REVENUE						
State Match / Addendum	325,060	325,120	(59)	1,300,241	1,300,479	(238)
Grant Revenue	193,840	183,990	9,851	722,592	735,958	(13,366)
County Appropriations - Net	736,232	730,192	6,040	2,944,930	2,920,768	24,162
Departmental and Other Revenue	<u>197,571</u>	<u>180,658</u>	<u>16,912</u>	<u>685,492</u>	<u>722,633</u>	<u>(37,141)</u>
Total Other Revenue	<u>1,452,704</u>	<u>1,419,960</u>	<u>32,744</u>	<u>5,653,255</u>	<u>5,679,838</u>	<u>(26,584)</u>
TOTAL REVENUE	4,812,979	4,867,830	(54,851)	18,979,379	19,408,429	(429,050)
EXPENSES						
Direct Expenses	3,512,150	3,423,287	88,863	13,390,084	13,591,627	(201,543)
Indirect Expenses	<u>1,201,648</u>	<u>1,394,462</u>	<u>(192,814)</u>	<u>4,890,596</u>	<u>5,626,946</u>	<u>(736,351)</u>
Total Expenses	<u>4,713,797</u>	<u>4,817,748</u>	<u>(103,951)</u>	<u>18,280,680</u>	<u>19,218,574</u>	<u>(937,894)</u>
Operating Income (Loss)	<u>99,181</u>	<u>50,082</u>	<u>49,099</u>	<u>698,699</u>	<u>189,855</u>	<u>508,844</u>
Nonoperating Gains (Losses):						
Interest Income	5,579	7,500	(1,921)	23,333	30,000	(6,667)
Donations and Gifts	2,440	0	2,440	15,313	0	15,313
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>8,019</u>	<u>7,500</u>	<u>519</u>	<u>38,645</u>	<u>30,000</u>	<u>8,645</u>
Operating Income / (Loss)	<u>\$107,200</u>	<u>\$57,582</u>	<u>\$49,618</u>	<u>\$737,344</u>	<u>\$219,855</u>	<u>\$517,489</u>

**North Central Health Care
Finance Committee-Analysis
Calendar Year: 2015**

	Target	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Days Cash On Hand:														
Invested	70	61	62	62	60									61
Operating		48	36	33	47									50
Total		109	98	95	107									111
Average Daily Census:														
Nursing Home	213	210	215	213	205									211
Hospital	13	13	16	14	13									14
Days in Accounts Receivable:**	55-60 days	80	79	75	72									72
Direct Expense/Gross Patient Revenue**	55%-59%	61%	51%	59%	62%									58%
Write Offs**	.5%-.6%	0.18%	0.27%	0.32%	0.16%									0.24%
Excess Revenue (Expense):														
Actual		\$10,895	\$590,280	\$28,969	\$107,200									\$737,344
Budget		\$56,970	\$117,322	(\$12,015)	\$57,582									\$219,855
Prior Year-Actual		\$124,183	\$12,296	\$31,615	(\$294,589)									(\$126,495)

**Dash Board Outcomes

**North Central Health Care
2015 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
January	Nursing Home	6,603	6,500	(103)	88.75%	87.37%
	Hospital	403	403	0	81.25%	81.25%
February	Nursing Home	5,964	6,007	43	88.75%	89.39%
	Hospital	364	446	82	81.25%	99.55%
March	Nursing Home	6,603	6,607	4	88.75%	88.80%
	Hospital	403	439	36	81.25%	88.51%
April	Nursing Home	6,390	6,162	(228)	88.75%	85.58%
	Hospital	390	403	13	81.25%	83.96%
May	Nursing Home Hospital					
June	Nursing Home Hospital					
July	Nursing Home Hospital					
August	Nursing Home Hospital					
September	Nursing Home Hospital					
October	Nursing Home Hospital					
November	Nursing Home Hospital					
December	Nursing Home Hospital					

**North Central Health Care
Write-Off Summary
April 2015**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<i>Inpatient:</i>			
Administrative Write-Off	\$4,514	\$10,839	\$2,900
Bad Debt	\$0	\$442	\$2,983
<i>Outpatient:</i>			
Administrative Write-Off	\$4,156	\$31,884	\$5,815
Bad Debt	\$0	\$901	\$19,450
<i>Nursing Home:</i>			
Daily Services:			
Administrative Write-Off	\$0	\$0	\$6,860
Bad Debt	\$0	\$5,495	\$1,662
Ancillary Services:			
Administrative Write-Off	\$0	\$527	\$3,320
Bad Debt	\$0	\$0	\$676
Pharmacy:			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
Total - Administrative Write-Off	\$8,669.20	\$43,250.01	\$18,895.00
Total - Bad Debt	\$0.00	\$6,837.55	\$24,771.00



2016 Marathon County CIP Requests

<u>Project Title</u>	<u>Description</u>	<u>Amount</u>
Crack Seal Parking Lots	crack seal all lots on the NCHC campus	\$35,000
Lakeview Center Window Replacement	replaced sloped glazing window system	\$175,000
Main Road Replacement (NCHC Campus)	remove old blacktop and pave new road	\$85,000
MVCC Window Replacement	window replacement in MVCC building	\$425,000
Nurse Call System (Legacies Program)	replace current system-unable to get replacement parts	\$152,000
Behavioral Health Services Remodel	remodel behavioral health hospital to meet needs	\$225,000
Mini Van -7 Passenger (3 vans)	replacement of vans	\$79,500
Mini Bus	replacement	\$78,000
Cargo Van	replacement	\$28,000
Bus	additional bus for Demand Transportation Program	\$55,480
Primary Care Renovation	renovation of space for collaboration with Bridge Clinic to provide primary care services	\$576,400
	Total	\$1,914,380



North Central Health Care

Person centered. Outcome focused.

MEMO

DATE: May 22, 2015
TO: Finance Committee
FROM: Michael Loy, Senior Executive Human Resources
RE: Certified Nursing Assistant Recruitment/Retention Compensation Strategy

Purpose

To obtain approval to implement an accelerated compensation strategy for Certified Nursing Assistant (CNA) staff in the Nursing Home.

Background

In 2014, the Nursing Home experienced a 41.5% turnover rate. While still undesirable, the turnover rate experience is relatively better than the industry. More threatening is the additional impact of recent reductions in applicant flow and available labor. In 2014, new hire CNA's outpaced terminations by only nine employees. This outcome was a result of concerted effort in new sourcing opportunities. However, overall we were not able to make ground on increasing full-time equivalent totals as a number of staff that chose to remain with NCHC dropped FTE status. Without adequate supply NCHC is being placed in a position to have less choice in hiring which is detrimental to quality and our culture.

Regionally, the quality and size of the available labor pool for CNA staff in Central Wisconsin is in the beginning stages of a contraction cycle. The labor pool is expected to face escalating staffing shortage pressures as both the working age demographic decreases and real wages increase in other industries and employers. A congruent pressure to the supply/demand threat is the growing political advocacy and response for minimum wage adjustments. Major employers are increasing hourly wages considerably in fields that are not as demanding as direct care settings. These pressures taken together dictate a responsive leading strategy in the total compensation value proposition of being a CNA to ensure staffing supply.

A market analysis was conducted for all classifications in 2014. The market rate for CNA positions was determined to be \$13.34. Over 71% (141/195) of current CNA staff were below the market rate after the analysis of the comparative ratio of current wages to the market rate was completed. Therefore, given the current comparative ratio results, workforce demands, both present and projected, in addition to local competitive pressures for entry level workers, it would seem timely to more competitively position ourselves in the labor market for CNA staff.

Recommendation

Staff recommends a multi-year phased approach to increasing CNA compensation and markedly improving our CNA hiring rates. The two overarching outcomes would be to increase current staff up to the projected market rate in 2018 of \$14.00 with hiring rates targeted at \$13.50 (currently \$11.25). The adjustment cycles to achieve these outcomes would occur every six months in increments of \$0.25 per hour for employees under the market rate and new hires. The only exception would be the first increase of \$0.50 per hour in July, 2015. The plan also assumes merit based increases for eligible employees based on past merit budgets. The Nursing Home Operations Committee has recommended this strategy to the Finance Committee for consideration after a review of the issues and strategy related to staffing.

Financial Analysis

The impact to the 2015 budget is projected to be \$67,000. Future budgetary impacts will be included as part of projected personnel budget proposals to the NCHC board. Based on current staff, the projected financial impacts to future budget years are estimated to be \$58,000 in 2016, \$43,400 in 2017 and \$25,800 in 2018. Total of this proposal if implemented is expected to cost approximately \$200,000 in base wage increase costs plus additional payroll taxes and expenses over four budget cycles.

These projections do not include anticipated offsetting reductions in other personnel costs, such as contract staff and overtime, which are highly probable results of decreased vacancy rates and higher staff stability. Further, a strong CNA staff foundation has the potential to increase quality, employee partnership, nursing staff satisfaction and patient satisfaction in the Nursing Home. These outcomes would be aligned with NCHC's Strategic objectives.

JOINT COUNTY ~~CONTRACT~~ AGREEMENT

Among

Lanlade, Lincoln & Marathon Counties

*"Agreement For The Joint Sponsorship Of A
Community Program For Services ~~To The Mentally
Disabled~~"*

Developed

By

~~The Three County Governance Committee~~ Executive Committee of the
North Central Community Services Program Board

~~January 2008~~ September 27, 2012 2015

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JOINT COUNTY ~~CONTRACT~~ AGREEMENT

Langlade, Lincoln and Marathon Counties agree to continue sponsorship of the multicounty department of community programs known as North Central Community Services Program, which the Counties established to administer a community mental health, ~~developmental disabilities~~, alcoholism and drug abuse program and Protective Services and Protective Placement pursuant to the terms of Section 51.42 of the Wisconsin Statutes (hereinafter referred to as the “North Central Community Services Program” or “NCCSP”), on the following terms:

I. PARTIES

A. Counties. Langlade, Lincoln and Marathon Counties are political subdivisions of the State of Wisconsin, established pursuant to §§2.01(34), 2.01(35), and 2.01(37), Wis. Stats., respectively, and doing business as quasi-municipal corporations, pursuant to §59.01, Wis. Stats.

B. North Central Community Services Program (“NCCSP”). is a multicounty community services program established pursuant to §51.42, Wis. Stats., and is also designated to provide Protective Services and Protective Placement to residents of Lincoln, Langlade and Marathon Counties, pursuant to §55.02, Wis. Stats. It is intent of the member counties that the multicounty community services program established herein be construed to be a political corporation or governmental subdivision or agency thereof pursuant to Wis. Stat. Chapters 893 and 895, and related statutes.

II. INTRODUCTION PURPOSE

This ~~contract~~ Agreement of the Counties is based on the following policies and mandates of the State of Wisconsin as found in the Wisconsin Statutes:

A. Legislative Policy. The Wisconsin Legislature has stated in Wisconsin Statutes that it is the policy of the State to assure the provision of a full range of treatment and rehabilitation services in the state for all mental disorders ~~and developmental disabilities~~ ~~and including~~ for mental illness, alcoholism and other drug abuse.

B. Legislative Purpose. To carry out the policy of the State of Wisconsin the Legislature enacted Section 51.42 of the Wisconsin Statutes stating its purpose as follows:

The purpose and intent of this section is to enable and to encourage counties to develop a comprehensive range of services offering continuity of care; to utilize and expand existing governmental, voluntary and private community resources for provision of services to prevent or ameliorate mental disabilities, including but not limited to mental illness, mental retardation,

Comment [SC1]: This is my attempt to define the nature of each of the parties to this agreement in a form that can be used in the other agreements as well.

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Comment [SC2]: I am unsure whether the this sentence actually lends anything to the Agreement

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alcoholism and drug abuse; to provide for the integration of administration of those services and facilities organized under this section through the establishment of a unified governing and policy-making board of directors; and to authorize state consultative services, reviews and establishment of standards and grants-in-aid for such programs of services and facilities.

C. **County Responsibility.** The Legislature has decreed that the county boards of supervisors have the primary responsibility for the well-being, treatment and care of the mentally ill, ~~developmentally disabled,~~ alcoholic and other drug dependent citizens and for providing Protective Services and Protective Placement to persons residing within their respective counties and ~~the families of the developmentally disabled, insofar as the usual resultant family stresses bear on the well-being of the developmentally disabled, and~~ ensuring that those individuals in need of such emergency services found within their respective counties receive immediate emergency services.

D. **Required County Program -Mental Health.** In § 51.42 of the Statutes the Legislature has required that the county board of supervisors of every county, or the county boards of supervisors of two or more contiguous counties, shall establish a county department of community programs on a single-county or multicounty basis to administer a community mental health, ~~developmental disabilities,~~ alcoholism and drug abuse program, make appropriations to operate the program and authorize the county department of community programs to apply for grants-in-aid under § 51.423 of the Statutes.

~~E. **Required County Program-Protective Services and Protective Placement.** In §55.02 of the Statutes the Legislature has required that every county board of supervisors shall designate a county department to have the responsibility for planning for the provision of protective services and protective placement and for directly providing protective services and protective placement.~~

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~~E. **Required County Program-Developmentally Disabled.** In § 51.437 of the Statutes the Legislature has required that every county board of supervisors shall establish a county department of developmental disabilities services on a single-county or multicounty basis to furnish services within its county.~~

~~F. **Transfer of Powers.** The Legislature also provided that a county board of supervisors may transfer powers and duties of a county department of developmental disabilities services under § 51.437 to the county department of community programs under § 51.42.~~

~~GFE. **Multicounty Contract Agreement Requirement.** Section 51.42(3)(c) of the Statutes provides that no grant-in-aid may be made to a multicounty department of community programs until a detailed contractual agreement between the counties which established the multicounty department of community programs is entered into and approved by the secretary of the Wisconsin Department of Health and Social Services. It is~~

the intent of Langlade, Lincoln and Marathon Counties that this agreement satisfy the requirements of § 51.42(3)(c) of the Wisconsin Statutes.

~~GF. Prior Joint County Contract Agreements Superseded.~~ The Agreement supersedes all previous agreements between Lincoln, Langlade and Marathon Counties concerning the establishment of the North Central Community Services Program, including the Joint County Human Services Agreement entered in July of 1983, the updated Joint County ~~Contract Agreement~~ entered in 1986, and the updated Joint County Agreement entered in 2008. In 2012, Lincoln and Langlade County passed a Revised Joint County Agreement which Marathon County never ratified. This Agreement supersedes that agreement as well.

III. BACKGROUND

Although a recitation of the history of this Agreement is not required by law in order to constitute an enforceable Agreement, it has been deemed by the authors to contain relevant context for interpretation as well as future drafters of ongoing revisions. The establishment of the North Central Community Services Program (NCCSP) was based on the following State and County enactments:

A. **Wisconsin Law Enactment.** Section 51.42 of the Wisconsin Statutes was enacted by the Wisconsin Legislature in Section 361 of Chapter 125 of the Laws of 1971 creating the liability of the counties to provide programs of treatment and rehabilitative services for mental illness, developmental disabilities, alcoholism and other drug abuse.

B. **County Community Program Establishment.** Langlade, Lincoln and Marathon Counties each passed resolutions to combine with the others to establish the Community Mental Health Program to provide services in mental health, mental retardation, alcoholism and drug abuse pursuant to § 51.42 of the Statutes. The Boards of Supervisors of Langlade and Lincoln Counties passed their resolutions on March 14, 1972 and the Board of Supervisors of Marathon County passed its resolution on March 17, 1972. The resolutions each also provided for the creation of a the Community Mental Health, Mental Retardation, Alcoholism and Drug Abuse Board as the board of directors to be the governing and policy-making board for what was then called the “Community Mental Health Program.” The County resolutions ~~provide~~ provide for the election of 12 directors to the board by Marathon County and one director each to the board by Langlade and Lincoln Counties and for other provisions regarding the election and terms of office of board members. In July of 1972 the Counties enacted resolutions providing that the Marathon County Board of Supervisors would elect 10 members and the Langlade and Lincoln County Boards of Supervisors would elect two members each to the Community Mental Health, Mental Retardation, Alcoholism and Drug Abuse Board of Directors.

C. **Developmental Disabilities Program.** In 1973 the Legislature passed the

Comment [SC3]: I have restored the “BACKGROUND” section to the agreement and tried to amend the language to reflect the history of the different agreements and program coverage. I have removed the confusing nomenclature of the of the board of directors over the years and opted for the term “board of directors” or simply “the Board.” I have also provided a short explanation as to why this remains in the agreement for future readers to consider.

Developmental Disabilities Act which allowed Counties to form separate Developmental Disabilities Services programs or to provide the services through the Community Services Program under § 51.42 of the Statutes. Only Lincoln County chose to form a separate Developmental Disabilities Services Program. ~~Initially, This agreement reflects the fact that~~ Langlade, Lincoln and Marathon Counties ~~have~~ joined together ~~under this agreement~~ to provide services for the mentally ill, alcoholic and drug abusers and only Langlade and Marathon Counties ~~have~~ joined together ~~under this agreement~~ to provide services for the developmentally disabled.

~~In 2008, Marathon County joined with Portage and Wood County to create Community care of Central Wisconsin (CCCW), pursuant to Wis. Stats. Sections, 46.2803 thru 46.2895, in order to provide regional care for Developmentally Disabled persons residing in those counties. In 2011, Langlade, and Lincoln Counties also joined the CCCW~~

D. **Marathon County Nursing Home.** On November 13, 1973 the Marathon County Board of Supervisors passed a resolution providing for the governance of its Nursing Homes by the ~~Community Mental Health, Developmental Disabilities, Alcoholism and Drug Abuse~~ NCCSP Board.

In December, 2006, the NCCSP Board appointed a Nursing Home Operations Committee to ~~assist in the oversight of the operations governance~~ of the Marathon County Nursing Home (Mount View Care Center). ~~The~~ ~~is~~ ~~Nursing Home Operations Committee~~ ~~has been a separate Nursing Home Management Agreement in existence since 1998 shall report to the NCCSP Board, and shall also, as may be requested from time to time, report to the Marathon County Board of Supervisors.~~

E. **Designated Protective Services and Protective Placement Agencies.** The Chairpersons of the County Boards of Supervisors in each of the Counties has designated agencies under § 55.02 of the Statutes to be responsible for the provision of protective services as follows:

1. **Langlade County.** In Langlade County the Chairperson of the County Board of Supervisors has designated the Langlade County Department of Social Services as the Protective Services Agency responsible for those residents of Langlade County suffering from physical disabilities and the infirmities of aging and NCCSP as the Protective Services Agency responsible for those residents of Langlade County experiencing mental illness, alcoholism and other drug abuse and developmental disabilities.

2. **Lincoln County.** In Lincoln County the Chairperson of the County Board of Supervisors has designated the Lincoln County Department of Social Services as the Protective Services Agency responsible for those residents of Lincoln County suffering from physical disabilities and the infirmities of aging, the Lincoln County 51.437 Board as the Protective Services Agency responsible for those adult residents who are developmentally disabled and NCCSP as the Protective Services Agency responsible for

those residents experiencing mental illness and alcoholism and other drug abuse.

3. Marathon County. In Marathon County the Chairperson of the County Board of Supervisors ~~originally has~~ designated the Marathon County Department of Social Services as the Protective Services Agency responsible for those residents of Marathon County suffering from physical disabilities and the infirmities of aging who ~~do not become~~ incompetent while residing ~~outside of in~~ a nursing home facility operated by NCCSP, ~~and~~ NCCSP ~~was~~ designated the Protective Services Agency responsible for those residents of Marathon County experiencing mental illness, alcoholism and other drug abuse, and developmental disabilities and for those residents suffering from the infirmities of aging if the person ~~becomes~~ incapacitated due to infirmities of aging while residing in a nursing home facility operated by NCCSP. In 2008, all adult protective services and protective placements Marathon County were unified under NCCSP.

EF. Initial Joint County Contract. In July of 1983 the three Counties entered into a “Joint County Human Services Agreement” for the continued sponsorship of what is now known as the Community Services Program under a more detailed contract than the provisions of the earlier County Board resolutions. In 1986, 1995 and 2008 the Counties entered into ~~an updated Joint County c~~Contracts ~~which this Contract supersedes~~. ~~In 1995 the Counties entered into an updated Joint County Contract which this Contract supersedes.~~ In 2012, Lincoln and Langlade County passed a revised contract which Marathon County never ratified. As indicated above, this Agreement supersedes all previous Joint County Contracts/Agreements.

IV. NCCSP PROGRAM DUTIES

The ~~NCCSP North Central Community Services Program~~ shall perform the duties listed below as well as all other duties provided by Wisconsin Statutes.

A. Contract Agreements For Services. NCCSP shall enter into ~~contract Agreements~~ to render services to or secure services from other agencies or resources, including out of state agencies or resources.

B. Contract Agreements For Facilities. NCCSP shall enter into ~~contract Agreements~~ for the use of any facility as an approved public treatment facility for the treatment of alcoholics if NCCSP deems it to be an effective and economical course to follow.

C. Contract For Legal Services. NCCSP shall contract for legal services from private legal counsel. The interest of each of the Counties shall be represented by its Corporation Counsel and the interests of NCCSP shall be represented by its contracted private counsel to avoid conflicts of interest which would otherwise occur.

~~D. Developmental Disabilities Program. NCCSP shall plan for and establish a~~

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~~community developmental disabilities program to deliver services under § 51.437 for Langlade and Marathon counties.~~

Comment [SC4]: I believe this paragraph may need to be re-worded.

DE. Provision of Services. NCCSP shall, within the limits of available State and federal funds and of County funds appropriated to match and overmatch State funds, offer the following services and facilities to provide for the program needs of persons suffering from mental disabilities:

1. Collaborative and cooperative services with public health and other groups for programs of prevention.
2. Comprehensive diagnostic and evaluation services.
3. Inpatient and outpatient care and treatment, residential facilities, partial hospitalization, emergency care and supportive transitional services.
4. Related research and staff in-service training, except that NCCSP shall consult the county department of developmental disabilities services under § 51.437 in Lincoln County in developing in-service training on emergency detention and emergency protective placement procedures before providing these services to Lincoln County.
5. Continuous planning, development and evaluation of programs and services for all population groups.
6. Ensure that pregnant women are given first priority for services for alcohol and drug abuse if funding is insufficient to meet the needs of all eligible individuals.

EF. Prepare Local Plan. NCCSP shall prepare a plan and budget as required by the Department of Health ~~and Family Services~~ (DHS).

EG. Program Implementation. Under the supervision of its ~~Program Director~~ Chief Executive Officer (as defined pursuant to Article ~~??VI~~ of this Agreement), using qualified personnel with training or experience, or both, in mental health; ~~developmental disabilities~~; or in alcoholism or drug abuse, NCCSP shall be responsible for the planning and implementation of programs relating to mental health, ~~developmental disabilities~~, alcoholism and drug abuse.

GH. Budget. NCCSP shall submit a proposed budget covering services based on the Local Plan for the succeeding calendar year to the county boards of supervisors of Langlade, Lincoln and Marathon Counties no later than September 30 for approval by the County boards of supervisors and inclusion as part of the proposed County budgets. NCCSP shall submit a final budget to DHS).

HI. Costs of Services. NCCSP shall determine the cost of all services it purchases

based on standards and requirements prescribed by law.

~~Ij.~~ **Reports and Surveys.** NCCSP shall conduct all surveys and prepare and submit all reports required by law or administrative regulations.

~~Ik.~~ **Authorize Care.** NCCSP shall authorize all care of any patient in a state, local or private facility for which it is responsible.

~~**IVIII. PROGRAM POWERS**~~

REMOVED TO ARTICLE VI

V. NORTH CENTRAL COMMUNITY SERVICES PROGRAMS BOARD

A. Appointment of North Central Community Services Programs Board.

The County Boards of Supervisors of Langlade, Lincoln and Marathon Counties or other appointing authorities authorized by law have appointed and shall continue to appoint a governing and policy-making board to be known as the North Central Community Services Program Board ([NCCSP Board](#)).

B. Board Composition. The North Central Community Services Program

Board shall be composed of fourteen (14) member directors appointed as follows: **Ten (10) directors shall be residents of Marathon County and be confirmed appointed by the Marathon County Board of Supervisors;** two (2) directors shall be residents of Langlade County and be appointed by the Langlade County Board of Supervisors; and two (2) directors shall be residents of Lincoln County and be appointed by the Lincoln County Board of Supervisors.

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C. Board Representation. All persons appointed to the NCCSP Board shall

represent the interests of all constituencies in participating in the governance of the NCCSP but the County Boards of Supervisors shall in making appointments to the NCCSP Board seek representation from the following interest groups: mentally ill; developmentally disabled; alcoholic and drug dependent. At least one (1) director shall be an individual who receives or has received mental disabilities services or a family member of such individual. To assure this representation the Chairs of the County Board of Supervisors of the respective Counties shall confer with the ~~Program Director~~[Chief Executive Officer](#) of NCCSP to ascertain the representation needs of the Board before selecting nominees and shall submit names and background information of nominees to the ~~Program Director~~[Chief Executive Officer](#) for review prior to submitting nominees to the County Board of Supervisors.

D. Appointment of County Supervisors. No more than seven (7) members of

the NCCSP Board may be County Supervisors. **At least one (1) but not more than three (3) from any one County of the appointees from each of the three Counties shall be a member**

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of the respective County's Board of Supervisors and shall be designated as the appointing County's Board of Supervisors member. At any time that a County's Board of Supervisors designated member or members of the NCCSP Board are no longer County Board Supervisors, the appointing County Board of Supervisors shall immediately appoint a successor Supervisor or Supervisors to be a member or members of the NCCSP Board. Any removed director shall receive due notice in writing of removal from the NCCSP Board.

E. **Term of Office.** Each NCCSP director shall hold office for a term of three (3) years. Directors shall serve staggered terms with one-third (1/3) of the members appointed each year.

F. **Removal for Cause.** Any NCCSP director may be removed from office for cause on recommendation of the NCCSP Board to the appointing County's Board of Supervisors and a two-thirds (2/3) vote of the appointing County's Board of Supervisors. The director must receive due notice in writing and a hearing on the charges against the director. Four (4) or more absences during a twelve (12) month period from regularly scheduled Board meetings shall be considered cause for recommendation of removal.

Comment [SC5]: Sec. 17.10(2), Wis. Stats. Requires a 2/3 majority vote in order to remove an appointive officer for cause who was appointed by the County Board.-SMC

G. **Removal of County Supervisor Directors.** ~~In the event that a~~Any NCCSP director who was a member of a county board of supervisors at the time of appointment ~~and who~~ is not reelected to that office, ~~he or she may be removed as a director of NCCSP by his or her respective county board upon due notice in writing to such director. In event said director is the only representative of the member county who is a county board supervisor, that director shall be removed upon due notice in writing.~~

Comment [SC6]: This language reflects that if the director involved is the only county board supervisor appointed by a given county, and that supervisor is not reelected.

GH. **Vacancies.** Any vacancy on the NCCSP Board shall be filled for the remainder of the term in the manner that the original appointment was made.

HJ. **Other Appointing Authority.** In any instance in this section where appointment or removal is indicated to be made by the Chair of the County Board of Supervisors or by the County Board of Supervisors it is intended that appointment may be made by other appointing or removing authorities as authorized by law.

VI. POWERS OF THE NCCSP BOARD

A. **General Powers.** The NCCSP Board shall assume all of the powers and duties of North Central Community Services Program, subject to rules promulgated under Wisconsin Administrative Code and Wisconsin Statute 51.42-

B. **Provision of Care.** Within the limits of available State and County appropriations and maximum available funding from other sources, NCCSP may offer the following services and facilities to provide for the program needs of persons experiencing mental disabilities:

1. Precare, aftercare and rehabilitation and habilitation services.
2. Professional consultation.
3. Public informational and educational services.
4. Provide treatment and services specified in a conditional release plan approved by a court to a county resident conditionally released under § 971.17 of the statutes and subject to the State's obligation to reimburse NCCSP for the treatment and services provided.

C. **Service Allocation.** NCCSP may allocate services among recipients based on the availability of its limited resources.

D. **Real Property.** NCCSP may own, lease or manage real property for the purposes of operating a treatment facility.

E. **Other County Health Care.** NCCSP may administer other County health care programs or institutions that any of the three County boards of supervisors may designate, but the budget for such designated program or institution shall be separated from the general budget of NCCSP and the designating county shall fund such program or institution operations by separate appropriation.

F. **Conflicts of Interests.** NCCSP shall adopt and enforce a policy to avoid conflicts of interest.

G. **Bylaws.** NCCSP shall adopt Bylaws and Board Policies to govern its operation and shall file Bylaws and any amendments with the County Clerk of each of the three Counties within thirty (30) days of adoption.

H. **Legal Services.** NCCSP shall contract for private professional legal services to represent its interests and to provide for its legal services needs. This provision shall satisfy the requirement of the Statutes at § 51.42(3)(ar)1. that the Corporation Counsel of each of the Counties notify NCCSP that he or she is unable to provide in a timely manner the professional legal services needed by NCCSP to carry out its duties. More importantly this provision will avoid potential conflicts by acknowledging that legal counsel contracted by NCCSP shall represent the interests of NCCSP as they relate to all three Counties and shall not represent the interests of any of the three Counties separately. The interests of the individual Counties shall be represented by each County's Corporation Counsel.

Comment [SC7]: Check of legal authority: "A county department of community programs may own, lease and manage real property for the purposes of operating a treatment facility." See §51.42(3)(aw)3, Wis. Stats.--SMC

I. Additional Powers and Duties. The NCCSP Board shall do all of the following:

1. Establish long-range goals and intermediate-range plans, detail priorities and estimate costs.

2. Develop coordination of local services and continuity of care where indicated.

3. Utilize available resources and develop new resources to carry out the legislative mandate ~~of providing services for persons experiencing mental disabilities and the mission of the organization.~~

4. Appoint a ~~Program Director~~Chief Executive Officer, on the basis of recognized and demonstrated interest in and knowledge of the problems of mental health, developmental disabilities, alcoholism and drug addiction, human services and/or health care management with due regard to training, experience, executive and administrative ability, and general qualification and fitness for the performance of the duties of the ~~Program Director~~Chief Executive Officer and subject to confirmation by the County Boards of Supervisors of Langlade, Lincoln and Marathon Counties.

5. ~~Fix the salaries of~~EstablishSet personnel policies related to salaries of employees of NCCSP.

6. Prepare a proposed budget described in paragraph ??, ??, above and a final budget for submission to DHFS.

~~7. Appoint committees consisting of County residents to advise the NCCSP Board as it deems necessary.~~

8. Develop NCCSP Board Bylaws and Board Policies ~~operating procedures, including the formation of appropriate committees and sub-committees, as required to conduct business.~~

9. Comply with State requirements.

10. Assist in arranging cooperative working agreements with service providers.

11. Evaluate ~~service delivery~~ the quality of service delivery.

12. Appoint members of the Medical Staff.

13. Determine whether services are to be provided directly by NCCSP or contracted for with other providers and make such contracts for services.

Post meeting agendas, minutes and support materials (packets) in accordance with Wisconsin Open Meetings Law.

14. Develop, in addition to a grievance procedure required by law, a Board policy and procedure for customers and other stakeholders to:

- a. resolve problems,
- b. request new services to be provided by NCCSP,
- c. pursue modification of current services.

15. Establish jointly, with member counties, goals and outcome expectations and means of measurement as well as monitor outcomes in light of said expectations.

16. Provide an Annual Report to each County Board of Supervisors, including but not limited to, historical and current mental health, drug and alcohol services as well as Protective Services and Protective Placement outcome achievement under this agreement and established outcome goals for the next fiscal year.

1744. Any other duties specified in Wisconsin Statute sec. 51.42 statute.

Comment [SC8]: Creating authority to establish bylaws that permit the creation of committees and sub-committees for the purposes of conducting business. Boards may always solicit public input, without the necessity of creating a Technical Advisory Committee.

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Comment [SC9]: This portion reflect the majority of the recommendations of the Task Force. SMC

J. **Additional Discretionary Powers.** In addition to the forgoing, the Board shall have the power to:

1. Enter into Nursing Home Management Agreements with member counties, in the event said counties lawfully authorize NCCSP to provide Nursing Home Care to their residents. Said Nursing Home Management Agreement shall include a requirement that a Nursing Home Operations Committee be appointed.

2. Enter into Facilities Maintenance and Use Agreements with member counties to govern control of facilities owned by the said counties and occupied by NCCSP.

VII. PROGRAM DIRECTOR/CHIEF EXECUTIVE OFFICER

The ~~Program Director~~ Chief Executive Officer of the North Central Community Services Program shall have all of the administrative and executive powers and duties of managing, operating, maintaining and improving the programs of NCCSP, subject to such delegation of authority as is not inconsistent with powers and duties granted to NCCSP or its Board and rules promulgated by DHFS. The Chief Executive Officer shall fill the role of the “county community programs director” under Section 51.42 of the Wisconsin Statutes.

A. **Powers and Duties.** In consultation and agreement with the NCCSP Board, the ~~Program Director~~ Chief Executive Officer shall:

1. Prepare an annual comprehensive plan and budget of all funds necessary for the programs and services of NCCSP. This plan shall establish priorities and objectives for the year as well as any modifications of long range objectives.

2. Prepare intermediate range plans.

3. Prepare an annual report of the operation of the Program and other reports that 1) the secretary of DHFS or 2) the County Boards of Supervisors require.

4. Make recommendations to the NCCSP Board for personnel policies related to and the salaries of employees and changes in program services.

5. Allocate services among recipients to reflect the availability of limited resources.

6. Comply with State requirements.

7. **Employ and manage staff as he or she deems appropriate.**

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Comment [SC10]: Provides clear authority to hire, fire and manage employees.

VIII. GENERAL FINANCIAL PROVISIONS

The following general provisions shall apply to the financial affairs of NCCSP:

- A. **Accounting Period.** NCCSP shall use the calendar year as its accounting period.
- B. **Accounting Practices.** NCCSP shall follow generally accepted accounting principles.
- C. **Annual Audit.** NCCSP through the Finance, Personnel and Property Committee shall retain an independent certified public accounting firm to annually audit the financial records of NCCSP. The audit shall be conducted in accordance with generally accepted auditing standards, government auditing standards and requirements of the American Institute of Certified Public Accountants, including the following supplemental statements: 1) Cash Flow statement for the Mount View Nursing Home, 2) Balance Sheet, and Cash Flow statement for North Central Health Care. On or before April 30 of each year NCCSP shall provide each County with a copy of the annual audit report with a balance sheet which separately reflects each County's equity fund balance. Unless a County raises questions~~NCCSP is notified to the contrary by a County,~~ the Annual Financial Statement shall be deemed accepted by the County ninety (90) days after its receipt by the County.

IX. COUNTY APPROPRIATIONS

County appropriations for operations, reserves and capital purchases shall be determined through a budget development process which follows the procedures detailed in this section.

- A. **Community ~~Human Services~~ Program.** The Community ~~Human Services~~ Program is the program of services for disability groups experiencing mental illness, developmental disabilities, alcoholism and other drug abuse. Operations and capital budgets for the Community Human Services Program shall be prepared and approved by the North Central Community Services Program Board and provided to each of the three Counties as requests for funding approval. A determination of operating reserve needs shall also be made each year by the NCCSP Board, consistent with its Reserve Policy, and communicated to the three Counties.
 1. **Operations Budget.** An operations budget shall be prepared for the multicounty Community Human Services Program which projects all revenues and expenses for the next calendar year. Appropriations required from funding Counties for operations for the Community Human Services Program shall be determined through a process which allocates the revenue and expense items of the budget according to the following provisions and arrives at net appropriations needed from each County for the ensuing calendar year:
 - a) Each County will propose an allocation amount to North Central Health

~~Care~~NCCSP by July 1. If ~~North Central Health Care~~NCCSP requests to exceed this number, a request must be brought to the appropriate County officials by August 15. A final number shall be determined by representatives from each county that are responsible for developing a proposed budget for each county's finance committee.

- b) Each County shall submit a budget that conforms to the final number. A budget shall be submitted by NCCSP for each county, - no later than September 30, that conforms to the final number.
- c) In the event a program adjustment is proposed to respond to the modified County allocation, the advantages and disadvantages of this reduction adjustment must be brought to the affected County.

2. Program Revenue

- a) **Addendums.** Addendums are defined as program funding received from the State of Wisconsin and which are received with designations that the funding will be used for specifically identified groups or individuals. Addendums will be separated between Developmentally Disabled (DD) programs and the other disability service programs based on the designations of the addendums. The DD addendums will be divided between Langlade and Marathon Counties based on the following: addendums related to the Community Integration Programs (CIP) will be allocated based on the number of clients enrolled in CIP in each of the two Counties and other addendums related to DD programs shall be allocated in proportion to the most recent population of the two Counties from the State of Wisconsin Blue Book.
- b) Addendums related to ~~the other disability~~ service programs shall be allocated among the three Counties based on the most recent census figures with updated five (5) year mid census figures from the State of Wisconsin Blue Book (such allocation method shall be hereinafter referred to as the "Appropriate Allocation Methodology").
- c) **Third Party Collections.** Third party collections for all disability groups shall be first allocated to the respective Counties based on third party collections specifically identified with services separately provided in individual Counties. Third party collections provided in any of the Counties as a part of the common services available to all of the Counties, such as inpatient services, shall be allocated based on most recent census percentages stated above the Appropriate Allocation Methodology.
- d) **State Base County Allocation.** The State Base County Allocation (BCA) shall be divided into two parts, one for the DD program area which shall

~~be 37% of the total projected annual BCA for the three Counties and one for the other disability group program area which shall be 63% of the total. The amount allocated to DD services shall be split between Langlade and Marathon Counties based on most recent census figures. The amount allocated to other disability group programs (63%) will be divided among the three Counties based on most recent census percentages shown above among the three (3) counties based on the Appropriate Allocation Methodology.~~

- e) Other Revenue Other revenue which is generated from provision of services not directly related to disability group programs shall be allocated ~~only to Marathon County as such revenue currently is generated from unique services provided to Marathon County. In the event like services are provided to either of the other two Counties the revenue generated will be allocated to the County for which the services are provided to each county based on the Appropriate Allocation Methodology where the revenue was generated.~~

Comment [SC11]: Please review this language carefully.

- f) NCHCNCCSP Nursing Home Revenues. Notwithstanding any other provision contained in this Agreement, revenues derived from the operation of NCHCNCCSP's nursing facility or skilled nursing facility ("NCHCNCCSP Nursing Facilities") shall be allocated exclusively to Marathon County and neither Langlade nor Lincoln County shall receive allocation of any such revenues. NCHCNCCSP Nursing Facility revenues shall include revenues attributable to all programs provided by NCHCNCCSP Nursing Facilities, including but not limited to, ~~post~~ ~~acute~~ post-acute care and rehabilitation services and programs, ventilator program and services, dementia care program and related services, long term care programs and services, respite care program and services, short term or long term residential programs, care and services, and any other programs or services provided in connection with NCHCNCCSP Nursing Facilities.

3. Program Expenses

- a) Expenses of operating the programs shall be allocated to each of the three Counties in a manner that is consistent with the allocation of program revenues.
- b) ~~**Other Expenses.**~~ Other expenses shall also be allocated in a manner that is consistent with the allocation of other revenue ~~which at present shall be allocated only to Marathon County.~~

~~B. — **Reserves Determination.** The amount of reserves needed for the operation of the program shall be reviewed by the NCCSP Board annually and the amount of reserves needed for the next calendar year shall be projected. Reserves shall be the amount of current assets in excess of current liabilities determined by the Board to be needed to fund cash flow requirements generated by current operations and future contingencies in addition to designated funds contingencies on the balance sheet. In the event reserves are not determined to be adequate NCCSP shall request a reserve appropriation from the three Counties in the same proportion as the operation appropriation requested of the three Counties for the same calendar year. The reserve appropriations shall be paid to NCCSP in equal quarterly installments at the same time as the operations appropriations are paid. Any reserves determined by the NCCSP Board to be in excess of those necessary for the operation of the Program shall be repaid to the three Counties. will be determined by the Reserves Policy. This reserve policy is established in consultation with the finance directors of each county and recommended by the Finance, Personnel & Property Committee for approval by the NCCSP Board. Expenditure of each county's reserves retained by NCCSP which exceed the minimum described in the NCCSP policy are not to be expended or distributed without county approval. This reserve policy shall require NCCSP to separately identify reserve funds realized as a result of the operation of the Nursing Home Facility on behalf of Marathon County.~~

Comment [SC12]: This provision taken from Task Force Recommendations.

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C. **Capital Budget.** A capital budget shall be prepared to provide for the capital needs of the Community Program for continued operation. The capital needs amount shall be allocated to the three Counties based on the county in which the capital asset will be located. The capital appropriation request to each County shall individually identify capital assets with a purchase price of ~~more than \$25,000~~ 30,000, or more, each and shall be sent to the appropriate county for review and approval regardless of funding source consistent with any Facilities and/or Capital Use Agreements between NCCSP and the Counties. Other capital assets of lesser cost shall be grouped together in the capital appropriation request.

Comment [SC13]: Cross reference to other agreements.

D. **Ownership and Depreciation.** Capital assets purchased by NCCSP with capital appropriations shall be owned by the County providing the appropriation but shall be carried on the books of NCCSP and depreciation amounts for capital assets shall be included in program operating expenses. Each County's fund balance account shall be increased for the amount of the capital appropriation provided for the purchase of capital assets by NCCSP.

E. **Insurance Coverage.** Counties shall be responsible for site (real property) insurance for their respective facilities. Counties shall be entitled to charge back NCCSP for premiums paid. ~~NCH~~NCCSP shall be responsible for all other necessary and appropriate insurance coverage.

Comment [SC14]: Marathon County's Finance Director has requested that this provision be added.

F. **Reconciliation.** On or before April 30 of each year NCCSP shall determine the operating results for the preceding calendar year. The net excess revenue or expense shall be allocated to each County's fund balance.

G. Budget Timetable. On or before September 30 of each year NCCSP shall provide each County with final budget requests for operating and capital appropriations.

H. Appropriation Payment. ~~On the first business day following February 15, May 15, August 15 and November 15 each County shall pay to NCCSP one fourth (1/4) of the County's annual appropriation approved by the respective County Boards of Supervisors. Each county shall pay to NCCSP one fourth (1/4) of the county's annual approved appropriation per quarter.~~

I. Collections from Service Recipients. The collection procedures utilized by NCCSP to collect charges from service recipients shall be consistent with established policies and procedures and State laws and administrative regulations applicable to collections.

J. Other Programs. Budgets shall be prepared which separately account for revenue and expenses for other County health care programs and institutions administered by NCCSP under the authority of Wis. Stat. 51.42(3)(b) and paragraph IV. D. above. Operational and capital contributions by a County for which NCCSP is administering another County health care program or institution shall be determined under the provisions of the separate agreement between NCCSP and the authorizing County.

X. WITHDRAWAL

In the event any of the Counties which are parties to this agreement wish to withdraw from the joint sponsorship arrangement under this agreement the following provisions shall be complied with:

A. Notice. A withdrawing County shall provide written notice to the other Counties at least one (1) full calendar year in advance of the effective withdrawal date along with a copy of the resolution adopted by its Board of Supervisors approving the withdrawal. The effective termination date will be calculated as the first day of the next calendar year following the full calendar year of the written withdrawal notice.

B. Continuation of Sponsorship. The joint sponsorship arrangement under this agreement shall survive the voluntary withdrawal of any County if the remaining Counties choose to continue the joint sponsorship. In the event of continuance the termination date of the withdrawing County's participation in the Program shall be determined as indicated above and within six (6) months following the termination date the equity fund balance of the withdrawing County shall be determined. Payment to the withdrawing County shall be made during the twelve (12) months following the termination date. Payment shall be made first in property owned by that County but carried on the books of NCCSP at its depreciated value, and the remainder, if any, shall be paid from cash or other assets. If the withdrawing County's equity fund balance account is less than the depreciated value of the property

owned by that County but carried on the books of NCCSP then that County shall appropriate an additional amount to NCCSP to cover this deficit.

C. Liquidation. On any withdrawal not subject to continuance as provided in paragraph B above, the Program shall wind-up its affairs with the Counties continuing to share costs of the Program in the same manner as existing immediately prior to the withdrawal notice. The operations shall be terminated as soon as reasonably possible as determined by NCCSP. The net equity fund balance of each County shall be determined as of the date operations terminate. NCCSP shall then proceed to liquidate all assets except property and equipment and satisfy all liabilities. When liquidation has been completed the remaining net assets shall be distributed based upon the proportion of each County's equity fund balance as of the date of termination of operations. The net assets distributed shall first be the property and equipment attributable to each County, and the remainder, if any, shall be paid from cash or other assets. If a County's equity fund account is less than the depreciated value of the property and equipment owned by that County but carried on the books of NCCSP then that County shall appropriate an additional amount to NCCSP to cover this deficit by January 30 of the year following the next regular budget cycle.

Comment [SC15]: I chose "January of the year following the next budget cycle" to reflect that counties might have to budget for such a sum to pay this deficit.

XI. MISCELLANEOUS

~~A. Precedence of Agreement. The terms of this agreement, when adopted by the County Boards of Supervisors of Langlade, Lincoln and Marathon Counties and executed shall take precedence over and supersede all prior resolutions and agreements which may conflict with this agreement.~~

~~AB. Relationship to Funding County Boards. The funding County Boards of Supervisors shall annually review and approve NCCSP's plan and budget, which budget shall provide for appropriations by the funding Counties in accord with the provisions of Article section ??VIII of this agreement.~~

~~B. 1. Annual Finance Directors' Meeting. — The Finance Director for each County and the Chief Financial Officer for ~~North Central Health Care~~NCCSP will meet on an ~~annual~~ quarterly basis to evaluate and update on the status of ~~each~~the County and the financial stability of ~~North Central Health Care~~NCCSP.~~

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C. Other Arrangements. No funding County shall enter into any agreement with NCCSP which financially benefits such County at the expense of any of the other funding Counties.

D. Term of Agreement. The term of this ~~A~~agreement shall continue from calendar year to calendar year automatically unless the Counties mutually agree to terminate this agreement by affirmative vote of each of the County Boards of Supervisors of the three Counties, subject to the provisions of Article ~~??IX~~ above.

~~E. Assignment. NCCSP shall not assign this Agreement without the express~~

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written consent of Lincoln, Langlade and Marathon Counties.

E. Waiver and Modification. This Agreement, and its terms may be waived, altered, amended, modified, cancelled or discharged by the parties upon specific written agreement, or as otherwise specifically provided in this Agreement.

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F. Automatic Modification. If any law enacted by the State of Wisconsin or by the United States of America changes the parties' duties and obligations, NCCSP shall notify Lincoln, Langlade Marathon Counties of the needed changes and this Agreement shall be modified in a manner mutually agreeable to the parties.

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G. Captions. Captions are used throughout this Agreement for convenience or reference only and shall not be considered in any manner in the construction or interpretation of this Agreement.

H. Severability. If any of the terms of this Agreement are declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions, or the application of such to persons or circumstances other than those to which it is declared invalid and unenforceable, shall not be affected, and shall remain effective, valid and enforceable to the fullest extent permitted by law.

I. Construction. This Agreement shall be construed according to the laws of the State of Wisconsin. This Agreement shall be interpreted and construed in a fair and impartial manner without regard to such factors as which party prepared the instrument or the parties' relative bargaining powers.

J. Other Documents. Each of the parties agrees to sign any other documents as may be appropriate to carry out the intentions expressed in this Agreement.

K. Entire Agreement. This Agreement, and any other instruments or agreements it refers to, constitute the entire agreement between the parties with respect to the subject matter, and there are no other representations, warranties, or agreements except as provided in this Agreement.

L. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

M. Parties Bound. Each provision of this Agreement shall extend to and shall, as the case might require, bind and inure to the benefit of the Lincoln Langlade and Marathon Counties and NCCSP and their respective legal representatives, successors and assigns.

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Effective as of ~~January 1, 2008~~ ~~September 27, 2012~~ Date of last County Approval:
Date: _____

LANGLADE COUNTY

BY: _____
~~Michael Klimoski~~ David J. Solin
County Board of Supervisors Chair

BY: _____
~~Kathryn~~ Jacob
County Clerk

LINCOLN COUNTY

BY: _____
~~Curtis Powell~~
Robert Lussow
County Board of Supervisors Chair

BY: _____
~~Robert Kunkel~~ Sheila Pudelko
County Clerk

MARATHON COUNTY

BY: _____
~~Keith Langenhahn~~ ~~Gary Wyman~~ Kurt Gibbs
County Board of Supervisors Chair

BY: _____
Nan Kottke
County Clerk

BY: _____
~~Mort McBain~~ Brad Karger
County Administrator

NURSING HOME MANAGEMENT AGREEMENT

AGREEMENT effective the 1st day of January, 2016, by and between Marathon County, a political subdivision of the State of Wisconsin, and doing business as a quasi-municipal corporation, pursuant to §59.01, Wis. Stats. ("COUNTY") and North Central Community Services Program, a multi-county department of community programs carrying out its responsibilities as a board constituted by a Joint County Agreement between Langlade, Lincoln and Marathon Counties' pursuant to §§51.42 and 66.0301, Wis. Stats., and doing business as North Central Health Care ("NCCSP"). The parties agree as follows:

1. County Nursing Home Facility. The COUNTY owns land and a nursing home building known as "Mount View Care Center" located at 1100 Lake View Drive, Wausau, Wisconsin ("FACILITY"). This agreement does not transfer ownership of the FACILITY.

2. Prior Agreements Terminated. This agreement terminates all prior agreements between the parties on use of COUNTY's property by NCCSP, except that it shall not be construed as affecting the Joint County Agreement establishing the North Central Community Service Program or any other nursing home management agreement the parties may have entered into with third parties.

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3. Designation of Governance and Administration. The COUNTY, pursuant to sec. 51.42(3)(b), Wis. Stats., may designate its sec. 51.42 Board as the governing body of any county health program or institution in addition to the Board's responsibilities for the county's community mental health and disabilities programs. Through this Agreement the COUNTY designates NCCSP as governing body of its county nursing home program provided through its county nursing home facilities. NCCSP accepts that designation and agrees to Administer the entire operation of the COUNTY's nursing home program.

4. Nursing Home Governance Administration/Operations-

a) NCCSP shall appoint a Nursing Home Operations Committee

b) The Operations Committee shall be composed of no less than five (5) and no more than nine (9) members and be chaired by a Marathon County resident.

c) Appointment shall be subject to approval by the Marathon County Board of Supervisors.

d) Members shall serve for one-year terms

e) The Operations Committee shall be staffed by the nursing home administrator, or their designee. Operations Committee Agendas, administrative reports, audits, audit reports, annual budget documents, financial statements and other pertinent documents shall be made available to the public on the Marathon County Web-site on a timely basis. An annual report shall be presented by the NCCSP Board to the Marathon County Health and Human Services Committee, or its successor committee, in April of each year

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5. Nursing Home Maintenance, Repair, Improvement and Capital Expenditures.

(a) All real and personal property located on the Nursing Home Campus and which is owned by Marathon County is subject to this Agreement. Said property can be identified through the current Capital Asset Management Schedule included in NCCSP' annual financial statement. Maintenance, repair improvement and capital expenditures shall be governed by separate agreement between the parties entitled: "North Central Health Care Campus Facilities Maintenance and Use Agreement."

Comment [SC1]: New terminology agreed to by the Task Force to identify property owned by Marathon County

(b) Any capital expenditure of \$30,000, or above, regardless of funding source, must be reviewed by COUNTY's Capital Improvement Program (CIP) Committee and approved by the Marathon County Board

6. Services Provided/Overseen by NCCSP.

The NCCSP Board will provide the governance and administrative leadership for the conduction of nursing home programs. Operational oversight will be provided by the Operations Committee under the the direction of the NCCSP Board, including the following:

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(a) Care and Services. Residential habilitative and rehabilitative services, together with medical, food laundry and other services appropriate for a nursing care facility for FACILITY residents.

(b) Rates and Collections. COUNTY authorizes and directs NCCSP to set all rates charged for its services to FACILITY residents or patients, and to collect and receive any and all charges, rents or payments which may at any time be made or become due for those services. NCCSP is authorized take legal action against residents delinquent in charges for services provided at FACILITY in accordance with state and federal law.

(c) Personnel. Hire, pay, supervise, and discharge personnel employed at the FACILITY as it deems necessary to operate the FACILITY. All employees, including the Administrator, shall be hired as employees of NCCSP and compensation for such employees shall be the responsibility of NCCSP.

(d) Regulatory Compliance. Take all action necessary to comply with all applicable laws and any orders or requirements affecting the FACILITY issued by any federal, state or municipal authority.

7. Allocation Between Programs. Through use of COUNTY's property, NCCSP provides services both to the COUNTY's nursing home program and to the section 51.42 program administered

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by NCCSP . NCCSP shall allocate services provided between these programs and shall allocate items of income and expense accordingly. However, revenues or expenses derived from the operation of NCCSP's nursing facility or skilled nursing facility ("NCCSP Nursing Facilities") shall be allocated exclusively to Marathon County and no other participating county shall receive allocation of any such revenues or expenses. NCCSP Nursing Facility revenues shall include revenues attributable to all programs provided by NCCSP Nursing Facilities, including but not limited to, post-acute care and rehabilitation services and programs, ventilator program and services, dementia care program and related services, long term care programs and services, respite care program and services, short term or long term residential programs, care and services, and any other programs or services provided in connection with NCCSP Nursing Facilities.

8. Term and Termination.

- a) The term of this agreement shall be for a period of 10 years, commencing January 1, 2016. The terms of this agreement shall also be reviewed annually at the time of the meeting of the Marathon County Health and Human Services Committee, or its successor committee.
- b) Notwithstanding anything to the contrary in this section or this Agreement, the Agreement shall terminate on the effective date of any dissolution of the multicounty department of community programs, now known as North Central Community Services Program.
- c) In addition, if COUNTY fails to approve in substance NCCSP's budget request under the Joint County Agreement, then negotiating on continuation of the Agreement shall commence forthwith. NCCSP may terminate this Agreement by written notice to the COUNTY within sixty (60) days following the COUNTY's action on the budget request if negotiations are unsuccessful, in which case termination shall be effective at the start of the year to which the budget request applies.
- d) The COUNTY may terminate this Agreement, for its convenience, at any time by a one (1) year notice in writing to NCCSP. If the agreement is terminated by the COUNTY as provided herein, NCCSP shall be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of NCCSP covered by this agreement, unless payments of compensation have previously been made.

Comment [SC2]: It was the wish of the Task Force this term be stricken from both the Nursing Home Agreement and Maintenance and Use Agreement.

Comment [SC3]: Otherwise standard Marathon County Agreement Language with One year written notice

940. Accounting. During the term of this Agreement, NCCSP shall maintain all property used under this Agreement on its books of account and apply all depreciation following industry guideline useful lives. NCCSP shall account for all revenue and expenses relating to the operation of the Nursing Home FACILITY, which is subject to this Agreement, separately from all other operations of NCCSP. All accounting shall be in accordance with generally accepted accounting principles and government auditing standards and in accordance with the budget process, revenue and expense allocation procedure and Reserve Policy required by and set forth in the Joint County Agreement. The Reserve Policy shall require NCHC to separately identify reserve funds realized as a result of the operation of the Nursing Home Facility on behalf of Marathon County.

Comment [SC4]: It has been the determination of the Task Force that this Agreement will not require NCCSP to separately identify reserve fund realized through the operation of the Nursing Home on behalf of Marathon County

On or before April 30th of each year, NCCSP shall provide the COUNTY an annual combining Financial Statements of all revenue received and expenditures incurred in connection with the operation of the facilities cover by this agreement. Unless the COUNTY raises questions, the annual combining Financial Statements shall be deemed accepted by the COUNTY ninety (90) days after its receipt by the COUNTY.

For specific items of property used both for nursing home purposes and for purposes related to other programs, NCCSP will allocate items of revenue and expense between the users in its accounting.

Expenditure of Marathon County reserves retained by NCCSP which exceed the minimum described in the NCCSP policy are not to be expended or distributed without Marathon County approval.

Comment [SC5]: This provision appears in Task Force recommendation

10. Insurance.

a). Workers Compensation. NCCSP shall maintain Workers' Compensation insurance, as required by Wisconsin Statutes, for all employees. In case any work is subcontracted, NCCSP shall require the subcontractor similarly to provide statutory Workers' Compensation Insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by NCCSP.

b). Liability. NCCSP shall secure and maintain in force throughout the duration of this agreement Comprehensive General Liability, Professional Liability, Automobile Liability and Excess Liability Insurance covering its officers, agents and employees, and including all buildings, parking lots, sidewalks and other common areas subject to this agreement, and their use. Said insurance shall cover NCCSP, and any subcontractor, regarding claims for damages for personal injuries, including accidental death, as well as from claims for property damage, which may arise from operations under this agreement. The minimum amount of such insurance shall be as follows:

- Comprehensive General Liability \$34,000,000 per occurrence and \$32,000,000 in aggregate for bodily injury and Property Damage.

- Professional Liability Coverage, \$34,000,000 per occurrence and \$32,000,000 in aggregate.

- Automobile Liability \$34,000,000 per occurrence and \$32,000,000 in aggregate for bodily injury and property damage.

- Excess Liability Coverage, \$34,000,000 over the General Liability and Automobile Liability Coverage

On all policies purchased or maintained by NCCSP in accordance with this section, NCCSP shall add COUNTY as an additional named insured and shall provide certificates of insurance showing the coverage called for to COUNTY upon request.

11. Mutual Indemnification/Hold Harmless. [NCCSP](#) hereby agrees to release, indemnify, defend, and hold harmless the COUNTY, its officials, officers, employees and agents from and against all judgments, damages, penalties, losses, costs, claims, expenses, suits, demands, debts, actions and/or causes of action of any type or nature whatsoever, including actual and reasonable attorney's fees, which may be sustained or to which they may be exposed, directly or indirectly, by reason of personal injury, death, property damage, or other liability, alleged or proven, which is determined to be caused by the negligent or intentional acts or omissions of its officers, officials, employees, agent or assigns. [NCCSP](#) does not waive, and specifically reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, Chapter 893 and related statutes.

The COUNTY hereby agrees to release, indemnify, defend, and hold harmless [NCCSP](#), its officials, officers, employees and agents from and against all judgments, damages, penalties, losses, costs, claims, expenses, suits, demands, debts, actions and/or causes of action of any type or nature whatsoever, including actual and reasonable attorney's fees, which may be sustained or to which they may be exposed, directly or indirectly, by reason of personal injury, death, property damage, or other liability, alleged or proven, which is determined to be caused by the negligent or intentional acts or omissions of its officers, officials, employees, agent or assigns. COUNTY does not waive, and specifically reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, Chapter 893 and related statutes.

12. No Joint Venture or Partnership. Nothing contained in this agreement shall constitute the relationship of principal and agent or of partnership or of joint venture, or of any association between [NCCSP](#) and COUNTY other than that created by the Joint County [Agreement](#) referenced herein above.

13. Assignment. [NCCSP](#) shall not assign this agreement without the COUNTY's written consent.

14. Inspection. The COUNTY and its authorized representatives shall have the right, upon giving reasonable notice and at reasonable times, to enter the FACILITY or any part thereof and inspect the same for the purpose of determining [NCCSP](#)'s compliance with the terms of this Agreement.

15. Notices. Any notice required or permitted under this Agreement shall be deemed sufficiently given or served if sent by registered mail to [NCCSP](#) at 1100 Lake View Drive, Wausau, Wisconsin 54403-6799 and to the COUNTY at the COUNTY Administrator's office, Marathon COUNTY Courthouse, 500 Forest Street, Wausau, Wisconsin 54403-5568, and either party may by like notice at any time and from time-to-time designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received when mailed.

16. Waiver and Modification. This Agreement, and its terms may be waived, altered, amended, modified, cancelled or discharged by the parties upon specific written agreement, or as otherwise specifically provided in this Agreement.

17. Automatic Modification. If any law enacted by the State of Wisconsin or by the United States of America changes the parties' duties and obligations, [NCCSP](#) shall notify the

COUNTY of the needed changes and this Agreement shall be modified in a manner mutually agreeable to the parties.

18. Dispute Resolution. If a dispute related to this Agreement arises, all parties shall attempt to resolve the dispute through direct discussions and negotiations. If the dispute cannot be resolved by the parties, and if all parties agree, it may be submitted to either mediation or arbitration. If the matter is arbitrated, the procedures of Chapter 788 of the Wisconsin Statutes or any successor statute shall be followed. If the parties cannot agree to either mediation or arbitration, any party may commence an action in any court of competent jurisdiction. If a lawsuit is commenced, the parties agree that the dispute shall be submitted to alternate dispute resolution pursuant to §802.12, Wis. Stats., or any successor statute.

Unless otherwise provided in this Agreement, the parties shall continue to perform according to the terms and conditions of the Agreement during the pendency of any litigation or other dispute resolution proceeding.

The parties further agree that all parties necessary to the resolution of a dispute (as the concept of necessary parties is contained in Chapter 803, Wisconsin Statutes, or its successor chapter) shall be joined in the same litigation or other dispute resolution proceeding. This language relating to dispute resolution shall be included in all Agreements pertaining to this project so as to provide for expedient dispute resolution.

19. Captions. Captions are used throughout this Agreement for convenience or reference only and shall not be considered in any manner in the construction or interpretation of this Agreement.

20. Severability. If any of the terms of this Agreement are declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions, or the application of such to persons or circumstances other than those to which it is declared invalid and unenforceable, shall not be affected, and shall remain effective, valid and enforceable to the fullest extent permitted by law.

21. Construction. This Agreement shall be construed according to the laws of the State of Wisconsin. This Agreement shall be interpreted and construed in a fair and impartial manner without regard to such factors as which party prepared the instrument or the parties' relative bargaining powers.

22. Other Documents. Each of the parties agrees to sign any other documents as may be appropriate to carry out the intentions expressed in this Agreement.

23. Entire Agreement. This Agreement, and any other instruments or agreements it refers to, constitute the entire agreement between the parties with respect to the subject matter, and there are no other representations, warranties, or agreements except as provided in this Agreement.

24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

25. Parties Bound. Each provision of this Agreement shall extend to and shall, as the case might require, bind and inure to the benefit of the COUNTY and **NCCSP** and their respective legal representatives, successors and assigns.

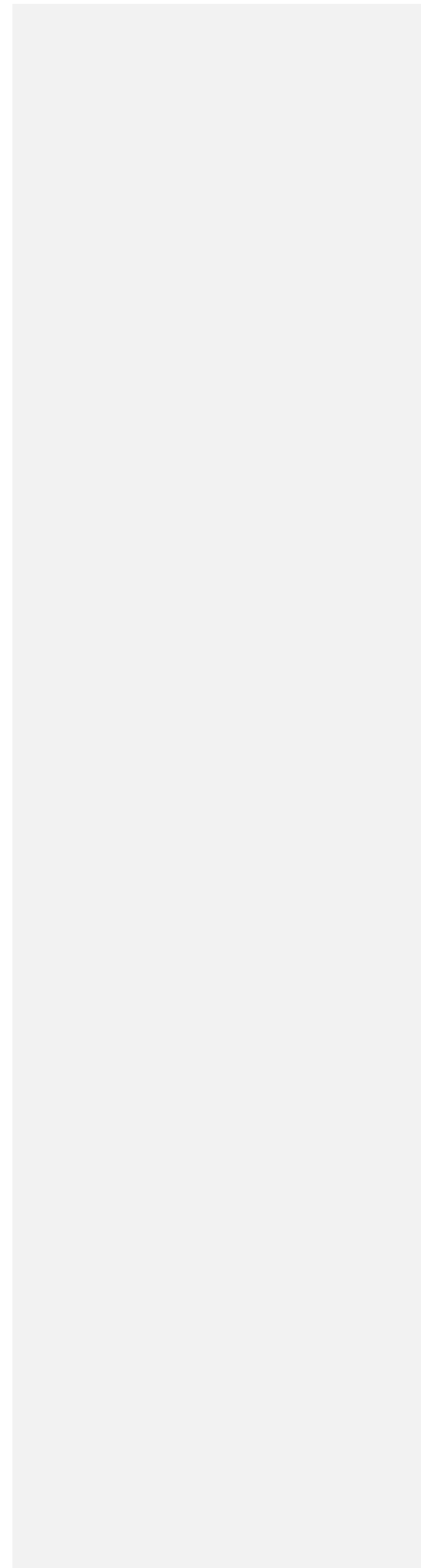
NORTH CENTRAL COMMUNITY
SERVICES PROGRAM BOARD

By: _____

MARATHON COUNTY:

By: _____
Kurt Gibbs, Chair
County Board of Supervisors

Brad Karger
County Administrator



NORTH CENTRAL HEALTH CARE CAMPUS FACILITIES MAINTENANCE AND USE AGREEMENT

AGREEMENT effective the ___ day of _____, 2016, between Marathon County, a political subdivision of the State of Wisconsin and doing business as a quasi-municipal corporation, pursuant to §59.01, Wis. Stats. ("COUNTY"), and the North Central Community Services Program (NCCSP), a multi-county department of community programs constituted by a Joint County Agreement between Langlade, Lincoln and Marathon Counties pursuant to §§ 51.42 and 66.0301 Wis. Stats.. The parties agree as follows:

1. Prior Agreements Terminated. This agreement terminates all prior agreements between the parties on use of COUNTY's property by NCCSP, except that it shall not be construed as affecting the Joint County Agreement establishing the North Central Community Service Program or any nursing home management agreement the parties may have entered into with third parties.

2. Property Included.

A. Schedule. This Agreement governs all real and personal property located on the North Central Health Care Center Campus, including Mount View Care Center Nursing Home Facility which is owned by Marathon County. Said property can be identified through the current Capital Asset Management Schedule included in NCCSP's annual financial statement.

Comment [SC1]: New terminology used to identify property owned by Marathon County.

B. Additions and Subtractions in General. The parties may agree to add real or personal property to the property listing when purchased for NCCSP's use under this agreement. The parties may also agree to subtract real or personal property from the property listing.

3. Term. The term of this agreement shall be for a period of 10 years, commencing January 1, 2016. The terms of this agreement shall be reviewed annually by COUNTY at the April meeting of the Marathon County Health and Human Services Committee, or its successor committee.

Comment [SC2]: It was determined by the Task Force to strike this term from both this Agreement and the Nursing Home Management Agreement

4. Use of Property.

A. In General. Except as further set forth in this agreement, NCCSP shall, for the term of this agreement, have the unrestricted use of Marathon County's property, identified above, for purposes related to NCCSP's statutory responsibilities and powers as a board under § 51.42, Wis. Stats., or other related responsibilities given to it by its establishing counties.

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B. Nursing Home Property/Allocation of Property Use. Under separate agreement, NCCSP manages COUNTY's nursing home facilities, which include specific units and other property that is located on the campus. Except as set forth in this Agreement, NCCSP shall determine how COUNTY property is utilized for purposes of the COUNTY's nursing home program and is permitted to allocate the use of said property between programs.

Comment [SC3]: Utilizing property identification terminology set forth above.

5. Rent. NCCSP shall follow the budget process set forth in the Joint County Agreement with Lantlade, Lincoln and Marathon Counties and shall present its budget requests to Marathon County including operations and capital revenues and expenses for the property subject to this agreement.

6. Accounting. During the term of this Agreement, NCCSP shall maintain all property used under this Agreement on its books of account and apply all depreciation following industry guideline useful lives. NCCSP shall also account for all revenue and expenses relating to the operation of the North Central Health Care Campus Facilities, which is subject to this Agreement, ~~separately from all other operations.~~ All accounting shall be in accordance with generally accepted accounting principles and government auditing standards and in accordance with the budget process, revenue and expense allocation procedure and Reserve Policy required by and set forth in the Joint County ~~Agreement.~~

NOTE: NCCSP's accounting structure identifies expenses related to each program. Although the expenses associated with respect to any property sublet to third party tenants, as provided herein, are included in the overall NCCCA operations, said expenses are identifiable and reportable on a regular basis as forth below.

On or before April 30th of each year, NCCSP shall provide the COUNTY an annual combining Financial Statements of all revenue received and expenditures incurred in connection with the operation of the facilities cover by this agreement. Unless the COUNTY raises questions, the annual combining Financial Statements shall be deemed accepted by the COUNTY ninety (90) days after its receipt by the COUNTY.

For specific items of property used both for nursing home purposes and for purposes related to this agreement, NCCSP will allocate items of revenue and expense between the users in its accounting.

Expenditure of Marathon County reserves retained by NCCSP which exceed the minimum described in the NCCSP policy are not to be expended or distributed without Marathon County approval.

7. Improvements and Alterations.

A. No improvements, additions or alterations, including but not limited to structural alterations to the roof, walls or floors, shall be made concerning the property subject to this agreement by NCCSP without first obtaining the written consent of COUNTY. COUNTY has the right to require the NCCSP to contract with the COUNTY for any improvements, alterations or additions to the property subject to this agreement and to require the NCCSP to request improvements, alterations or additions utilizing the Capital Improvement Program and Procurement processes and procedures of the COUNTY.

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Comment [SC4]: This is language change requested by NCHC so that there is no requirement that they keep a separate set of books with respect to property sublet by the county to 3rd party tenants.

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Comment [SC5]: This NOTE is intended to explain that although costs associated property sublet by the county to 3rd party tenants are included in overall program operations, they can still be identified without the need for a separate set of books.

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Comment [SC6]: Please compare this language with Nursing Home Agreement.

Comment [SC7]: This provision appears in Task Force Recommendations

B. Any capital expenditure of \$30,000, or above, regardless of funding source, must be reviewed by COUNTY's Capital Improvement Program (CIP) Committee and approved by the Marathon County Board.

Comment [SC8]: CIP Committee will not rank projects that are not funded with CIP funds, but they will review and the board must approve.

C. Prior to the commencement of any capital improvement, construction a determination of cost allocation or an agreement regarding funding shall be signed setting forth the responsibility for payment for the capital project.

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D. Any improvements, additions or alterations constructed by NCCSP on the property, including the plans and specifications for them, shall conform to the applicable statutes, ordinances, building codes, rules and regulations of any governmental authority as may have jurisdiction. COUNTY's approval, given as provided above, shall not constitute a representation or warranty as to such conformity, which shall remain NCCSP's responsibility. NCCSP, at its own cost and expense, shall procure all permits necessary for such construction. NCCSP shall require in the contract or contracts let for such construction that the contractor shall also comply with all such applicable statutes, ordinances, codes, rules and regulations. NCCSP shall keep the property free and clear of liens for labor and material and shall hold COUNTY harmless from any liability in that respect.

E. Prior to the construction of any improvement, addition or alteration to the property, NCCSP shall submit to COUNTY the preliminary plans for those improvements, additions or alterations that must conform to the general architectural scheme as developed by the COUNTY and shall be in accord with the reasonable plans adopted by COUNTY for its facilities.

F. Upon approval of the preliminary plans by COUNTY, NCCSP shall prepare working drawings and specifications; they must be substantially in accord with the preliminary plans so approved and shall cause the construction called for by those working drawings and specifications to be commenced and completed with reasonable dispatch. No substantial change, addition or alteration shall be made in the working drawings or specifications or in the construction called for by them without first obtaining the approval of the COUNTY.

G. Upon completion of any improvement, addition or alteration to the property, NCCSP shall furnish to COUNTY, at no charge, four complete sets of as built working drawings for the improvements as constructed.

H. ~~All construction by pursuant to this section shall be at 's sole cost and expense. shall keep the property free and clear of liens for labor and material and shall hold COUNTY harmless from any liability in that respect.~~

8. Repairs, Maintenance and Operation by NCCSP.

A. The COUNTY shall contract with NCCSP to maintain the property and all improvements, additions or alterations as well as any equipment, personal property and landscaping constructed or installed by the COUNTY and/or NCCSP upon the property subject to this agreement.

B. NCCSP shall include the cost of this maintenance in its annual operating budget and shall submit it to COUNTY for approval in the annual budget process. In addition, NCCSP will invoice COUNTY quarterly for the actual costs of maintenance and COUNTY will pay in accordance with said invoices

Comment [SC9]: Language requested by NCHC to reflect that extra costs may occur for maintenance. Of particular concern the NCHC are services requested by tenants from time to time that that need to be reimbursed.

C. The standard of care to be employed by NCCSP shall reflect prudent property management, reasonable wear and tear excepted.

D. In the event that NCCSP fails to perform, within a reasonable period of time after receipt of written notice from COUNTY to do so, any obligation required by this section to be performed by NCCSP may be, but is not required to be, performed by the COUNTY. The COUNTY may contract with a third party to perform said obligation and may charge the NCCSP the reasonable cost and expense of performing the obligation. However, if NCCSP's failure to perform that obligation adversely affects or endangers the health or safety of the public or of any employee in the building, and if COUNTY so states in its mentioned notice to NCCSP, COUNTY may, but is not obligated to, perform the obligation of NCCSP at any time after the giving of the notice, without waiting and may charge to NCCSP the reasonable cost and expense of that performance. It is further agreed that if COUNTY shall perform any of NCCSP's obligations in accordance with the provisions of this section, COUNTY shall not be liable to NCCSP for any loss, cost or expense to NCCSP resulting from such performance.

9. Utility Service. NCCSP shall pay all charges for water, gas, and electricity. NCCSP shall pay the City-County IT Commission all charges for installation and use of all telephone or other communications services. NCCSP shall include all such costs and charges in its annual operating budget and shall submit it to COUNTY for approval in the annual budget process.

10. Damage by Fire or Other Casualty. If during the term of this agreement, property on the listing is destroyed or otherwise damaged by fire, the elements or any other cause, COUNTY shall have the option to replace, rebuild, reconstruct or repair (collectively, "restore") the property to, as closely as reasonably possible, the original condition. COUNTY's option to restore shall be elected by giving written notice to NCCSP within thirty (30) days of notice by NCCSP of the damage or destruction. If COUNTY elects to exercise its option, the replacement, rebuilding, reconstruction or repairing shall commence immediately after proper adjustment is made by the insurance carrier and in any event, within ninety (90) days after the damage, and shall be completed as expeditiously as possible. If COUNTY elects not to restore after damage this agreement shall be deemed to have terminated as to the property lost. If NCCSP determines that the loss materially affects operations, then the entire agreement may be subject to termination at NCCSP's election, after consultation with the County.

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11. Insurance Coverage.

A. Fire and Casualty. COUNTY shall maintain fire and casualty insurance with extended coverage endorsement and with such full insurance clauses as the COUNTY may determine to be necessary covering the property in an amount equal to the reasonable replacement value. COUNTY shall be entitled to charge back NCCSP for premiums paid.

B. Workers Compensation. NCCSP shall maintain Workers Compensation insurance as required by Wisconsin Statutes, for all employees. In case any work is subcontracted, NCCSP shall require the subcontractor or similarly to provide statutory Workers' Compensation Insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by NCCSP.

C. Liability. NCCSP shall secure and maintain in force throughout the duration of this agreement Comprehensive General Liability, Professional Liability, Automobile Liability and Excess Liability Insurance covering its officers, agents and employees, and including all buildings, parking lots, sidewalks and other common areas subject to this agreement, and their use. Said insurance shall cover NCCSP, and any subcontractor, regarding claims for damages for personal injuries, including accidental death, as well as from claims for property damage, which may arise from operations under this agreement. The minimum amount of such insurance shall be as follows:

- Comprehensive General Liability \$34,000,000 per occurrence and \$32,000,000 in aggregate for bodily injury and Property Damage.
- Professional Liability Coverage, \$34,000,000 per occurrence and \$32,000,000 in aggregate.
- Automobile Liability \$34,000,000 per occurrence and \$32,000,000 in aggregate for bodily injury and property damage.
- Excess Liability Coverage, \$34,000,000 over the General Liability and Automobile Liability Coverage

On all policies purchased or maintained by NCCSP in accordance with this section, NCCSP shall add COUNTY as an additional named insured and shall provide certificates of insurance showing the coverage called for to COUNTY upon request

D. Builders Risk. During the course of construction of any improvements, additions or alterations to the property under Section 7, NCCSP shall obtain and keep in force a policy of builder's risk insurance in an amount sufficient to cover the cost of repair or replacement of the improvement, addition or alteration.

12. Mutual Indemnification/Hold Harmless. NCCSP hereby agrees to release, indemnify, defend, and hold harmless the COUNTY, its officials, officers, employees and agents from and against all judgments, damages, penalties, losses, costs, claims, expenses, suits, demands, debts, actions and/or causes of action of any type or nature whatsoever, including actual and reasonable attorney's fees, which may be sustained or to which they may be exposed, directly or indirectly, by reason of personal injury, death, property damage, or other liability, alleged or proven, which is determined to be caused by the negligent or intentional acts or omissions of its officers, officials, employees, agent or assigns. NCCSP does not waive, and specifically

reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, Chapter 893 and related statutes.

The COUNTY hereby agrees to release, indemnify, defend, and hold harmless **NCCSP**, its officials, officers, employees and agents from and against all judgments, damages, penalties, losses, costs, claims, expenses, suits, demands, debts, actions and/or causes of action of any type or nature whatsoever, including actual and reasonable attorney's fees, which may be sustained or to which they may be exposed, directly or indirectly, by reason of personal injury, death, property damage, or other liability, alleged or proven, which is determined to be caused by the negligent or intentional acts or omissions of its officers, officials, employees, agent or assigns. COUNTY does not waive, and specifically reserves, its rights to assert any and all affirmative defenses and limitations of liability as specifically set forth in Wisconsin Statutes, Chapter 893 and related statutes.

13. Assignment. **NCCSP** shall not assign this agreement without the COUNTY's written consent.

14. Subletting. **NCCSP** shall not have the authority to sublet any property subject to this agreement, except as follows:

A. COUNTY shall establish model lease agreements and a leasing rate schedule.

Please refer to the most current "Marathon County Lease Guidelines" and "Marathon County Lease Rate Schedule" for further information.

B. **NCCSP** may only sublet premises with the express written consent of the COUNTY and must use the COUNTY's model lease and apply the COUNTY's rate schedule. Said model lease shall, among other things, address the issues of "common space" and reimbursement of NCCSP for additional services requested by third party tenants.

C. COUNTY's permission to sublet will be based on the following considerations:

- Availability of space
- Market rates for facilities space
- Costs of operation by NCCSP
- Capital costs occasioned by the presence of the proposed tenant
- Alignment of proposed tenant's mission, purpose or business with the mission and purpose **NCCSP** and COUNTY

D. All rent from subleasing tenants shall be paid directly to **COUNTY** by the tenant.

15. Notices. Any notice required or permitted under this agreement shall be deemed sufficiently given or served if sent by registered mail to **NCCSP** at Attention: Administrator, 1100 Lake View Drive, Wausau, Wisconsin 54403-6799 and to COUNTY at the County Administrator's Office, Marathon County Courthouse, 500 Forest Street, Wausau, Wisconsin 54403-5568, and either party may by notice designate a different address to which notices shall be sent. Notices given in this manner shall be deemed received when mailed.

Comment [SC10]: Additional language requested to assure that issues concerning priority of usage of "Common Space" is addressed as well as reimbursement for costs of extra services requested by subletting tenants.

Comment [SC11]: The Task Force determined that rents should be paid from subleasing tenants to directly to Marathon County.

16. Inspection. The COUNTY and its authorized representatives shall have the right, upon giving reasonable notice and at reasonable times, to enter the FACILITY or any part thereof and inspect the same for the purpose of determining NCCSP's compliance with the terms of this Agreement.

17. Waiver and Modification. This Agreement, and its terms may be waived, altered, amended, modified, cancelled or discharged by the parties upon specific written agreement, or as otherwise specifically provided in this Agreement.

18. Automatic Modification. If any law is enacted by the State of Wisconsin or by the United States of America which affects, modifies or changes the duties and obligations of the parties hereunder, NCCSP shall notify COUNTY of the needed modifications or changes and this agreement shall be modified or terminated in a manner consistent with law and mutually agreeable to the parties.

19. Long-Term Planning. The COUNTY reserves the right to appoint and chair a ~~governance~~-subgroup for the purpose of creating a long-term plan for the future development of the campus and facilities on the property subject to this agreement.

20. Encumbrance/Mortgage. NCCSP shall not have the right to encumber in any way any part of the property subject to this agreement or any of the improvements, additions or repairs made to the premises by assignment, hypothecation, mortgage, pledge, deed of trust or any other instrument given to or for the benefit of any bank, financing institution or to or for the benefit of any contractor, or other third party. NCCSP may enter into agreements to repay COUNTY for CIP or other funds expended by COUNTY to finance improvements, additions or repairs.

21. Compliance with Law. NCCSP shall comply with all applicable rules, regulations, laws, ordinances, statutes or orders of any governmental authority, federal, state or municipal, lawfully exercising authority over the property subject to this agreement.

22. No Joint Venture or Partnership. Nothing contained in this agreement shall constitute the relationship of principal and agent or of partnership or of joint venture, or of any association between NCCSP and COUNTY other than that created by the Joint County Agreement referenced herein above.

23. Dispute Resolution. If a dispute related to this Agreement arises, all parties shall attempt to resolve the dispute through direct discussions and negotiations. If the dispute cannot be resolved by the parties, and if all parties agree, it may be submitted to either mediation or arbitration. If the matter is arbitrated, the procedures of Chapter 788 of the Wisconsin Statutes or any successor statute shall be followed. If the parties cannot agree to either mediation or arbitration, any party may commence an action in any court of competent

jurisdiction. If a lawsuit is commenced, the parties agree that the dispute shall be submitted to alternate dispute resolution pursuant to §802.12, Wis. Stats., or any successor statute.

Unless otherwise provided in this Agreement, the parties shall continue to perform according to the terms and conditions of the Agreement during the pendency of any litigation or other dispute resolution proceeding.

The parties further agree that all parties necessary to the resolution of a dispute (as the concept of necessary parties is contained in Chapter 803, Wisconsin Statutes, or its successor chapter) shall be joined in the same litigation or other dispute resolution proceeding. This language relating to dispute resolution shall be included in all Agreements pertaining to this project so as to provide for expedient dispute resolution.

24. Termination.

A. If NCCSP fails to deliver to COUNTY proper services under chapters 46 and 51 of the Wisconsin Statutes as evidenced by the forfeiture of state license(s) by NCCSP, COUNTY may terminate this agreement upon sixty (60) days' notice to NCCSP.

B. If NCCSP's existence is terminated by law or by the participating counties this agreement shall terminate as of the effective date of the law or dissolution.

C. If NCCSP determines that it can best meet its responsibilities by means that do not include the use of COUNTY's property, NCCSP may terminate agreement upon one hundred eighty (180) days' notice to COUNTY.

D. The COUNTY may terminate this Agreement, for its convenience, at any time by a one (1) year notice in writing to NCCSP. If the agreement is terminated by the COUNTY as provided herein, NCCSP shall be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of NCCSP covered by this Agreement, unless payments of compensation have previously been made.

25. Return of Property. If NCCSP for any reason discontinues use of any of the listed property, it shall deal with the property in accordance with its disposition policy.

26. Captions. Captions are used throughout this Agreement for convenience or reference only and shall not be considered in any manner in the construction or interpretation of this Agreement.

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Comment [SC12]: Standard Marathon County termination language with addition of One year written notice.

27. Severability. If any of the terms of this Agreement are declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions, or the application of such to persons or circumstances other than those to which it is declared invalid and unenforceable, shall not be affected, and shall remain effective, valid and enforceable to the fullest extent permitted by law.

28. Construction. This Agreement shall be construed according to the laws of the State of Wisconsin. This Agreement shall be interpreted and construed in a fair and impartial manner without regard to such factors as which party prepared the instrument or the parties' relative bargaining powers.

29. Other Documents. Each of the parties agrees to sign any other documents as may be appropriate to carry out the intentions expressed in this Agreement.

30. Entire Agreement. This Agreement, and any other instruments or agreements it refers to, constitute the entire agreement between the parties with respect to the subject matter, and there are no other representations, warranties, or agreements except as provided in this Agreement.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

32. Parties Bound. Each provision of this Agreement shall extend to and shall, as the case might require, bind and inure to the benefit of the COUNTY and NCCSP and their respective legal representatives, successors and assigns.

NORTH CENTRAL COMMUNITY
SERVICES PROGRAM BOARD:

MARATHON COUNTY BOARD OF
SUPERVISORS:

By: _____

By: _____
Kurt Gibbs, Chair

Brad Karger
County Administrator