



**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, June 25<sup>th</sup>, 2015.

**AGENDA**

1. Call to order
2. Roll call
3. Consent Agenda
  - a. May financial statements
  - b. 5/28/15 Finance, Personnel & Property Committee meeting minutes
  - c. 5/28/15 Board meeting minutes
  - d. CEO's report
4. Chairperson's report: R. Nye
  - a. Action: approve report and minutes of the 6/9/15 Executive Committee meeting
5. Dialogue with Marathon County Health & Human Services Committee
6. Quality Committee Report: L. Scudiere
  - a. Organizational Quality Dashboard
  - b. Action: approve 5/21/15 Quality Committee meeting minutes
  - c. Joint Commission survey report
7. Financial report: B. Glodowski
8. Finance, Personnel & Property Committee report: L. Olkowski
9. Nursing Home Operations Committee (NHOC) Report: J. Burgener
  - a. Action: approve 4/24/15 and 5/22/15 NHOC meeting minutes
  - b. Nursing home renovation update
10. Medical Staff
  - a. Bylaw change: Disaster privileging
11. Mental health services to the criminal justice system update – G. Bezucha
12. Primary Care/Behavioral Health Care integration project with Bridge Clinic update – L. Scudiere/G. Bezucha
13. Psychiatry residency program update – G. Bezucha
14. Discussion on possible dates for a special NCHC Board meeting to review initial draft of strategic plan
15. Future meeting agendas
16. 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 06/19/15 TIME 4:00 PM  
VIA:  FAX  MAIL BY: D. Osowski

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

DATE 06/19/15 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.



## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** June 19, 2015  
**RE:** Attached Financials

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

### **BALANCE SHEET**

Accounts Receivable continues to show improvement and continues to be a priority. Cash continues to remain adequate for operations.

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

The month of May shows a gain of \$287,468 compared to a budgeted loss of (\$82,354), resulting in a positive variance of \$369,822.

The hospital averaged just over 14 patients per day, compared to the target of 13. The nursing home census decreased again in May, averaging 203 per day. The target is 213. The Medicare census also decreased for May, averaging 21, compared to the target of 26. Although the nursing home census is down, the Medicaid rates have improved compared to the target rates. This is helping the overall nursing home revenue to stay closer to targets.

Overall expenses were well below budgeted targets for May. Most of this is due to benefits coming in below target, especially health insurance.

Through May, the overall organization shows a gain of \$1,024,813 compared to the targeted gain of \$137,500. The Human Services Program shows a gain of \$924,275 and the nursing home shows a gain of \$100,538.

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

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

	<u>51.42/.437 PROGRAM</u>	<u>NURSING HOME</u>	<u>TOTAL</u>	<u>TOTAL 31-May-14</u>
<b>CURRENT ASSETS:</b>				
CASH AND EQUIVALENTS	7,171,736	(26,544)	7,145,192	4,126,717
SHORT-TERM INVESTMENTS	7,108,686		7,108,686	6,630,319
CASH FOR APPROVED CAPITAL PURCHASES	1,768,829	422,486	2,191,315	1,669,682
DONATED FUNDS	222,424		222,424	126,737
<b>ACCOUNTS RECEIVABLE:</b>				
PATIENT (NET)	3,835,401	3,847,971	7,683,372	7,174,069
STATE GRANTS	989,427		989,427	906,092
OTHER	253,757		253,757	405,035
APPROPRIATIONS RECEIVABLE			0	1,480,361
AMOUNTS RECEIVABLE FROM				
THIRD-PARTY REIMBURSEMENT PROGRAMS	409,167	309,680	718,847	862,297
INVENTORY	16,920	256,902	273,822	331,005
OTHER	<u>417,514</u>	<u>64,904</u>	<u>482,418</u>	<u>605,539</u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>22,193,860</b></u>	<u><b>4,875,399</b></u>	<u><b>27,069,259</b></u>	<u><b>24,317,853</b></u>
<b>CAPITAL ASSETS</b>				
CAPITAL ASSETS	30,093,806	14,664,366	44,758,172	42,797,099
ACCUMULATED DEPRECIATION	<u>(22,330,007)</u>	<u>(10,737,914)</u>	<u>(33,067,921)</u>	<u>(31,452,246)</u>
<b>CAPITAL ASSETS - NET</b>	<u><b>7,763,799</b></u>	<u><b>3,926,452</b></u>	<u><b>11,690,250</b></u>	<u><b>11,344,853</b></u>
OTHER ASSETS - DEFERRED CHARGES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
RESTRICTED ASSETS - PATIENT TRUST FUNDS	<u>19,301</u>	<u>34,943</u>	<u>54,244</u>	<u>287,670</u>
<b>TOTAL ASSETS</b>	<u><b>29,976,960</b></u>	<u><b>8,836,794</b></u>	<u><b>38,813,753</b></u>	<u><b>35,950,375</b></u>

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

	<u>51.42/.437</u> <u>PROGRAM</u>	<u>NURSING</u> <u>HOME</u>	<u>TOTAL</u>	<u>TOTAL</u> <u>31-May-14</u>
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	3,512,220	0	3,512,220	3,258,944
THIRD PARTY PAYABLE	354,322	0	354,322	541,000
APPROPRIATIONS ADVANCES	747,761	0	747,761	16,667
ACCRUED LIABILITIES:				
SALARIES & RETIREMENT	1,129,919	0	1,129,919	1,126,160
PAYROLL TAXES AND WITHHOLDING	399,299	0	399,299	452,710
COMPENSATED ABSENCES	1,647,670	0	1,647,670	1,661,990
OTHER PAYABLES	72,806	0	72,806	74,611
DEFERRED REVENUE - STATE GRANTS	<u>188,513</u>		<u>188,513</u>	<u>188,238</u>
TOTAL CURRENT LIABILITIES	<u>8,052,510</u>		<u>8,052,510</u>	<u>7,320,320</u>
PATIENT TRUST FUNDS	<u>19,301</u>	<u>34,862</u>	<u>54,163</u>	<u>287,451</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS	7,763,799	3,926,452	11,690,250	11,344,853
UNRESTRICTED	13,217,075	4,774,943	17,992,017	17,142,064
OPERATING INCOME(LOSS)	<u>924,275</u>	<u>100,538</u>	<u>1,024,813</u>	<u>(144,315)</u>
TOTAL NET ASSETS	<u>21,905,148</u>	<u>8,801,932</u>	<u>30,707,081</u>	<u>28,342,603</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>29,976,960</b></u>	<u><b>8,836,794</b></u>	<u><b>38,813,753</b></u>	<u><b>35,950,375</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING MAY 31, 2015**

<b>TOTAL</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
REVENUE						
Net Patient Service Revenue	<u>\$3,529,129</u>	<u>\$3,419,644</u>	<u>\$109,485</u>	<u>\$16,855,253</u>	<u>\$17,148,235</u>	<u>(\$292,981)</u>
OTHER REVENUE						
State Match / Addendum	325,060	325,120	(59)	1,625,301	1,625,598	(297)
Grant Revenue	220,079	184,113	35,966	942,671	920,071	22,600
County Appropriations - Net	736,232	730,192	6,040	3,681,162	3,650,960	30,202
Departmental and Other Revenue	<u>170,863</u>	<u>180,658</u>	<u>(9,796)</u>	<u>856,355</u>	<u>903,292</u>	<u>(46,937)</u>
Total Other Revenue	<u>1,452,234</u>	<u>1,420,083</u>	<u>32,151</u>	<u>7,105,489</u>	<u>7,099,921</u>	<u>5,568</u>
TOTAL REVENUE	4,981,363	4,839,728	141,636	23,960,742	24,248,156	(287,414)
EXPENSES						
Direct Expenses	3,479,389	3,510,912	(31,523)	16,869,473	17,102,539	(233,066)
Indirect Expenses	<u>1,225,502</u>	<u>1,418,671</u>	<u>(193,169)</u>	<u>6,116,098</u>	<u>7,045,617</u>	<u>(929,519)</u>
Total Expenses	<u>4,704,891</u>	<u>4,929,582</u>	<u>(224,691)</u>	<u>22,985,571</u>	<u>24,148,156</u>	<u>(1,162,585)</u>
Operating Income (Loss)	<u>276,472</u>	<u>(89,854)</u>	<u>366,326</u>	<u>975,171</u>	<u>100,000</u>	<u>875,171</u>
Nonoperating Gains (Losses):						
Interest Income	5,736	7,500	(1,764)	29,069	37,500	(8,431)
Donations and Gifts	5,260	0	5,260	20,573	0	20,573
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>10,996</u>	<u>7,500</u>	<u>3,496</u>	<u>49,641</u>	<u>37,500</u>	<u>12,141</u>
Operating Income / (Loss)	<u>\$287,468</u>	<u>(\$82,354)</u>	<u>\$369,822</u>	<u>\$1,024,813</u>	<u>\$137,500</u>	<u>\$887,313</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING MAY 31, 2015**

<b>51.42/.437 PROGRAMS</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$1,490,180</u>	<u>\$1,377,963</u>	<u>\$112,217</u>	<u>\$6,914,693</u>	<u>\$7,115,584</u>	<u>(\$200,891)</u>
<b>OTHER REVENUE</b>						
State Match / Addendum	325,060	325,120	(59)	1,625,301	1,625,598	(297)
Grant Revenue	220,079	184,113	35,966	942,671	920,071	22,600
County Appropriations - Net	594,566	588,525	6,041	2,972,831	2,942,627	30,204
Departmental and Other Revenue	<u>124,776</u>	<u>145,825</u>	<u>(21,049)</u>	<u>658,762</u>	<u>729,125</u>	<u>(70,363)</u>
Total Other Revenue	<u>1,264,482</u>	<u>1,243,583</u>	<u>20,899</u>	<u>6,199,565</u>	<u>6,217,422</u>	<u>(17,856)</u>
<b>TOTAL REVENUE</b>	<b>2,754,662</b>	<b>2,621,546</b>	<b>133,116</b>	<b>13,114,258</b>	<b>13,333,005</b>	<b>(218,747)</b>
<b>EXPENSES</b>						
Direct Expenses	1,956,688	1,928,963	27,725	9,115,833	9,382,693	(266,860)
Indirect Expenses	<u>547,924</u>	<u>781,601</u>	<u>(233,676)</u>	<u>3,120,719</u>	<u>3,881,704</u>	<u>(760,985)</u>
Total Expenses	<u>2,504,612</u>	<u>2,710,564</u>	<u>(205,952)</u>	<u>12,236,552</u>	<u>13,264,397</u>	<u>(1,027,845)</u>
Operating Income (Loss)	<u>250,050</u>	<u>(89,018)</u>	<u>339,068</u>	<u>877,707</u>	<u>68,609</u>	<u>809,098</u>
<b>Nonoperating Gains (Losses):</b>						
Interest Income	5,736	7,500	(1,764)	29,069	37,500	(8,431)
Donations and Gifts	3,502	0	3,502	17,499	0	17,499
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>9,238</u>	<u>7,500</u>	<u>1,738</u>	<u>46,568</u>	<u>37,500</u>	<u>9,068</u>
Operating Income / (Loss)	<u>\$259,288</u>	<u>(\$81,518)</u>	<u>\$340,806</u>	<u>\$924,275</u>	<u>\$106,109</u>	<u>\$818,166</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING MAY 31, 2015**

<b>NURSING HOME</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
<b>REVENUE</b>						
Net Patient Service Revenue	<u>\$2,038,949</u>	<u>\$2,041,681</u>	<u>(\$2,733)</u>	<u>\$9,940,560</u>	<u>\$10,032,651</u>	<u>(\$92,091)</u>
<b>OTHER REVENUE</b>						
County Appropriations - Net	141,666	141,667	(1)	708,331	708,333	(2)
Departmental and Other Revenue	<u>46,086</u>	<u>34,833</u>	<u>11,253</u>	<u>197,592</u>	<u>174,166</u>	<u>23,426</u>
Total Other Revenue	<u>187,752</u>	<u>176,500</u>	<u>11,252</u>	<u>905,923</u>	<u>882,500</u>	<u>23,424</u>
<b>TOTAL REVENUE</b>	2,226,700	2,218,181	8,520	10,846,483	10,915,150	(68,667)
<b>EXPENSES</b>						
Direct Expenses	1,522,701	1,581,948	(59,247)	7,753,640	7,719,846	33,794
Indirect Expenses	<u>677,577</u>	<u>637,070</u>	<u>40,508</u>	<u>2,995,379</u>	<u>3,163,913</u>	<u>(168,534)</u>
Total Expenses	<u>2,200,278</u>	<u>2,219,018</u>	<u>(18,740)</u>	<u>10,749,019</u>	<u>10,883,759</u>	<u>(134,740)</u>
Operating Income (Loss)	<u>26,421</u>	<u>(837)</u>	<u>27,259</u>	<u>97,465</u>	<u>31,391</u>	<u>66,073</u>
<b>Nonoperating Gains (Losses):</b>						
Interest Income	0	0	0	0	0	0
Donations and Gifts	1,758	0	1,758	3,073	0	3,073
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>1,758</u>	<u>0</u>	<u>1,758</u>	<u>3,073</u>	<u>0</u>	<u>3,073</u>
Operating Income / (Loss)	<u>\$28,179</u>	<u>(\$837)</u>	<u>\$29,016</u>	<u>\$100,538</u>	<u>\$31,391</u>	<u>\$69,147</u>

NORTH CENTRAL HEALTH CARE  
 REPORT ON AVAILABILITY OF FUNDS  
 May 31, 2015

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT
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
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
Abby Bank	365 Days	05/03/2016	0.50%	\$500,000
BMO Harris	395 Days	05/28/2016	0.30%	\$500,000
Abby Bank	456 Days	09/01/2016	0.95%	\$500,000
CoVantage Credit Union	456 Days	09/01/2016	1.00%	\$500,000
TOTAL FUNDS AVAILABLE				\$9,300,000
WEIGHTED AVERAGE		337.15 Days	0.471% INTEREST	





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

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<b><i>Inpatient:</i></b>			
Administrative Write-Off	\$168	\$11,007	\$2,900
Bad Debt	\$255	\$697	\$2,983
<b><i>Outpatient:</i></b>			
Administrative Write-Off	\$5,189	\$37,073	\$5,815
Bad Debt	\$3,785	\$4,685	\$19,450
<b><i>Nursing Home:</i></b>			
Daily Services:			
Administrative Write-Off	\$0	\$0	\$6,860
Bad Debt	\$15,357	\$20,852	\$1,662
Ancillary Services:			
Administrative Write-Off	\$8,589	\$9,116	\$3,320
Bad Debt	\$0	\$0	\$676
<b><i>Pharmacy:</i></b>			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
<b>Total - Administrative Write-Off</b>	<b>\$13,945.94</b>	<b>\$57,195.95</b>	<b>\$18,895.00</b>
<b>Total - Bad Debt</b>	<b>\$19,396.38</b>	<b>\$26,233.93</b>	<b>\$24,771.00</b>

**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>
<b>January</b>	Nursing Home	6,603	6,500	(103)	88.75%	87.37%
	Hospital	403	403	0	81.25%	81.25%
<b>February</b>	Nursing Home	5,964	6,007	43	88.75%	89.39%
	Hospital	364	446	82	81.25%	99.55%
<b>March</b>	Nursing Home	6,603	6,607	4	88.75%	88.80%
	Hospital	403	439	36	81.25%	88.51%
<b>April</b>	Nursing Home	6,390	6,162	(228)	88.75%	85.58%
	Hospital	390	403	13	81.25%	83.96%
<b>May</b>	Nursing Home	6,603	6,301	(302)	88.75%	84.69%
	Hospital	403	440	37	81.25%	88.71%
<b>June</b>	Nursing Home Hospital					
<b>July</b>	Nursing Home Hospital					
<b>August</b>	Nursing Home Hospital					
<b>September</b>	Nursing Home Hospital					
<b>October</b>	Nursing Home Hospital					
<b>November</b>	Nursing Home Hospital					
<b>December</b>	Nursing Home Hospital					

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

	Target	January	February	March	April	May	June	July	August	September	October	November	December	YTD
<b>Days Cash On Hand:</b>														
Invested	70	61	62	62	60	61								61
Operating		48	36	33	47	46								46
Total		109	98	95	107	107								107
<b>Average Daily Census:</b>														
Nursing Home	213	210	215	213	205	203								209
Hospital	13	13	16	14	13	14								14
<b>Days in Accounts Receivable:**</b>	55-60 days	80	79	75	72	71								71
<b>Direct Expense/Gross Patient Revenue**</b>	55%-59%	61%	51%	59%	62%	65%								58%
<b>Write Offs**</b>	.5%-.6%	0.18%	0.27%	0.32%	0.16%	0.59%								0.30%
<b>Excess Revenue (Expense):</b>														
Actual		\$10,895	\$590,281	\$28,969	\$107,200	\$287,468								\$1,024,813
Budget		\$56,970	\$117,322	(\$12,015)	\$57,582	(\$82,354)								\$137,500
Prior Year-Actual		\$124,183	\$12,296	\$31,615	(\$294,589)	(\$17,820)								(\$144,315)

\*\*Dash Board Outcomes

**NCHC-DONATED FUNDS**

**Balance Sheet**

As of May 31, 2015

**ASSETS**

**Current Assets**

**Checking/Savings**

**CHECKING ACCOUNT**

Adult Day Services	4,861.91
Adventure Camp	693.99
AODA Day Services	-754.62
Birth to 3 Program	2,035.00
Clubhouse	98,655.40
Community Services - M/H	2,348.62
CSP	-492.15
Fishing Without Boundries	850.00
General Donated Funds	71,293.46
Housing - DD Services	1,370.47
Langlade HCC	3,103.80
Legacies by the Lake	
Music in Memory	2,192.65
Legacies by the Lake - Other	4,325.33
Total Legacies by the Lake	<u>6,517.98</u>
Lincoln County CSP	-175.00
Marathon Cty Suicide Prev Task	5,798.02
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	1,816.00
Northwoods Alliance	8,752.92
Nursing Home - General Fund	3,172.09
Outpatient Services - Marathon	101.08
Pool	6,730.48
Prevent Suicide Langlade Co.	1,543.55
Suicide Prevention Walk	750.00
United Way	274.60
<b>Total CHECKING ACCOUNT</b>	<b><u>222,423.97</u></b>

Total Checking/Savings 222,423.97

**Accounts Receivable**

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

**Total Current Assets** 222,439.97

**TOTAL ASSETS** 222,439.97

**LIABILITIES & EQUITY**

**Equity**

Opening Bal Equity	123,523.75
Retained Earnings	59,745.02
Net Income	<u>39,171.20</u>
<b>Total Equity</b>	<b><u>222,439.97</u></b>

**TOTAL LIABILITIES & EQUITY** 222,439.97

## North Central Health Care Budget Revenue/Expense Report

Month Ending May 31, 2015

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<b><u>REVENUE:</u></b>					
TOTAL NET REVENUE	4,981,363	4,839,728	23,960,742	24,248,156	(287,414)
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,280,847	2,464,882	11,280,479	11,914,392	(633,913)
Fringe Benefits	850,270	1,003,348	4,331,892	4,850,003	(518,111)
Departments Supplies	471,252	431,133	2,321,869	2,155,667	166,202
Purchased Services	377,833	273,725	1,588,379	1,409,625	178,754
Utilitites/Maintenance Agreements	279,868	307,644	1,472,444	1,574,221	(101,777)
Personal Development/Travel	42,071	40,350	154,790	201,750	(46,960)
Other Operating Expenses	104,903	172,988	527,412	864,942	(337,529)
Insurance	41,598	48,258	208,921	241,292	(32,371)
Depreciation & Amortization	140,600	137,253	719,685	686,265	33,420
Client Purchased Services	<u>115,650</u>	<u>50,000</u>	<u>379,700</u>	<u>250,000</u>	<u>129,700</u>
<b>TOTAL EXPENSES</b>	<b>4,704,891</b>	<b>4,929,582</b>	<b>22,985,571</b>	<b>24,148,156</b>	<b>(1,162,585)</b>
<b>EXCESS REVENUE (EXPENSE)</b>	<b>276,472</b>	<b>(89,854)</b>	<b>975,171</b>	<b>100,000</b>	<b>875,171</b>

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

May 28, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

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

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

The meeting was called to order 11:01 AM, roll call taken, and a quorum noted.

Minutes

**Motion**/second, Zriny/Weaver, to approve the minutes of the 4/30/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Balance sheet:
  - Cash continues to improve; is comparable to last year.
  - Accounts Receivable continues to see improvement; has decreased about \$811,000 since January; days in Accounts Receivable has dropped to 72; target by year end is 55-60 days.
  - No significant write-offs identified through April; about \$15,000 has been identified in the nursing home billing area in May so far as we continue to clean-up that area.
- Revenues:
  - April showed a gain of \$107,200.
  - Hospital census is 13 which is at target; nursing home census dropped to 205 which is below the target of 213; Medicare census averaged 26 per day which is at target.
  - Outpatient revenues overall were down; in May we should see some spikes. No billing is able to be done until documentation is complete. We have established a policy in all programs with documentation guidelines and are working with staff on timely completion. A monitoring tool by individual is also being established.
  - Overall revenue was down slightly for the month; expenses were down also
  - Overall the organization shows a gain over \$737,344, which is ahead of target.
- Expenses:
  - Health Insurance was high in April however; May health insurance is very low; medications were up due to extra invoice date in April.
  - The vendor for rehab services changed as of 5/14/15 from RehabCare to Aegis; have seen March/April with expenses higher and revenue lower. This is not uncommon when a contract change occurs; we will continue to monitor closely.

**Motion**/second, Zriny/Weaver, to approve the April financial statements. Motion carried.

### CFO Report

- Working on testing with ledger and reconciliation.
- Budget process has begun.
- In the nursing home we are looking at a 1% acuity increase in the Medicaid rate with the second year of the biennium. Medicaid increases continue to be below inflation rate.

### Accounts Receivable Update

- Continuing to see the days in accounts receivable decrease.
- Continuing to get cash application process up to date.
- Developing internal reports for aging activity as we are not yet able to generate the reports on the system. Note: the vendor is currently working on two required projects: Meaningful Use and ICD10. These are large projects which prevent them from focusing on other projects at this time. The vendor has also experienced turnover which adds to the frustration and delay of projects.

### 2016 Capital Requests

- Each capital request item was reviewed in detail.
- **Motion**/second, Zriny/Robinson, to recommend the 2016 capital requests to the board and if approved, forward to Marathon County for approval. Motion carried.

### Proposal for Contractual Nursing Assistant Recruitment/Retention Compensation Strategy

- The Executive Team and the Nursing Home Operations Committee have reviewed and recommend to the Finance Committee the approval of the CNA Recruitment/Retention Compensation Strategy for CNA staff in the nursing home
  - Goals are to increase current CNA compensation up to the projected market rate with a four-year phased-in approach; adjustments occurring in 6-month increments. Currently 70% of our CNA's are below market rate; 41% are in the nursing home.
  - In 2015 there would be a projected budget impact of \$67,000 with estimated financial impacts of \$200,000 over the next four budget cycles.

**Motion**/second, Robinson/Zriny, to advance the CNA Recruitment/Retention Compensation Strategy to the Board of Directors for approval. Motion carried.

### Education on Fund Balances

Reviewed the definitions for Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB) and North Central Health Care Fund Balance reporting. Committee expressed the importance of providing an education session to County Board members on why it is prudent and beneficial to have fund balances and reserves, their purpose, etc. It was also felt the education should be provided by a non-affiliated outside resource.

### Future Agendas

- Continued fund balance review

**Motion**/second, Weaver/Zriny, to adjourn the meeting at 12:04 p.m. Motion carried.



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

May 28, 2015

12:00 p.m.

NCHC – Antigo Campus

Present:

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

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

The meeting was called to order at 12:07 p.m. Roll call was taken and a quorum declared.

Consent agenda

**Motion**/second, Burgener/Metter, to remove the CEO report from the consent agenda. Motion carried.

**Motion**/second, Metter/Burgener to approve the 4/30/15 minutes of the Finance, Personnel & Property Committee meeting and the 4/30/15 Board meeting minutes. Motion carried.

CEO Report

In addition to the written report:

- Just Like Us event
  - Thanks to all board members who attended.
  - The entire event was very successful and raised over \$15,000.
  - Planning is underway for next year's event already.
- Aquatic Therapy Program
  - USAquatics was hired and rendered an opinion to build a new pool/facility on this campus.
  - Project will be brought to the Marathon County Board through their approval process.
  - We are currently in the process of looking at philanthropic funding and have \$680,000 of committed funds to date. It is the opinion of the Aquatic Fundraising Committee that we will meet the million dollar target.
- Employee Health Care Consortium
  - The purpose is to pool health care resources and risk.
  - Four entities are involved: Marathon County, D.C. Everest, Wausau Area Schools, and NCHC
  - Working with Benefits Services Group.

- After initial feasibility and cost projections were completed and identified as a viable opportunity, the next step is issuing an RFP for shared administrative services, etc.
- Initial cost savings for the group is estimated at \$7-8 million. NCHC anticipates about \$1 million in savings.

#### Chairperson's Report

- **Motion**/second, Metter/Tange, to approve the 5/22/15 Executive Committee minutes.
- Committee discussed the relationship with Marathon County regarding the nursing home renovation project and mental health services to the jail.
- Nursing Home Operations Committee would like to work with Marathon County members in educating them on who the NCHC Board members are, services provided, as well as a better understanding of the project and its importance to the residents and community. Committee feels it is important to rebuild the relationship between the NCHC Board and Marathon County; project could now cost considerably more due to this delay.
- Mental health services to the jail must be resolved:
  - There is a misconception by law enforcement on how our unit operates, that we are a licensed hospital, etc. and will work to provide opportunities for our staff to visit the jail and jail personnel to visit NCHC.
  - Work group has been formed with: Criminal Justice, NCHC, Sheriff's Dept., Jail staff, etc. to:
    - Identify what the needs of the jail are and how we can meet their needs.
    - Possibly provide a Forensic Counselor specific for the jail and developing skills in crisis staff who will then respond to jail 'crisis' situations.
    - Expanding medication management services, psychiatry services, educating jail personnel to improve screening process at jail, etc.
    - Connecting to after-care services, helping make a more positive transition after jail by developing a support network i.e. regular staffings, etc.
    - Many individuals released from jail have substance abuse issues, therefore, looking at how we can provide substance abuse services and appropriate mental health services, etc.
    - Working with State Dept. of Health Services and State Corrections for support in devising solutions, educational opportunities for jail staff, etc.
  - Goal is to implement by July 1. Plan is aggressive with many resources and costs.
  - Innovation Funds may be used for 2015 but anticipate additional costs to be incurred for 2016.
  - Once there are demonstrable results an education/update will be provided to the Marathon County Board.
- **Motion**/second, Olkowski/Burgener, to provide NCHC staff to bring in trusted expertise if needed, in finding a solution. Motion carried.
- Motion carried to approve Executive Committee meeting minutes.

**Motion**/second, Metter/Tange, to reorder agenda to address items 12-13 next: Joint County Contract/Nursing Home Management Agreement/NCHC Campus Maintenance and Use Agreement. Motion carried.

#### Joint County Contract

- Our Executive Committee and Board worked with legal counsel, reviewed, revised and approved this contract over two years ago and then forwarded to all three counties for approval.
- Lincoln and Langlade Counties approved the contract at that time; Marathon County acted on it about six months ago, formed a Task Force and has forwarded recommendations.
- Corporation Counsels from three counties have approved the recommendations.
- Lincoln and Langlade Counties have asked Marathon County to approve the contract before going back to their county boards.
- **Motion**/second, Zriny/Penniman, to endorse the Joint County Contract and forward to Marathon, Lincoln and Langlade Counties for review/approval with Marathon County to review first. Motion carried.

#### Nursing Home Management Agreement and NCHC Campus Maintenance and Use Agreement

- Nursing Home Management Agreement was reviewed.
- **Motion**/second, Metter/Kelly, to endorse the Nursing Home Management Agreement and forward to the Marathon County Health & Human Services Committee for review and approval. Motion carried.
- NCHC Campus Maintenance and Use Agreement was reviewed.
- It was noted the date of the agreement should be added to read: 1/1/15.
- **Motion**/second, Olkowski/Penniman, to endorse the agreement, with the addition of the date of the agreement of 1/1/15, and forward to the Marathon County Health & Human Services Committee for review/approval. Motion carried.

#### Quality Committee

- Committee reviewed the Quality dashboard, outcomes from drill-down dashboard, incidents, etc. All actions were appropriate and in compliance.
- Organizational Quality Dashboard was reviewed.
  - Error was noted for Nursing Home Readmission rate. Earlier this year the Nursing Home Operations Committee reviewed the national data on calculating nursing home and hospital readmission rates and determined our calculations should be consistent with the industry.
    - The 30 day readmission rate had been adjusted (and will be corrected on the Dashboard). Target range is 11-13.
    - The 2014 rate will also be corrected to read 11.9%
    - An explanation will be added to the dashboard explaining the correction.
    - A footnote will also be added explaining the targets are set each year with a 10-25% improvement over the previous year.
  - **Motion**/second, Burgener/Tange, to approve the Quality Committee report. Motion carried.

### Financial Report

- April showed a gain of \$107,200; overall the organization shows a gain of over \$737,000 for the year.
- Continuing to work on accounts receivable.
- Budget process for 2016 has begun.
- **Motion**/second, Rusch/Kelly, to accept the Financial Report. Motion carried.

### Finance, Personnel & Property Committee

- April financials were reviewed; committee is watching accounts receivables closely and is comfortable with the progress being made.
- 2016 capital improvement requests were reviewed and is recommended for approval.
- **Motion**/second, Olkowski/Zriny, to approve the 2016 capital improvement requests and forward to Marathon County for consideration/approval. Motion carried.
- Proposal for Contractual Nursing Assistant Recruitment/Retention Compensation Strategy was reviewed. This proposal and strategy is designed to improve the compensation for our nursing assistants based on the current market. Proposal is being recommended by the Nursing Home Operations Committee and the Finance Committees.
- **Motion**/second, Olkowski/Burgener, to approve the Contractual Nursing Assistant Recruitment/Retention Compensation Strategy proposal. Motion carried.
- **Motion**/second, Burgener/Kelly, to approve Financial Report. Motion carried.

### Nursing Home Operations Committee (NHOC) Report

- Discussed Marathon County's failure to approve the nursing home renovation project.
- Committee feels a detailed explanation of the CMS 5 Star rating change is important to understand. CMS notified the entire industry that all would see a 1-Star decline due to the changes in criteria and calculation, NOT a reflection of declining quality.

### Joint Commission Education

- Anticipating Joint Commission Survey any time after June 1, 2015.
- Notification will be sent to the Board of Directors when Joint Commission surveyors arrive.

### Future meeting agendas

- Strategic Planning Update

**Motion**/second, Kelly/Rusch, to adjourn at 1:59 p.m. Motion carried.

*Minutes prepared by Debbie Osowski, Executive Assistant*

## CEO Report: June, 2015

- 1. Joint Meeting with Marathon County Health and Human Services Committee:** For our regular board meeting on 6/25/15, we are meeting jointly with the Marathon County Health and Human Services Committee. This will represent an excellent opportunity to have this committee learn first-hand more about NCHC and open a dialogue between the two groups that will help to improve the working relationship with Marathon County. I think it will also serve as a model for how we might improve our interactions with our other two sponsor counties.
- 2. JCAHO Accreditation Survey:** We have successfully completed the first step in the JCAHO accreditation process. Our four day onsite survey occurred June 9<sup>th</sup> -12<sup>th</sup>. The survey process went very well with the surveyors repeatedly complimenting NCHC on our very clear commitment to the quality of care that we provide and a genuine spirit of continuous improvement. As expected, and as a desired outcome of this process, the survey yielded some opportunities for improvement. The vast majority of these opportunities are very easy to correct/implement and we have already begun this process. We have begun the official second step in the accreditation process in which we will be submitting our corrective actions on all required improvements and a return visit will occur within 45 days to verify that physical corrections have been made on facility-related findings. This phase of the process will conclude within 60 days with a formal accreditation decision. We are confident that we will be able to respond effectively to all of the required improvements and are optimistic that we will receive a positive final determination. A more detailed report will be provided at the board meeting on 6/25/15 as part of the Quality Committee report.
- 3. Employee Health Insurance Consortium:** The Health Insurance Consortium continues to meet regularly to develop the intergovernmental agreement necessary to function in a long-term relationship. That agreement, when complete, will require action by the board to be executed. This group also remains committed to the RFP process for TPA and network services for the consortium with a target date of early August for all information to be collected and analyzed for recommendation. Over the next few months the consortium will be working to quickly evaluate and identify ways to jointly develop a broad and comprehensive wellness program platform to support the consortium's long-term viability.
- 4. Mental Health Services to the Criminal Justice System:** We are continuing to work closely with representatives from the Marathon County jail on development of a pilot program to serve the mental health needs of the inmate population. Currently this pilot will include provision of a full-time forensically trained counselor, weekly psychiatry services provided via tele-psychiatry and a substantial upgrade in our crisis services to serve the jail. We are intending to implement this pilot on July 1. We are also looking at how we can expand our current mobile crisis service to 24/7 to serve, not only the needs of the inmate populations in all three counties but also to provide on-site crisis intervention for all mental health crisis needs throughout the three-county region. A more detailed report will be provided as an agenda item at the board meeting on 6/25/15.

5. **Psychiatry Recruitment:** Dr. Brigitte Espinoza will be starting full-time practice at NCHC on July 20, 2015. We have completed all of the work on her J-1 Visa application and it has been approved. She has completed application for and been granted a Wisconsin license and DEA license. She is in the credentialing process at this time and we anticipate that her credentialing/privileging will be complete before she starts. We are very excited to have Dr. Espinoza joining our staff and are sure that she will be a great asset to NCHC and the regional medical community.
  
6. **Psychiatry Residency Program:** We are continuing to work closely with the Medical College of Wisconsin on the development of a Psychiatry Residency Training Program in North Central Wisconsin. We are very near having solid commitments on all of the stipends necessary to support this program. The support from regional health systems has been very encouraging. We are still on track to welcome our first class of psychiatry residents in July of 2017. There will be a more detailed presentation on this at the board meeting on 6/25/15.

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

**June 9, 2015**

**10:30 AM**

**NCHC – Wausau Campus**

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

ALSO PRESENT: Gary Bezucha

### AGENDA:

1. The meeting was called to order by Ron Nye at 10:31 AM and a quorum was noted.
2. Minutes of 5/22/15 Executive Committee: moved for approval by Lee Olkowski, seconded by Bob Weaver and approved without change unanimously.
3. CEO Report:
  - a. Joint meeting with Marathon County Health & Human Services Committee: Gary Bezucha reported that the Marathon County HHS Committee has requested an opportunity to meet jointly with the NCHC board at its next board meeting on 6/25/15 for the purpose of engaging in dialogue and gaining a better understanding of how each body operates. Motion by Lee Olkowski, seconded by Laura Scudiere to invite the Marathon County HHS Committee to meet jointly with the NCHC board on 6/25/15. Motion passed unanimously.
  - b. Psychiatry Residency Program: Gary Bezucha provided an update on the progress thus far in developing the infrastructure for a Psychiatry residency training program. It was suggested that a report be provided to the whole board at its next meeting.
  - c. Employee Health Insurance Consortium: Gary Bezucha provided an update on the multi-organizational task force working on this initiative. A R.F.P. has been released for a network provider and TPA. Both UMR and Security Health Plan have elected not to respond to the RFP due to competitive reasons. We expect to have responses to the RFP within the next few weeks.
  - d. Strategic Planning: Schafer Consulting is prepared to present a first draft of the strategic planning document. Due to the joint meeting with the Marathon HHS Committee and allowing sufficient time for open dialogue, it was determined that presentation of the strategic plan document be delayed to a later meeting. Decision was made to attempt to arrange a special NCHC board meeting in early July for the purpose of reviewing the strategic plan. Gary Bezucha was charged with bringing some potential dates for that meeting to the next board meeting.
  - e. Mental Health Services to Marathon County Jail: Gary Bezucha provided an update on current work being done with the Marathon County jail aimed at improving mental health services.
  - f. Medically Monitored Treatment (Residential AODA): Gary Bezucha reported that the MMT program will open as scheduled on July 1, 2015 with six beds.

4. Update on Nursing Home Renovation Project: Gary Bezucha continuing to work with some of the members of the Marathon County board who voted against the funding for this project.
5. Mental Health Services to jails: Gary Bezucha reported that current efforts underway to improve mental health services to the Marathon County jail will eventually benefit all three counties. The pilot program under way in Marathon County will be extended to all three counties if it is successful in Marathon County.
6. Agenda for 6/25/15 NCHC Board Meeting:
  - a. Dialogue with Marathon County HHS Committee
  - b. Update on Mental Health Services to jails
  - c. Update on Primary Care/Behavioral Health Care integration project being done with Bridge Clinic
  - d. Update on Psychiatry Residency Program
  - e. Discussion of possible dates for a special NCHC board meeting to review initial draft of strategic plan
7. Motion for adjournment by Laura Scudiere, seconded by Lee Olkowski and the meeting was adjourned by Ron Nye at 11:32 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
<b>CLINICAL</b>																
Nursing Home Readmission Rate	11-13%	↓	24.2%	13.8%	9.1%	11.1%	16.1%								15.5%	11.5%
Psychiatric Hospital Readmission Rate	9-11%	↓	11.0%	9.3%	12.7%	7.1%	17.2%								11.5%	10.0%
AODA Relapse Rate	18-21%	↓	17.9%	25.0%	26.7%	15.4%	30.0%								23.0%	20.8%
NCHC Adverse Event Rate	3.8-4.0	↓	3.5	4.1	4.3	4.0	3.8								4.0	4.1
<b>PEOPLE</b>																
Injury Claims*	50-60	↓	24	18	24	24	22								22	n/a
Employee Turnover Rate*	20-23%	↓	21.0%	20.2%	18.4%	19.4%	20.3%								20.3%	25.5%
<b>SERVICE</b>																
Client/Patient/ Resident Satisfaction Percentile Rank	58-66 Percentile	↑	66th	70th	39th	41st	67th								47th	59th
Community Partner Satisfaction Percent Good/Excellent	75-80%	↑	\	68%	\	\	79%	\	\		\	\		\	73%	71%
<b>COMMUNITY</b>																
Community Employment Rate	15.8-18%	↑	27.2%	25.2%	22.9%	24.7%	24.4%								24.8%	n/a
NCHC Access Measure	90-95%	↑	98%	98%	91%	83%	70%								86%	n/a
Recidivism Rate for OWI	27-32%	↓	31.37%	26.32%	24.40%	36.60%	23.50%								29.10%	31.30%
<b>FINANCE</b>																
Direct Expense/Gross Patient Revenue	55-59%	↓	61%	51%	59%	62%	65%								58%	59.7%
Days in Account Receivable	55-60	↓	80	79	75	72	71								71	79
Write-Off Percent of Gross Revenue	.5-.6%	↓	0.18%	0.27%	0.32%	0.16%	0.59%								0.30%	n/a

KEY: ↑ Higher rates are positive

↓ Lower rates are positive

\* Monthly Rates are Annualized

\*\* Target is based on a 10%-25% improvement from previous year performance or industry benchmarks.

## NCHC OUTCOME DEFINITIONS

CLINICAL	
<b>Nursing Home Readmission Rate</b>	Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions.
<b>Psychiatric Hospital Readmission Rate</b>	Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital.
<b>AODA Relapse Rate</b>	Percent for patients admitted to Ambulatory Detoxification or the Behavioral Health hospital for detoxification then readmitted within 30 days of discharge for repeat detoxification.
<b>NCHC Adverse Event Rate</b>	Rate of client/patient/resident occurrences that are considered adverse events per 1000 patient days/visits. Adverse events are occurrences with a high potential for harm, injury or adverse outcome due to human error, process failure or environmental factors.
PEOPLE	
<b>Injury Claims</b>	The number of employee injuries with associated worker's compensation claims. Monthly figures represent an annualized rate.
<b>Employee Turnover Rate</b>	Percent of employee terminations (voluntary and involuntary) of the total workforce. Monthly figures represent an annualized rate.
SERVICE	
<b>Client/Patient/Resident Satisfaction Percentile Rank</b>	Comparison rate (to other organizations in the Health Stream database) of the percent of level 9 and 10 responses to the Overall rating question on the survey.
<b>Community Partner Satisfaction Percent Good/Excellent</b>	Percentage of "Good and Excellent" responses to the Overall Satisfaction question on the survey.
COMMUNITY	
<b>Community Employment Rate</b>	Percent of Community Treatment, Prevocational, and Community Corner Clubhouse clients receiving vocational support/services who are employed.
<b>NCHC Access Measure</b>	<p>% of clients obtaining services within the Best Practice timeframes in NCHC programs.</p> <ul style="list-style-type: none"> <li>• Adult Day Services - within 2 weeks of receiving required enrollment documents</li> <li>• Aquatic Services - within 2 weeks of refferal or client phone requests</li> <li>• Birth to 3 - within 45 days of referral</li> <li>• Community Corner Clubhouse - within 2 weeks</li> <li>• Community Treatment - within 60 days of referral</li> <li>• Outpatient Services - within 14 days of referral</li> <li>• Prevocational Services - within 2 weeks of receiving required enrollment documents</li> <li>• Residential Services - within 1 month of referral</li> </ul>
<b>Recidivism Rate for OWI</b>	Percentage of AODA clients who receive treatment at NCHC that have 2 or more OWI convictions.
FINANCE	
<b>Direct Expense/Gross Patient Revenue</b>	Percentage of total direct expense compared to gross revenue.
<b>Days in Account Receivable</b>	Average number of days for collection of accounts.
<b>Write-Off percent</b>	Write-offs as a percent of gross revenue

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

**May 21, 2015, 10:30 a.m.**

**NCHC – Wausau Campus**

Present: Darren Bienvenue, Bill Miller, Laura Scudiere, Jean Burgener

Excused: Dr. Eric Penniman, Holly Matucheski

Also present: Gary Bezucha, Becky Schultz, Gretchen Brown, Michael Loy, Toni Simonson, Dianna Schlicher, Miki Gould

The meeting was called to order at 10:33 a.m.; roll call was noted and a quorum declared. Moments of Excellence were shared.

Minutes

- **Motion**/second by Burgener/Bienvenue to approve the minutes of the March 23, 2015, meeting. Motion carried.

Outcome Data/Safety

- The Committee reviewed organization-wide and program-specific outcome data and safety data.
- Outbreak of norovirus-like symptoms increased the adverse events rate.
- Staff was commended for the community employment rate measure.
- Action plans are in place for measures that are not being met.
- **Motion**/second by Burgener/Bienvenue to approve the Outcome Data as presented. Motion carried.
- **Motion**/second by Bienvenue/Burgener to approve the Safety information and Adverse Events graphs as presented. Motion carried.

Closed Session

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

#### Emergency Operations Plan

- The Emergency Operations Plan, as well as the Emergency Disaster Operations Manual were updated to reflect current practice.
- **Motion**/second by Burgener/Bienvenue to approve the revised Emergency Operations Plan. Motion carried.

#### Compliance Auditing

- Audits have been conducted to ensure documentation is being completed in a timely manner and billing is completed appropriately.
- All programs will formally report monitoring and a report will be provided to the Quality Committee.

#### Joint Commission Education

- Reviewed information regarding Joint Commission.

#### Future Agenda Items

- No future agenda items were identified.
- **Motion**/second by Burgener/Bienvenue to adjourn at 11:39 a.m. Motion carried.

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

**April 24, 2015**

**8:00AM**

**NCHC – Wausau Campus**

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

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

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

Minutes

- **Motion** / second, Olkowski / Bandow to approve minutes of the March 13, 2015, meeting. Motion carried.

Financial Report

- The nursing home had a gain of \$12,000 in March, which equates to \$82,000 ahead of targets year-to-date.
- Average census for March was down from February's average of 214 to 213. April started out down, but has come back up during the last part of the month. Was noted that both hospitals and other area nursing homes are also low in census. March is typically low due to spring break/school vacation.
- Medicare census remains above target of 25/day.
- All other areas continue to be at or above targets.

Nursing Home Update

- A Nurse Manager has been hired for the Long-Term Care program. Noelle Washatko will start on May 4<sup>th</sup>.
- Kristin Woller has been promoted to Program Manager for the Legacies by the Lake program.
- The target for the re-hospitalization rate within 30 days has been set a little higher. Because there is no national industry standard, we recalculated our data to be consistent with how most of the nursing homes in our area calculate their rate. Our current recalculated rate of 9.1% is still below state and national rates.
- We continue to see a reduction in the CNA turnover rate with only four terminations in March. We are the only nursing home working closely with Northcentral Technical College and Human Resources has worked very hard to improve our onboarding process.
- Our external customer satisfaction has come up from 70.3% to 80% in February. March results are not yet available.
- Bill Metter reported hearing our ad on the radio. Gretchen was asked to bring an audio clip for the committee to hear at the May meeting.

Master Facility Plan Update

- No new information on construction phasing at this time.

### Marathon County Board Action

- At their April 21<sup>st</sup> meeting, the Marathon County Board delayed a vote on the funding / bonding of the renovation until their next meeting on May 19<sup>th</sup>.
- We have a 90-day hold on bids. If the funding is not approved by June 9, we would have to start the bidding process all over.
- Should not overlook how much time and money has already been invested and that the Marathon County Board has already given approval for the renovation.
- There was a letter distributed at the April 21<sup>st</sup> Marathon County Board meeting that contained some inaccurate or partial information.
- Reviewed and discussed contents of letter. Information will be provided to the Marathon County Board to clarify statements made in the letter.
  1. Tax levy information and usage:
    - a. Levy listed for the nursing home is accurate.
  2. Statement: Employee incentive plan was not budgeted by NCHC and is based on excess profits:
    - a. It is true that the incentive plan had not been budgeted for, but they typically are not because it is required to create its own funds.
    - b. The incentive money was distributed to all NCHC employees, not just nursing home employees.
    - c. Excess revenue contributed to the Marathon County fund balance each year after the employee incentive payout. Of note, during the three years the employee incentive was paid out to employees, reserves grew by an amount more than the incentive paid out. These dollars were from excess revenue. The employee incentive also involves quality targets that must be met or exceeded for this payout to occur.
    - d. Provide specific numbers and exact excess fund balance after payout of incentive.
    - e. During this time, Marathon County Employees were paying 12% for their insurance and NCHC employees were paying 20%. Also, when Governor Walker mandated restraints of ACT 10, NCHC employees took a 6.7% pay reduction on top of having to pay more for insurance.
  3. Statement: Money was transferred to the nursing home by NCHC that was meant for Mental Health, Developmental Disabilities, and Alcohol / Drug Treatment:
    - a. In October 2011, the Finance Committee of the North Central Community Services Program approved a resolution to dissolve the intrafund payable, which was to separate the nursing home operations from the 51.42 program operations, and transfer the balances to the appropriate portions of the Marathon County Fund Balance. A copy of this resolution will be given to the Marathon County Board.
    - b. Technically, it's just moving liability from Marathon County to Marathon County, a left pocket to right pocket situation.
    - c. When looking at the structure of financials, there is an amount of levy designated for the nursing home and another for 51.42. There is no movement of that levy between the two programs. The 51.42 side is not "getting cheated" out of anything, they are getting their full levy. The transfer of funds was a matter of better performance resulting in an excess.
    - d. These misconceptions are due to a lack of understanding of the complexities of the operations of NCHC.
    - e. The letter is giving the perceptions that we are withholding services; we are fulfilling what we have been designed to provide.

- f. While there are issues with the way our jail, mental health, and alcohol dependence systems are designed, we need to work together as a team and build relationships between these programs and NCHC.
  - 4. Statement: Marathon County continues to pay property and liability insurance on the nursing home building:
    - a. Marathon County does pay the property and liability insurance, but then invoices NCHC for the amount to pay back to them. Marathon County used to pay the insurance, but that changed 2-3 years ago.
  - 5. “Where are We Now” section give the impression services are deteriorating because we are not a 5-Star facility at this time.
    - a. CMS has dramatically changed the criteria for the star rating.
    - b. MVCC had a 1-Star rating in 2008. With the inception of the Nursing Home Operations Committee and the growth of the Quality program, the nursing home earned a 5-Star rating, which is the highest rating. Our quality outcomes speak for themselves as they remain above state targets.
    - c. Our affiliation agreement with Aspirus also speaks to the quality of our programs.
- Other speaking points for Board:
  - Bring the residents back to the forefront. This renovation is about people.
    - On a personal note, Bill Metter knows three residents at Mount View that all speak well of the care they have received.
    - We will be compiling a list of families who have residents at Mount View and contacting them to come forward to speak to their County Board representative.
  - List things that are unique to what we do that other area nursing homes don’t or cannot do.
  - Reeducate on the cost of placing residents with behaviors and disabilities outside of Marathon County. Mount View does take challenging residents that other nursing homes will not take. The newer facilities in the area are designed for Medicare residents only and either do not take any or take very few Medicaid payers.
  - Key to note that while the County is borrowing \$13.8 million for us, we are reimbursing them for it because of increased reimbursements. If we don’t spend the money for the renovation, we won’t get those reimbursements. Our facility has not had any major renovations for 30 years. In order to be contemporary, we need to do the renovation. Quantify the additional money gained from capital investment.
  - Clarify that of the \$13.8 million needed for the renovation, NCHC is responsible for 70% and Marathon County is only responsible for 30% or \$4 million. Spread over 20 years, it amounts to only \$200,000 a year.
  - We have actually helped Marathon County by reducing the tax levy, bringing it from \$5.5 million in 2007 to \$1.7 million.
- Summarization of talking points for Marathon County Board:
  - Explain incentive compensation
  - Show that quality targets are being met
  - Provide resolution dissolving the intra-fund payable and transferring balances to the appropriate portions of the Marathon County Fund Balance
  - Provide difference in health insurance costs for Marathon County employees and NCHC employees
  - Use “left pocket / right pocket” example
  - Clarify that 51.42 is not being cheated and what the allocation we do receive is used for
  - We are part of the Marathon County team and will do whatever it takes to work together with the other systems

- Clarify star rating and changes CMS has made
- Speak to actual care delivered here
- Marathon County would only be responsible for 30% of the \$13.8 million; 20-year amortization – what does it really cost
- Capital improvement costs
- If we don't do the renovation, list what will happen
- Mental health partnership with the jail; what we can envision
- Upcoming meetings:
  - April 30 – full Board – get on agenda and provide 1-2 page summary and distribute to Board members
  - May 11 – Health and Human Services
  - May 14 – Marathon County Board informational meeting
  - May 19 – Marathon County Board meeting (vote)

Education – Update on CNA Recruitment/Retention and Compensation Strategies – Michael Loy

- Presentation provided information on the following (see attachment):
  - CNA turnover demographics
  - New employee demographics
  - Economic forces
  - Current wage and benefits and market projections
  - Recruitment and retention strategies
  - Proposed wage strategy implementation and plan review

**Motion** / second, Olkowski / Metter to recommend CNA wage strategy implementation to the Marathon County Finance Committee. Motion carried.

- July 24 meeting date: Consensus of committee to leave the July 24<sup>th</sup> NHOC meeting date as is.
- Future agenda items: No future agenda items to be added.

**Motion** / second, Olkowski / Bandow to adjourn. Motion carried and meeting adjourned at 9:50am.

*jhp*





# North Central Health Care

Person centered. Outcome focused.

## Certified Nursing Assistant Recruitment & Retention

## Key Discussion Points

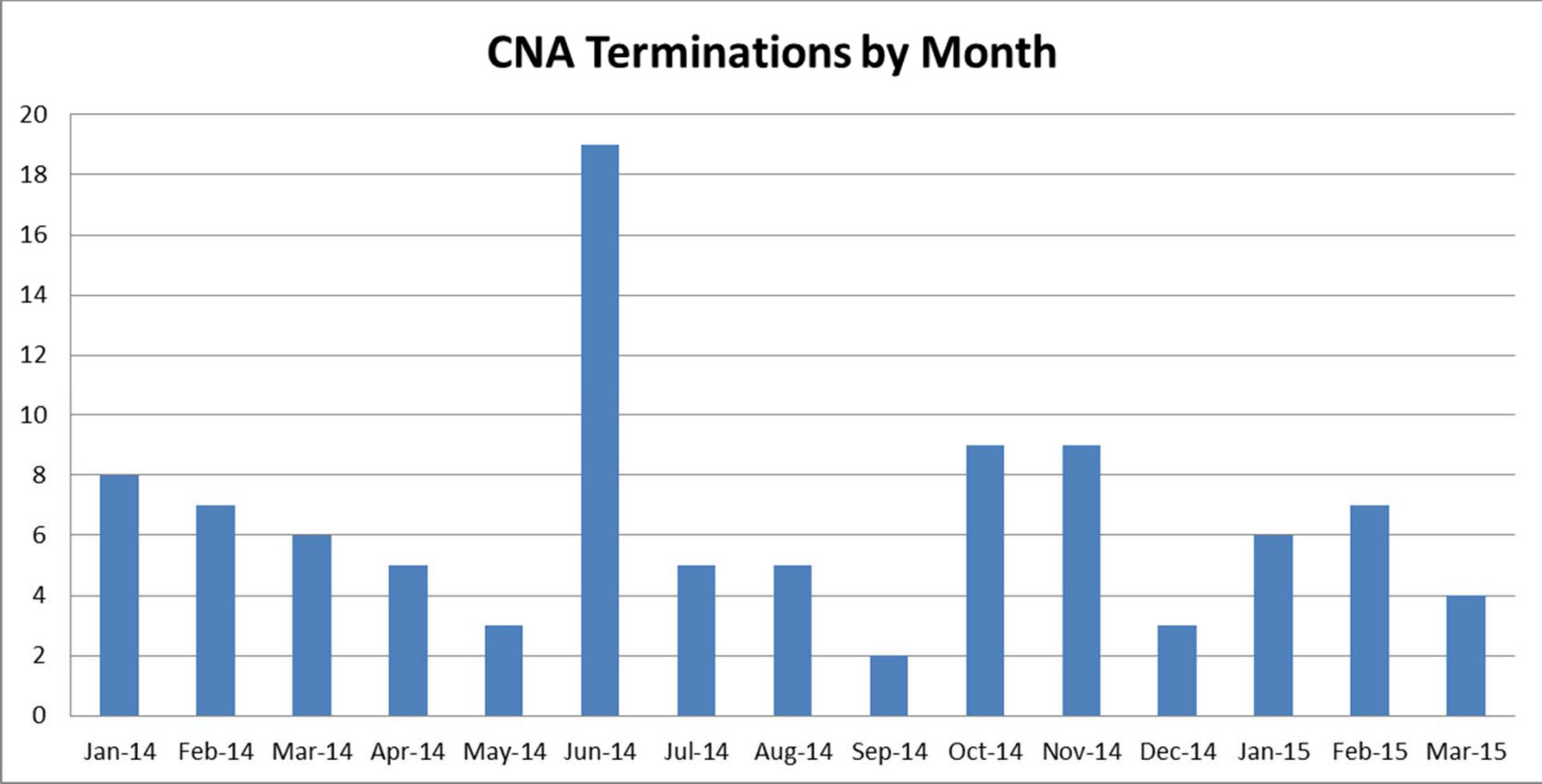
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- Termination Demographics
- New Employee Demographics
- Economic Forces
- CNA Career Value Proposition
- Wage Efficiency Theory Proposal
- Overview of Other Recruitment and Retention Strategies



# 2014 CNA Total Turnover

## 98 Total Terminations



# CNA Turnover by Program

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## CNA Turnover January 1 to December 31 2014

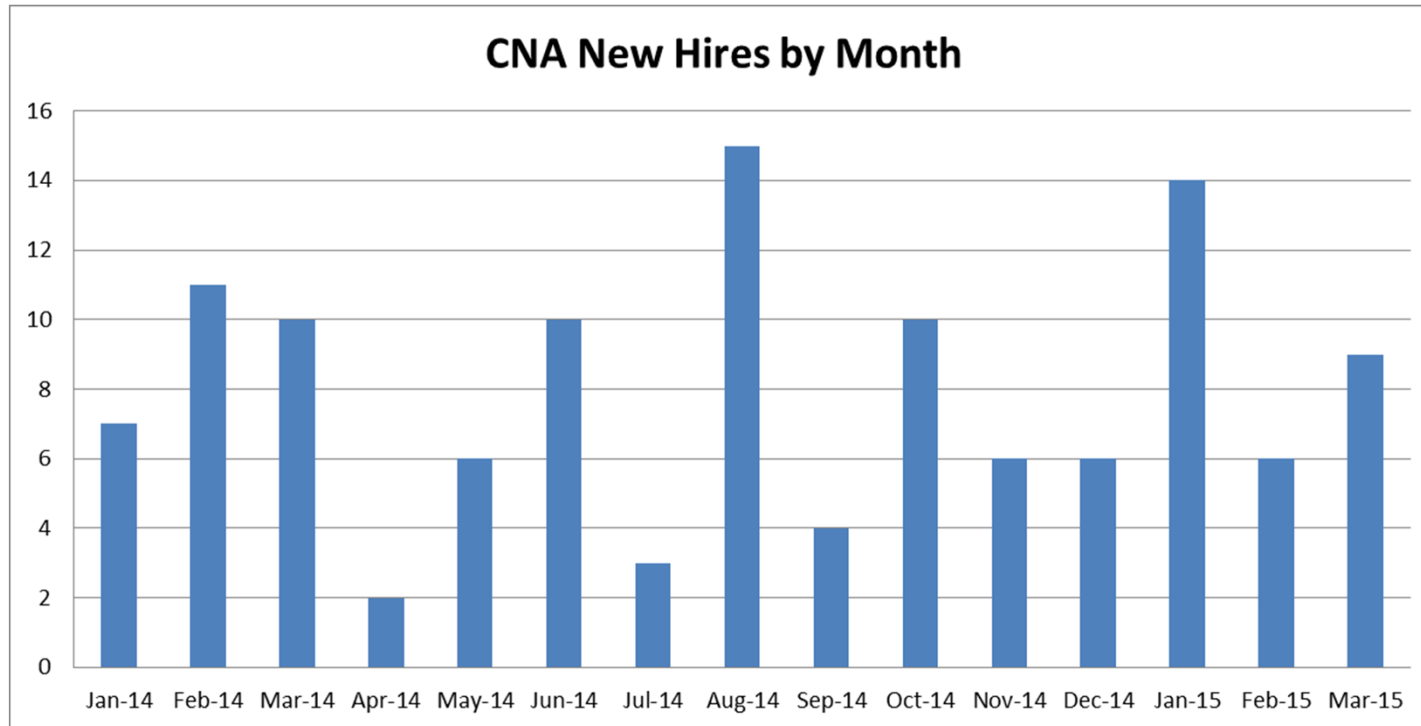
<b>Program</b>	<b>Terminated Employees</b>	<b>Turnover Rate</b>
<b>Legacies by the Lake</b>	<b>24</b>	<b>27.0%</b>
<b>Post-Acute Care</b>	<b>18</b>	<b>39.1%</b>
<b>Reflections Long-Term Care</b>	<b>39</b>	<b>65.0%</b>
<b>Total</b>	<b>81</b>	<b>41.5%</b>

## 2014 CNA Turnover by FTE

Program	0 – 0.24 FTE	0.25 - 0.49 FTE	0.50 - 0.74 FTE	0.74 – 1.0 FTE
Legacies by the Lake	8	3	2	11
Post-Acute Care	4	2	4	8
Reflections Long-Term Care	9	2	7	21
<b>Total</b>	<b>21</b>	<b>7</b>	<b>13</b>	<b>40</b>

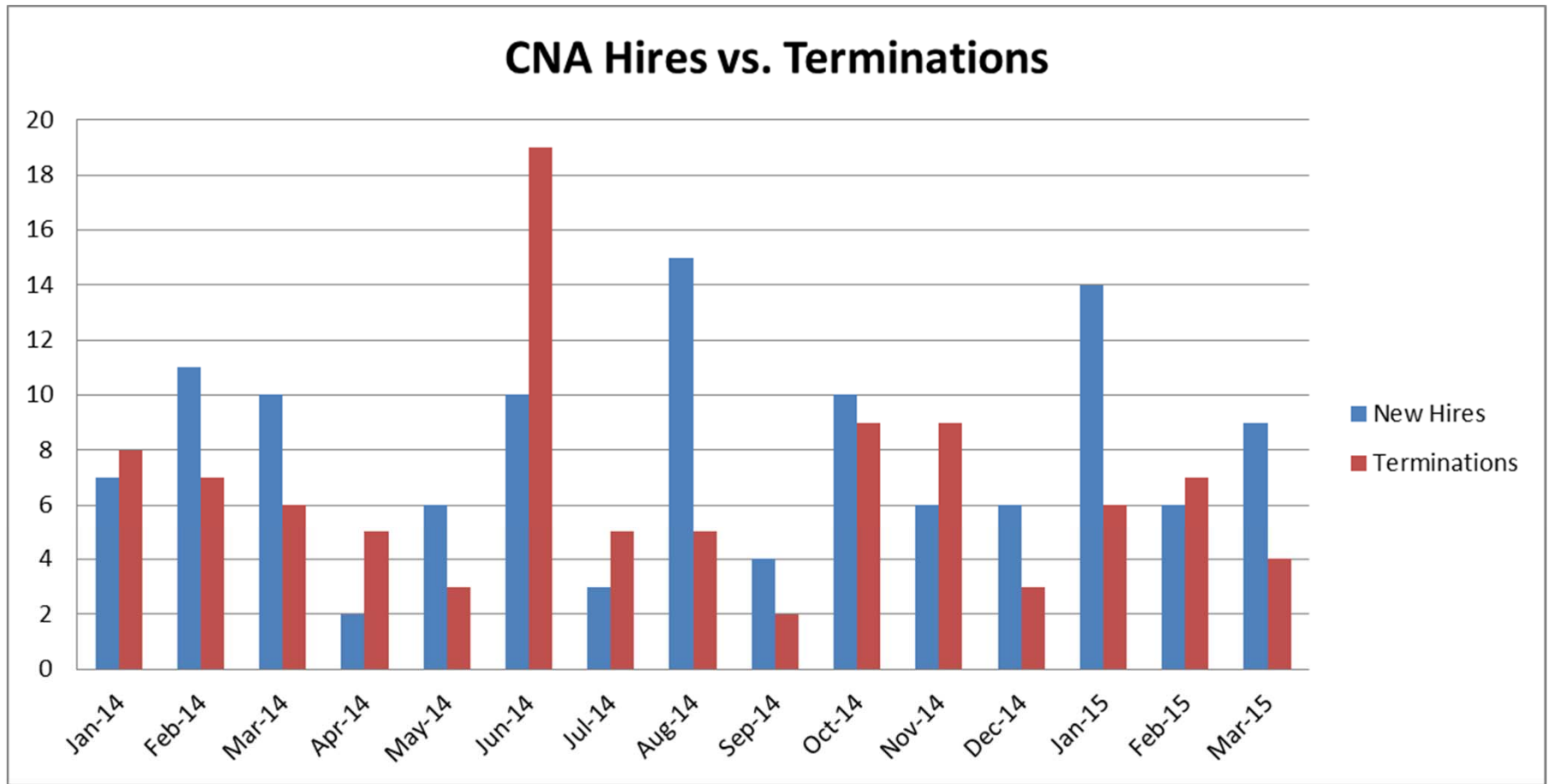
- 63% of Turnover was voluntary
- 43% of Turnover was within 180 days
- Average age was 25 years old
- Average service length was 1.7 years

## New Hire Demographics – Since January 1st 2014



- 84% Female
- 75% Millennial generation
  - mean age of 29 years old
  - median age of 25 years old
- 53% from the Wausau metro area

# CNA Workforce Planning



**Based on 2014 Terminations: 6.75 New CNA's/Month**

## Current CNA Staffing Mix

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### 2015 Budgeted CNA FTE's

Legacies

59.0

Long-Term Care

31.60

Post-Acute

23.50

### 2015 CNA FTE's

Legacies

47.21

Long-Term Care

33.0

Post-Acute

24.3

### Current Vacancy Rates

Legacies

80%

Long-Term Care

104.4%

Post-Acute

103.4%





## Economic Forces

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Marathon County employment projections estimate an additional 3,000 jobs will be created by 2020.

At the same time, the population is slated to increase by 4,472 with increased population rates projected in the non-working population, especially the older adult population.

- Decreased labor pool
- Increased demand for health care services

Heavy Jobs Competition from Retail, IT, Manufacturing and Health Care sectors.

9 Nursing Homes in Marathon County  
> 800 beds

## Value Proposition of CNA Career

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Wage Offer: \$11.25 an hour w/benefits

Bi-weekly compensation: \$720 Gross

### EE Benefit Contributions

Payroll Taxes (7.65%): (\$55.08)

Single Health Plan: (\$69.89)

Retirement (6.8%) (\$48.96)

\$546.07 Net



## Value Proposition of CNA Career

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Wage Offer: \$11.25 an hour w/benefits

Bi-weekly compensation: \$720 Gross

### EE Benefit Contributions

Payroll Taxes (7.65%): (\$55.08)

Family Health Plan: (\$209.66)

Retirement (6.8%) (\$48.96)

\$406.30 Net



## Wage Efficiency Theory

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Wage rates are explained by the same market forces as a gallon of gas.

Suggests that organizations have incentive to pay more than the going rate because doing so attracts better candidates, motivates them to work harder, and encourages them to stay longer.

“Being Competitive”



## Current CNA Wage Analysis

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<b>Market Rate:</b>	<b>\$13.34</b>
<b>Mean:</b>	<b>\$12.56</b>
<b>Median:</b>	<b>\$12.15</b>
<b>Min:</b>	<b>\$11.25</b>
<b>Max:</b>	<b>\$15.64</b>

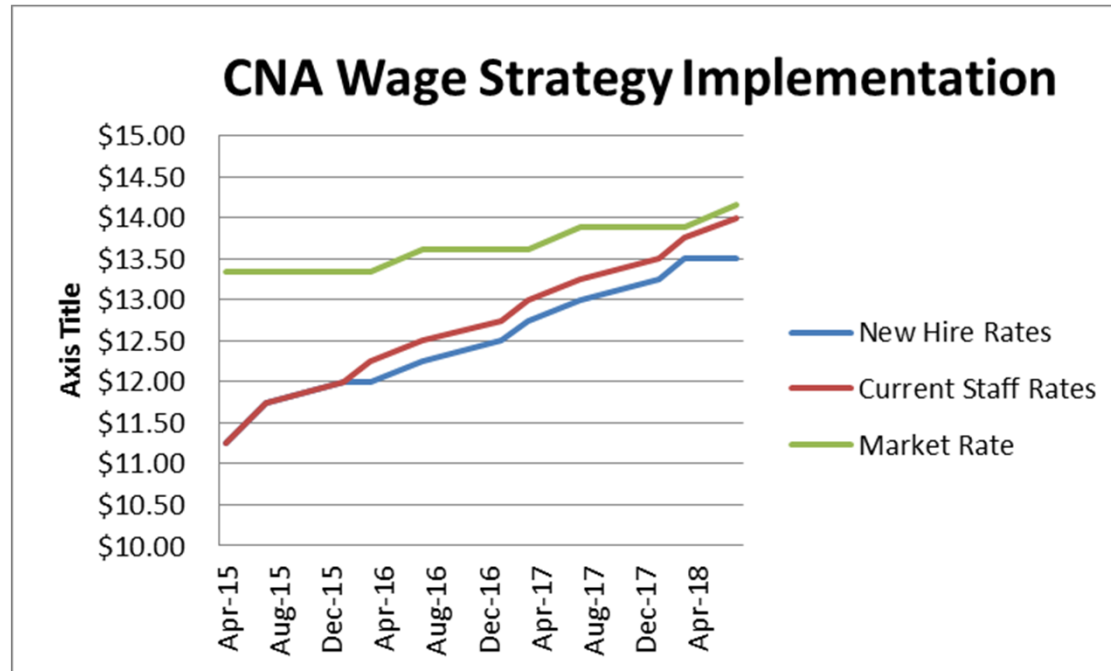
71% (141/198 ) of current staff is below the market rate.

# Market Rate Projections

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Year	Market Trend %	Market Rate
2015	-	\$13.34
2016	2%	\$13.62
2017	2%	\$13.88
2018	2%	\$14.14

# CNA Wage Strategy Implementation



**Current Staff projected at lowest current rate \$11.25**

## Financial Costs

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### Based on current staff:

July 2015:	\$66,800
January 2016:	\$29,500
July 2016:	\$28,500
January 2017:	\$23,900
July 2017:	\$19,500
January 2018:	\$13,600
<u>July 2018:</u>	<u>\$12,200</u>
	\$194,000

### Impacts 2015-2019 Budgets



# Other CNA Recruitment & Retention Strategies

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**Employee Engagement**

**Best Places to Work**

**CNA Program**

**Employee Referral Bonus**



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

**May 22, 2015**

**8:00AM**

**NCHC – Wausau Campus**

Present:	X Jean Burgener	X Lee Olkowski	X John Robinson
	X Bill Metter	X John Badow	
Also Present:	X Brenda Glodowski	X Gary Bezucha	X Gretchen Brown
	X Terry Kaiser	X Becky Schultz	X Michael Loy
	X JoAnn Pemble	X Ron Nye	X Kurt Berner, Samuels Group

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

Minutes

- **Motion** / second, Metter / Badow to approve minutes of the April 24, 2015, meeting. Motion carried.

Financial Report

- April had a slight loss due to census being slightly below target and to payer mix. Average census in April was 205, down from 213 in March.
- Patient revenue was close to target due to miscellaneous department revenue being up.
- Expenses were higher due to overall benefits being up in April facility-wide, particularly health insurance, and because drugs were high related to having an extra invoice day in April, which happens periodically.
- Overall census is also down at other area nursing homes, as is their Medicare census. Our Medicare census has remained strong at 26 for April.
- Staffing saw an increase in overtime hours, which was due to on-boarding of new staff and orientation hours. We are currently down to 19 open positions. Last year staff turnover rate was 41.5%. Year-to-date we are at 32.5%.
- Our YTD gain is at \$72,000, which is \$40,000 ahead of target.
- Census for May is averaging at 204. Hospital census is up from earlier in the month and we are seeing an increase in admissions as of today.
- Utilization of temporary agency staff is down.
- We continue to monitor staffing levels relative to current census.

Nursing Home Update

- MVCC Overall Dashboard for April:
  - Rehospitalization rate is 11.1%; YTD is at 15.3% due to an increase in January. This is above target, but below state and national percentages. Expect this to continue to go down by year end.
  - Employee turnover rate is 32.5%, which is trending down a bit from previous months.
  - YTD External customer service is 68.8%; target is 82-86%. An action plan has been implemented for all NCHC departments, working with Leadership team focusing on customer service, and HealthStream is coming in to provide additional education on analyzing these results. Of note is that the 68% represents customers that ranked at 9 or 10, which is a high ranking.

- CMS 3-Star Rating
  - The nursing went from a 5-star to a 4-star rating after our annual survey in September 2014 when we were cited for documentation issues and received an “H” tag. Those issues have been corrected and resolved. An action plan has been in place since September 2014, which includes proactive audits that are ongoing. Our ECS software was also modified so documentation is more concise.
  - When CMS published the new ratings, a Kaiser Family Foundation article stated, “their analysis found that more than one-third of the nation’s 15,500 nursing homes, caring for 30 percent of all nursing home residents, received one- to two-star ratings under the CMS’ recently revamped five-star quality rating system.”
  - Also included in the new rating system is a trigger for use of antipsychotic medications. Many of our residents come in with orders for these medications. While we are quick to wean as many as we can, it is the first MDS completed at admission that triggers the usage to CMS. Any reductions we are able to do are not translated into that report until the second MDS.
  - There are only a few diagnoses that CMS deems appropriate for antipsychotic medications, schizophrenia or Huntington’s chorea. Many of our dementia and ventilator-dependent residents who need these medications do not have these diagnoses. Therefore, by virtue of our population, we will continue to trigger under this quality measure.
  - None of our quality indicators have changed. Our psychotropic usage is still lower than state and national averages.
- Nursing Home leadership and therapy staff are meeting with Navi Health on May 28 to better understand what they are looking at and how we can work together.
- Our new therapy provider, Aegis, is now on board and doing a good job. They have reassessed all residents and are working on getting started with outpatient therapy services. Approximately three-quarters of the previous RehabCare staff stayed with Aegis. We did see reduced revenues for rehab services in April due to the transition, not being as aggressive in seeing residents, and under-utilization of Part B.
- Reviewed draft of Affiliation Agreement with Aspirus, which basically encompasses ease of transition between different continuums and quality. There is a meeting with them in early June to identify specific diagnoses to focus on. The final Affiliation Agreement will also be presented. Gretchen will report as they move forward.

#### Master Facility Plan Update

- No new information on construction phasing to report.

#### Marathon County Board Action

- At their May 19<sup>th</sup> meeting, the Marathon County Board vote for funding of the master facility plan did not receive the required 75% support of the full board, therefore, the vote failed. Vote results were 24-10, plus 4 absentees that count as no votes.
- Reviewed reasons behind the “no” votes:
  - Not enough information about NCHC, the 51.42 board, and the master facility renovation project in general.
  - Historic issues with provision of mental health services, specifically to the jail.
  - A few that still feel the county should not be in the nursing home business.

- The support of the majority of the supervisors was extraordinary. Written and verbal comments made by supporting supervisors were shared.
- The funding vote can only be brought back for reconsideration by a supervisor that voted no.
- Moving forward:
  - Determine how to provide additional education and information to those who felt they did not have enough information.
  - Allow time to demonstrate that we are willing and capable to work with the mental health issues and the jail; reestablish/build trust.
    - Progress has already begun on this issue and it will get resolved.
    - NCHC will have to make a large investment to get the desired results; however, we do not have control over all the variables, both sides need to address their problems and work together as equal partners.
    - Ordinance #0-14-15 was established to create a task force consisting of county board leadership, the Sheriff's Department, and representation from the NCCSP Board to oversee the work of previously established work groups addressing facets of Marathon County's relationship with NCHC. Jean Burgener will serve on the task force as a representative of the 51.42 Board.
- Kurt Berner from the Samuels Group shared some of the financial implications of delaying the MVCC renovation.
  - The difference between their bid and the next lowest bid was \$1 million. If the bids expire due to delay, we are basically walking away from a \$1 million opportunity.
  - If the start of construction is extended into July, there would be approximately \$30,000 of additional cost.
  - If construction is delayed until 2016, construction costs could be as much as 6 to 8 percent higher due to current skyrocketing construction costs.
  - The county has already spent in excess of \$600,000 for design costs.
  - Kurt feels those who voted no should be also aware of these financial implications while there is still a window of opportunity to maintain current bids.
  - Kurt was asked to clarify and confirm the actual money on the table before presenting that information to the County Board. Also confirm exactly how long the current bid will hold. Kurt to send a draft of his comments to Gary. Then can determine how to relay the information to the County Board.

Education – Nursing Home Management Agreement with North Central Community Services Program – Gary Bezucha

- Briefly reviewed an updated agreement between Marathon County and North Central Community Services Program for governance of the Mount View Care Center. The agreement has been in place for many years and was recently reviewed by the Governance Task Force.
- The agreement is to be reviewed by the Executive Committee to be placed on the agenda for the NCHC Board to approve at their meeting next week. If approved, it goes to the Health and Human Services Committee, and then to the Marathon County Board for approval.
- Updates include:
  - Committee members to be appointed by the NCHC Board and approved by the Marathon County Board.
  - Eliminated annual review of this agreement as the term of the agreement is for 10 years.
  - Omitted: 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.

Added: 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.

**Motion** / second, Metter / Bandow to recommend the Nursing Home Management Agreement be brought to the 51.42 Board for review and approval. Motion carried.

- Future agenda items: No new future agenda items.
- Gretchen to research the changes to the 5-star rating criteria to determine if the nursing home could ever achieve a 5-star rating again based on residents admitted with psychotropic medications, and if not, what would we have to do to meet the criteria for a 5-star rating.

**Motion** / second, Bandow / Metter to adjourn. Motion carried and meeting adjourned at 9:45am.

*jhp*

6/18/15 Medical Staff meeting recommended Bylaw revision

## 6.7 DISASTER PRIVILEGES

For the purpose of this Section a “disaster” is defined as any officially declared emergency whether it is local, state or national, and that creates healthcare demands that exceed the capabilities of NCHC and/or the Medical Staff. A practitioner providing patient care in the event of a disaster must be granted privileges by the Chief Executive Officer or designee, prior to providing patient care following the specific defined in the Disaster Privileging Policy. Such privileges shall be valid only for the duration of the disaster and shall automatically terminate at the end of needed services.